

APPROPRIATIONS, BUDGET ESTIMATES, ETC.

VOL. 1

STATEMENTS

ONE HUNDRED SEVENTH CONGRESS, FIRST SESSION

(January 3, 2001 to December 20, 2001)

SHOWING

VOL. 1

APPROPRIATIONS ACTS (pp. 1-716)

ACCOUNT, RECAPITULATION AND SUPPORTING TABLES (pp. 717-918)

VOL. 2

ACTS AUTHORIZING OR CONTAINING APPROPRIATIONS (pp. 919-2371)

PREPARED UNDER THE DIRECTION OF THE COMMITTEES ON APPROPRIATIONS OF THE SENATE AND HOUSE OF
REPRESENTATIVES AS REQUIRED BY LAW (U.S. CODE, TITLE 2, SECTION 105)

BY

STEVEN J. CORTESE
*Staff Director to the
Committee on Appropriations
United States Senate*

JAMES W. DYER
*Clerk and Staff Director to the
Committee on Appropriations
House of Representatives*

COMPILERS' NOTES

STATUTE PROVIDING FOR THESE STATEMENTS:

The Legislative Appropriation Act approved, June 7, 1924, provided: "In lieu of the data relating to offices created and omitted and salaries increased and reduced, the statement shall hereafter contain such additional information concerning estimates and appropriations, as the committees may deem necessary."

Such data had been tabulated in previous volumes of this work for each session of Congress from the Fiftieth to the Sixty-seventh, inclusive, covering the fiscal years 1889 to 1924, inclusive.

OVERVIEW FOR THIS VOLUME:

This compilation contains laws making, rescinding, or affecting appropriations which were enacted during the first session of the 107th Congress.

Included are the text for the following enacted laws:

—Fiscal year 2001: two emergency supplemental appropriations acts.

—Fiscal year 2002: thirteen regular annual acts, one supplemental appropriations act, and eight continuing appropriations acts.

This volume also contains various comparative tables for the session. These tables have been revised in format and content from those of previous editions. A description of these tables is provided (p. 717), as well as a cross reference of tables to previous editions (p. 718).

FISCAL YEAR DEFINITION:

The Congressional Budget and Impoundment Control Act of 1974, Public Law 93-344, changed the fiscal year from the July 1—June 30 fiscal year to an October 1—September 30 fiscal year. Volumes beginning with fiscal year 1977, are based upon the October 1—September 30 fiscal year.

TERMS AND DEFINITIONS:

While required by the constitution as a necessary prerequisite to the withdrawal of any money from the Treasury, through long usage the term "appropriation" acquired a definite, technical word-of-art meaning in relating to many details and summaries in the annual budget of the President, in the making available of obligational and spending authority, and in tabulations and summarizations of congressional fiscal actions. If the language did not "appropriate" within the concept thus imparted to the term, then it was not added in the "appropriation" totals. If it did so "appropriate", it was added in the total.

Thus in congressional tabulations generally, a "reappropriation" (extension) of a balance of a previous appropriation was not added to the "appropriation" totals even though it provided obligational and spending authority beyond what would in its absence have been the case. However, when a bill that provided for a "reappropriation" became law after the fiscal year in which the amount originally was provided, the reappropriation was added to the "appropriation" total.

(II)

Previous to the 90th Cong., 2d sess., an "authorization to expend from debt receipts" (sometimes called "public debt borrowing authority") was not counted as an "appropriation" even though it conveyed both authority to obligate and authority to expend. An authorization to enter into contracts in advance of an appropriation ("contract authorization"), being authority to obligate the Government but not to expend money, was not added in the general "appropriation" totals. But a subsequent "appropriation to liquidate" that contract authorization an authority to expend money but not to create additional obligations was counted as an "appropriation".

Furthermore, historically, prior to the fiscal year 1969, the general budgetary and congressional appropriation totals were arranged and presented so as to give greater emphasis and prominence to those dealing with Federal or Federally owned funds, as distinct from trust funds which the Government theoretically holds in a fiduciary capacity. Although prior to fiscal year 1938 (75th Cong., 1st sess.) such trust funds were relatively insignificant in the total appropriations picture they subsequently came to loom large, and while separately tabulated and noted in volumes of this work previous to the 90th Cong., 2d sess., they were not included in the aggregate totals of "appropriations" generally. (See note, table X, in volumes prior to the 90th Cong., 2d sess.). But in subsequent volumes, they are incorporated in general appropriation totals.

Title 31 U.S.C., section 2, dealing with the national budget system, provides that the term "appropriations" includes, in appropriate context ". . . funds and authorizations to create obligations by contract in advance of appropriations, or any other authority making funds available for obligation or expenditure".

Special Note.—A further significant departure in what is now included in several general summary tabulations, which was not so included in these volumes prior to the 90th congress., 2d sess., has to do with obligational or spending authority (including rescissions) conveyed in acts other than the regular annual and supplemental "appropriation" acts. Copies of such acts, and certain specific tabulations related to them, usually appear in one way or another in such prior volumes, but the amounts were not added directly into a number of the overall summary tabulations as had been done in volumes beginning with the 90th Cong., 2d sess.

A new, unified budget concept recommended by the President's Commission on Budget Concepts in its report of October 10, 1967, was embraced by the President, and the Budget for 1969 incorporated most of its basic features. The object was to secure usage, as nearly as may be practicable, of a single concept of appropriations, receipts, expenditures, lending, and debt in order to promote public and congressional understanding of Federal fiscal and budget actions and matters. The various comparative tabulations and summaries in this volume conform generally to the new concept in respect to "appropriations". The major single difference between aggregate general totals in this volume in contrast to those in volumes previous to the 90th Cong., 2d sess., is the inclusion, in this volume, of trust funds (virtually all of which, incidentally, in any session or year, flow automatically from permanent-type enactment of previous sessions that thus do not require action in bills of the current session).

(For a more detailed exposition of the new concept, see the Report of the Commission, especially in relation to "appropriation", pp. 6, 12, 16, 76, 95, and 100; Special Analysis A, the Budget for 1969; and hearings of February 8, 1968, before the Committee on Appropriations, House of Representatives, on the Budget for 1969, p. 40 and following.)

COMMITTEES ON APPROPRIATIONS

ONE HUNDRED SEVENTH CONGRESS, FIRST SESSION

SENATE

TED STEVENS, Alaska, *Chairman*

| | |
|-----------------------------------|------------------------------------|
| THAD COCHRAN, Mississippi | ROBERT C. BYRD, West Virginia |
| ARLEN SPECTER, Pennsylvania | DANIEL K. INOUE, Hawaii |
| PETE V. DOMENICI, New Mexico | ERNEST F. HOLLINGS, South Carolina |
| CHRISTOPHER S. BOND, Missouri | PATRICK J. LEAHY, Vermont |
| MITCH McCONNELL, KENTUCKY | TOM HARKIN, Iowa |
| CONRAD BURNS, Montana | BARBARA A. MIKULSKI, Maryland |
| RICHARD C. SHELBY, Alabama | HARRY REID, Nevada |
| JUDD GREGG, New Hampshire | HERB KOHL, Wisconsin |
| ROBERT F. BENNETT, Utah | PATTY MURRAY, Washington |
| BEN NIGHTHORSE CAMPBELL, Colorado | BYRON L. DORGAN, North Dakota |
| LARRY CRAIG, Idaho | DIANNE FEINSTEIN, California |
| KAY BAILEY HUTCHISON, Texas | RICHARD J. DURBIN, Illinois |
| MIKE DEWINE, Ohio | TIM JOHNSON, South Dakota |
| | MARY L. LANDRIEU, Louisiana |

HOUSE OF REPRESENTATIVES

C. W. BILL YOUNG, Florida, *Chairman*

| | |
|---------------------------------------|--------------------------------------|
| RALPH REGULA, Ohio | DAVID R. OBEY, Wisconsin |
| JERRY LEWIS, California | JOHN P. MURTHA, Pennsylvania |
| HAROLD ROGERS, Kentucky | NORMAN D. DICKS, Washington |
| JOE SKEEN, New Mexico | MARTIN OLAV SABO, Minnesota |
| FRANK R. WOLF, Virginia | STENY H. HOYER, Maryland |
| TOM DELAY, Texas | ALAN B. MOLLOHAN, West Virginia |
| JIM KOLBE, Arizona | MARCY KAPTUR, Ohio |
| SONNY CALLAHAN, Alabama | NANCY PELOSI, California |
| JAMES T. WALSH, New York | PETER J. VISCLOSKEY, Indiana |
| CHARLES H. TAYLOR, North Carolina | NITA M. LOWEY, New York |
| DAVID L. HOBSON, Ohio | JOSÉ E. SERRANO, New York |
| ERNEST J. ISTOOK, Jr., Oklahoma | ROSA L. DeLAURO, Connecticut |
| HENRY BONILLA, Texas | JAMES P. MORAN, Virginia |
| JOE KNOLLENBERG, Michigan | JOHN W. OLVER, Massachusetts |
| DAN MILLER, Florida | ED PASTOR, Arizona |
| JACK KINGSTON, Georgia | CARRIE P. MEEK, Florida |
| RODNEY P. FRELINGHUYSEN, New Jersey | DAVID E. PRICE, North Carolina |
| ROGER F. WICKER, Mississippi | CHET EDWARDS, Texas |
| GEORGE R. NETHERCUTT, Jr., Washington | ROBERT E. "BUD" CRAMER, Jr., Alabama |
| RANDY "DUKE" CUNNINGHAM, California | PATRICK J. KENNEDY, Rhode Island |
| TODD TIAHRT, Kansas | JAMES E. CLYBURN, South Carolina |
| ZACH WAMP, Tennessee | MAURICE D. HINCHEY, New York |
| TOM LATHAM, Iowa | LUCILLE ROYBAL-ALLARD, California |
| ANNE M. NORTHUP, Kentucky | SAM FARR, California |
| ROBERT B. ADERHOLT, Alabama | JESSE L. JACKSON, Jr., Illinois |
| JO ANN EMERSON, Missouri | CAROLYN C. KILPATRICK, Michigan |
| JOHN E. SUNUNU, New Hampshire | ALLEN BOYD, Florida |
| KAY GRANGER, Texas | CHAKA FATTAH, Pennsylvania |
| JOHN E. PETERSON, Pennsylvania | STEVEN R. ROTHMAN, New Jersey |
| JOHN T. DOOLITTLE, California | |
| RAY LAHOOD, Illinois | |
| JOHN E. SWEENEY, New York | |
| DAVID VITTER, Louisiana | |
| DON SHERWOOD, Pennsylvania | |
| VIRGIL H. GOODE, Jr., Virginia | |

C O N T E N T S *

| | Page | |
|---|------|-------|
| | Act | Table |
| Supplemental Acts, 2001: | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20) | 1 | 719 |
| Emergency Supplemental Appropriations Act, 2001 (P.L. 107-38) | 41 | 731 |
| Regular Annual Acts, 2002: | | |
| Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (P.L. 107-76) | 45 | 732 |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 91 | 745 |
| Department of Defense Appropriations Act, 2002 (P.L. 107-117) | 153 | 761 |
| District of Columbia Appropriations Act, 2002 (P.L. 107-96) | 215 | 768 |
| Energy and Water Development Appropriations Act, 2002 (P.L. 107-66) | 253 | 772 |
| Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (P.L. 107-115) | 283 | 777 |
| Department of the Interior and Related Agencies Appropriations Act, 2002 (P.L. 107-63) | 343 | 783 |
| Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (P.L. 107-116) | 405 | 793 |
| Legislative Branch Appropriations Act, 2002 (P.L. 107-68) | 459 | 804 |
| Military Construction Appropriations Act, 2002 (P.L. 107-64) | 495 | 812 |
| Department of Transportation and Related Agencies Appropriations Act, 2002 (P.L. 107-87) | 507 | 815 |
| Treasury and General Government Appropriations Act, 2002 (P.L. 107-67) | 551 | 828 |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 599 | 834 |
| Supplemental Act, 2002: | | |
| Emergency Supplemental Act, 2002 (P.L. 107-117) | 651 | 845 |
| Continuing Acts, 2002: | | |
| P.L. 107-44, P.L. 107-48, P.L. 107-53, P.L. 107-58, P.L. 107-70, P.L. 107-79, P.L. 107-83, P.L. 107-97 | 705 | .... |

* CLERK'S NOTE.—For extended research of this document, use search engine on accompanying CD/ROM.

| | Page |
|---|------|
| Description of tables | 717 |
| Cross reference of tables to previous editions | 718 |
| Account Tables: | |
| Table 1. Appropriations account tables | 719 |
| Recapitulation Tables: | |
| Table 2. Appropriations recap by act | 857 |
| Table 3. Recap of mandatory and discretionary scoring by act | 859 |
| Table 4. Appropriations for fiscal year 2002 by agency | 863 |
| Table 5. Appropriations arranged by agency and fiscal year | 871 |
| Table 6. Actions on appropriations for fiscal year 2001 and 2002 | 879 |
| Table 7. Comparison by calendar year (1945–present) | 881 |
| Table 8. Comparison by fiscal year (1981–present) | 883 |
| Supporting Tables: | |
| Table 9. Rescissions and deferrals considered arranged by agency and fiscal year | 885 |
| Table 10. OMB cumulative reports on rescissions and deferrals | 891 |
| Table 11. Liquidation of contract authorization carried in appropriations acts | 895 |
| Table 12. Permanent appropriations—Federal Funds | 897 |
| Table 13. Permanent appropriations—Trust Funds | 909 |
| Table 14. Acts authorizing or containing appropriations | 913 |
| Table 15. Appropriations in Legislative Acts | 917 |

VOL. 2

| | |
|---|------|
| Acts authorizing or containing appropriations (see table 14): | |
| Agriculture Acts | 919 |
| Defense Acts | 927 |
| District of Columbia Acts | 1275 |
| Education Acts | 1291 |
| Foreign Affairs Acts | 1879 |
| General Government Acts | 1897 |
| Health and Human Services Acts | 1935 |
| Housing Acts | 1975 |
| Interior Acts | 1977 |
| Justice Acts | 1989 |
| Revenue Acts | 2107 |
| Small Business Acts | 2223 |
| State Acts | 2255 |
| Transportation Acts | 2257 |
| Treasury Acts | 2313 |
| Veterans Acts | 2315 |

**SUPPLEMENTAL APPROPRIATIONS ACT,
2001**

PUBLIC LAW 107-20

SUPPLEMENTAL APPROPRIATIONS ACT, 2001

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

Public Law 107-20
107th Congress

An Act

July 24, 2001
[H.R. 2216]

Making supplemental appropriations for the fiscal year ending September 30, 2001,
and for other purposes.

Supplemental
Appropriations
Act, 2001.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled, That the
following sums are appropriated, out of any money in the Treasury
not otherwise appropriated, for the fiscal year ending September
30, 2001, and for other purposes, namely:*

TITLE I—NATIONAL SECURITY MATTERS

CHAPTER 1

DEPARTMENT OF JUSTICE

RADIATION EXPOSURE COMPENSATION

PAYMENT TO RADIATION EXPOSURE COMPENSATION TRUST FUND

| | |
|-------------------------------------|---|
| \$20,000,000 <i>(indefinite)</i> | For payment to the Radiation Exposure Compensation Trust Fund for approved claims, for fiscal year 2001, such sums as may be necessary. |
|-------------------------------------|---|

CHAPTER 2

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

| | |
|-------------|---|
| 164,000,000 | For an additional amount for “Military Personnel, Army”, \$164,000,000. |
|-------------|---|

MILITARY PERSONNEL, NAVY

| | |
|------------|--|
| 84,000,000 | For an additional amount for “Military Personnel, Navy”, \$84,000,000. |
|------------|--|

MILITARY PERSONNEL, MARINE CORPS

| | |
|------------|--|
| 69,000,000 | For an additional amount for “Military Personnel, Marine Corps”, \$69,000,000. |
|------------|--|

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for “Military Personnel, Air Force”,
\$119,500,000. \$119,500,000

RESERVE PERSONNEL, ARMY

For an additional amount for “Reserve Personnel, Army”,
\$52,000,000. 52,000,000

RESERVE PERSONNEL, AIR FORCE

For an additional amount for “Reserve Personnel, Air Force”,
\$8,500,000. 8,500,000

NATIONAL GUARD PERSONNEL, ARMY

For an additional amount for “National Guard Personnel,
Army”, \$6,000,000. 6,000,000

NATIONAL GUARD PERSONNEL, AIR FORCE

For an additional amount for “National Guard Personnel, Air
Force”, \$12,000,000. 12,000,000
[*Total, Military Personnel, \$515,000,000.*]

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for “Operation and Maintenance,
Army”, \$792,400,000, of which \$214,000,000 shall be made available
only for the repair and maintenance of real property. 792,400,000

OPERATION AND MAINTENANCE, NAVY

For an additional amount for “Operation and Maintenance,
Navy”, \$1,024,100,000: *Provided*, That of the funds made available
under this heading, \$10,200,000 shall remain available for obliga-
tion until September 30, 2002. 1,024,100,000

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for “Operation and Maintenance,
Marine Corps”, \$62,000,000. 62,000,000

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for “Operation and Maintenance,
Air Force”, \$813,800,000. 813,800,000

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for “Operation and Maintenance,
Defense-Wide”, \$123,250,000: *Provided*, That of the funds made
available under this heading, \$6,800,000 shall remain available
for obligation until September 30, 2002. 123,250,000

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

OPERATION AND MAINTENANCE, ARMY RESERVE

\$20,500,000 For an additional amount for “Operation and Maintenance, Army Reserve”, \$20,500,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

12,500,000 For an additional amount for “Operation and Maintenance, Navy Reserve”, \$12,500,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

1,900,000 For an additional amount for “Operation and Maintenance, Marine Corps Reserve”, \$1,900,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

34,000,000 For an additional amount for “Operation and Maintenance, Air Force Reserve”, \$34,000,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

42,900,000 For an additional amount for “Operation and Maintenance, Army National Guard”, \$42,900,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

119,300,000 For an additional amount for “Operation and Maintenance, Air National Guard”, \$119,300,000.
[Total, Operation and maintenance, \$3,046,650,000.]

PROCUREMENT

OTHER PROCUREMENT, ARMY

7,000,000 For an additional amount for “Other Procurement, Army”, \$7,000,000, to remain available for obligation until September 30, 2003.

SHIPBUILDING AND CONVERSION, NAVY

(INCLUDING TRANSFER OF FUNDS)

297,000,000 For an additional amount for “Shipbuilding and Conversion, Navy”, \$297,000,000: *Provided*, That upon enactment of this Act, the Secretary of the Navy shall transfer such funds to the following appropriations in the amount specified: *Provided further*, That the amounts transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriations to which transferred:

To:

Under the heading, “Shipbuilding and Conversion, Navy, 1995/2001”:

Carrier Replacement Program, \$84,000,000.

DDG-51 Destroyer Program, \$300,000.

Under the heading, “Shipbuilding and Conversion, Navy, 1996/2001”:

DDG-51 Destroyer Program, \$14,600,000.

LPD-17 Amphibious Transport Dock Ship Program, \$140,000,000.

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

Under the heading, “Shipbuilding and Conversion, Navy, 1997/2001”:

DDG-51 Destroyer Program, \$12,600,000.

Under the heading, “Shipbuilding and Conversion, Navy, 1998/2001”:

NSSN Program, \$32,000,000.

DDG-51 Destroyer Program, \$13,500,000.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for “Aircraft Procurement, Air Force”, \$78,000,000, to remain available for obligation until September 30, 2003. \$78,000,000

MISSILE PROCUREMENT, AIR FORCE

For an additional amount for “Missile Procurement, Air Force”, \$15,500,000, to remain available for obligation until September 30, 2003. 15,500,000

PROCUREMENT OF AMMUNITION, AIR FORCE

For an additional amount for “Procurement of Ammunition, Air Force”, \$31,200,000, to remain available for obligation until September 30, 2003. 31,200,000

OTHER PROCUREMENT, AIR FORCE

For an additional amount for “Other Procurement, Air Force”, \$138,150,000, to remain available for obligation until September 30, 2003. 138,150,000

PROCUREMENT, DEFENSE-WIDE

For an additional amount for “Procurement, Defense-Wide”, \$5,800,000, to remain available for obligation until September 30, 2003. 5,800,000

[Total, Procurement, \$572,650,000.]

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For an additional amount for “Research, Development, Test and Evaluation, Army”, \$5,000,000, to remain available for obligation until September 30, 2002. 5,000,000

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For an additional amount for “Research, Development, Test and Evaluation, Navy”, \$128,000,000, to remain available for obligation until September 30, 2002. 128,000,000

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For an additional amount for “Research, Development, Test and Evaluation, Air Force”, \$275,500,000, to remain available for obligation until September 30, 2002. 275,500,000

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

\$84,100,000 For an additional amount for “Research, Development, Test and Evaluation, Defense-Wide”, \$84,100,000, to remain available for obligation until September 30, 2002.
 [Total, RDT&E, \$492,600,000.]

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

178,400,000 For an additional amount for “Defense Working Capital Funds”, \$178,400,000, to remain available until expended.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

1,453,400,000 For an additional amount for “Defense Health Program”, \$1,453,400,000 for Operation and maintenance, of which \$500,000,000 shall remain available until September 30, 2002: *Provided*, That of the funds made available in this paragraph, not more than \$655,000,000 may be made available for a global settlement of claims made under TRICARE managed care support contracts: *Provided further*, That of the funds made available in this paragraph, not less than \$151,200,000 shall be made available upon enactment only for requirements of the direct care system and military medical treatment facilities, to be administered solely by the uniformed services Surgeons General: *Provided further*, That funds made available in this paragraph may be used to cover increases in costs associated with the provision of health care services to eligible beneficiaries of all the uniformed services.

150,000,000 For an additional amount for “Defense Health Program”, \$150,000,000 for Operation and maintenance, to remain available until expended, only for the use of the Surgeons General to improve the quality of care provided at military medical treatment facilities, of which \$30,000,000 shall be made available only to optimize health care services at Army military medical treatment facilities, \$30,000,000 shall be made available only to optimize health care services at Navy military medical treatment facilities, \$30,000,000 shall be made available only to optimize health care services at Air Force military medical treatment facilities, \$30,000,000 shall be made available only to finance advances in medical practices to be equally divided between the services, and \$30,000,000 shall be made available for other requirements of the direct care system and military medical treatment facilities: *Provided*, That the funds provided in this paragraph are to be administered solely by the Army, Navy and Air Force Surgeons General: *Provided further*, That none of the funds provided in this paragraph may be made available for optimization programs, projects or activities unless the Surgeon General of the respective service determines that: (1) such program, project or activity shall produce annual cost savings in excess of annual cost within not more than three years from the date of project initiation, or (2) that such program, project or activity is necessary to address a serious health care deficiency at a military medical treatment facility that could threaten health care outcomes: *Provided further*, That none of the funds provided in this paragraph may be made available to a service unless the Secretary of Defense expresses the intent to the congressional

defense committees that all optimization programs, projects and activities financed in this paragraph will be continued and fully financed in the Department of Defense six year budget plan known as the Program Objective Memorandum.

[Total, \$1,603,400,000.]

GENERAL PROVISIONS—THIS CHAPTER

SEC. 1201. Fuel transferred by the Defense Energy Supply Center to the Department of the Interior for use at Midway Island during fiscal year 2000 shall be deemed for all purposes to have been transferred on a nonreimbursable basis.

SEC. 1202. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

(INCLUDING TRANSFER OF FUNDS)

SEC. 1203. In addition to the amount appropriated in section 308 of division A, Miscellaneous Appropriations Act, 2001, as enacted by section 1(a)(4) of Public Law 106-554 (114 Stat. 2763A-181 and 182), \$44,000,000 is hereby appropriated for “Operation and Maintenance, Navy”, to remain available until expended: *Provided*, That such amount, and the amount previously appropriated in section 308, shall be for costs associated with the stabilization, return, refitting, necessary force protection upgrades, and repair of the U.S.S. COLE, including any costs previously incurred for such purposes: *Provided further*, That the Secretary of Defense may transfer these funds to appropriations accounts for procurement: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That the transfer authority provided herein is in addition to any other transfer authority available to the Department of Defense.

(RESCISSIONS)

SEC. 1204. Of the funds made available in Department of Defense appropriations Acts, or otherwise available to the Department of Defense, the following funds are hereby rescinded, from the following accounts in the specified amounts:

- “Procurement, Marine Corps, 2000/2002”, \$3,000,000;
- “Overseas Contingency Operations Transfer Fund, 2001”, \$200,000,000;
- “Foreign Currency Fluctuations, Defense”, \$68,400,000;
- “Aircraft Procurement, Navy 2001/2003”, \$199,000,000;
- “Shipbuilding and Conversion, Navy, 2001/2005”, LPD-17(AP), \$75,000,000;
- “Procurement, Marine Corps, 2001/2003”, \$5,000,000;
- “Aircraft Procurement, Air Force, 2001/2003”, \$327,500,000;
- “Other Procurement, Air Force, 2001/2003”, \$65,000,000;
- “Procurement, Defense-Wide, 2001/2003”, \$85,000,000; and
- “Research, Development, Test and Evaluation, Defense-Wide, 2001/2002”, \$7,000,000.

¹Total rescissions.

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

SEC. 1205. In addition to amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense or in the Department of Defense Appropriations Act, 2001 (Public Law 106-259), \$39,900,000 is hereby appropriated to the Department of Defense, for facilities repair and damages resulting from natural disasters, as follows:

\$39,900,000

“Operation and Maintenance, Army”, \$6,500,000;
 “Operation and Maintenance, Navy”, \$23,000,000;
 “Operation and Maintenance, Air Force”, \$8,000,000;
 “Operation and Maintenance, Army Reserve”, \$200,000;
 “Operation and Maintenance, Air Force Reserve”, \$200,000;
 “Operation and Maintenance, Army National Guard”,
 \$400,000;
 “Operation and Maintenance, Air National Guard”,
 \$400,000; and
 “Defense Health Program”, \$1,200,000.

SEC. 1206. The authority to purchase or receive services under the demonstration project authorized by section 816 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337) may be exercised through January 31, 2002, notwithstanding subsection (c) of that section.

SEC. 1207. Notwithstanding any other provision of law, the Secretary of Defense may retain all or a portion of Fort Greely, Alaska as the Secretary deems necessary, to meet military, operational, logistics and personnel support requirements for missile defense.

SEC. 1208. Of the funds appropriated in the Department of Defense Appropriations Act, 2001, Public Law 106-259, in title IV under the heading, “Research, Development, Test and Evaluation, Navy”, \$2,000,000 may be made available for a Maritime Fire Training Center at the Marine and Environmental Research and Training Station (MERTS), and \$2,000,000 may be made available for a Maritime Fire Training Center at Barbers Point, including provision for laboratories, construction, and other efforts associated with research, development, and other programs of major importance to the Department of Defense.

SEC. 1209. Of the amounts appropriated in this Act under the heading “Operation and Maintenance, Army”, \$8,000,000 shall be available for the purpose of repairing storm damage at Fort Sill, Oklahoma, and Red River Army Depot, Texas.

SEC. 1210. (a) Notwithstanding any other provision of law, the Secretary of the Army shall convey to the City of Bayonne, New Jersey, without consideration, all right, title, and interest of the United States in and to the firefighting and rescue vehicles described in subsection (b).

(b) The firefighting and rescue vehicles referred to in subsection (a) are a rescue hazardous materials truck, a 2,000 gallon per minute pumper, and a 100-foot elevating platform truck, all of which are at Military Ocean Terminal, Bayonne, New Jersey.

SEC. 1211. None of the funds available to the Department of Defense for fiscal year 2001 may be obligated or expended for retiring or dismantling any of the 93 B-1B Lancer bombers in service as of June 1, 2001, or for transferring or reassigning any of those aircraft from the unit, or the facility, to which assigned as of that date.

[Total, general provisions (net), –\$951,000,000.]

[Total, chapter 2 (net), \$5,457,700,000.]

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

CHAPTER 3

DEPARTMENT OF ENERGY

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

For an additional amount for “Weapons Activities”, \$126,625,000, to remain available until expended: *Provided*, That funding is authorized for Project 01-D-107, Atlas Relocation and Operations, and Project 01-D-108, Microsystems and Engineering Sciences Applications Complex. \$126,625,000

OTHER DEFENSE RELATED ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For an additional amount for “Defense Environmental Restoration and Waste Management”, \$95,000,000, to remain available until expended. 95,000,000

DEFENSE FACILITIES CLOSURE PROJECTS

For an additional amount for “Defense Facilities Closure Projects”, \$21,000,000, to remain available until expended. 21,000,000

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

For an additional amount for “Defense Environmental Management Privatization”, \$29,600,000, to remain available until expended. 29,600,000

OTHER DEFENSE ACTIVITIES

For an additional amount for “Other Defense Activities”, \$5,000,000, to remain available until expended. 5,000,000
[Total, chapter 3, \$277,225,000.]

CHAPTER 4

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY

For an additional amount for “Military Construction, Army”, \$22,000,000: *Provided*, That notwithstanding any other provision of law, such funds may be obligated or expended to carry out planning and design and military construction projects not otherwise authorized by law. 22,000,000

MILITARY CONSTRUCTION, NAVY

For an additional amount for “Military Construction, Navy”, \$9,400,000: *Provided*, That notwithstanding any other provision of law, such funds may be obligated or expended to carry out planning and design and military construction projects not otherwise authorized by law. 9,400,000

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

MILITARY CONSTRUCTION, AIR FORCE

\$10,000,000 For an additional amount for “Military Construction, Air Force”, \$10,000,000: *Provided*, That notwithstanding any other provision of law, such funds may be obligated or expended to carry out planning and design and military construction projects not otherwise authorized by law.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

6,700,000 For an additional amount for “Military Construction, Air National Guard”, \$6,700,000: *Provided*, That notwithstanding any other provision of law, such funds may be obligated or expended to carry out planning and design and military construction projects not otherwise authorized by law.

FAMILY HOUSING, ARMY

30,480,000 For an additional amount for “Family Housing, Army”, \$30,480,000 for operation and maintenance.

FAMILY HOUSING, NAVY AND MARINE CORPS

20,300,000 For an additional amount for “Family Housing, Navy and Marine Corps”, \$20,300,000 for operation and maintenance.

FAMILY HOUSING, AIR FORCE

18,000,000 For an additional amount for “Family Housing, Air Force”, \$18,000,000 for operation and maintenance.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV

9,000,000 For an additional amount for deposit into the “Department of Defense Base Realignment and Closure Account 1990”, \$9,000,000, to remain available until expended.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 1401. (a) CADET PHYSICAL DEVELOPMENT CENTER.—Notwithstanding section 138 of the Military Construction Appropriations Act, 2001 (division A of Public Law 106-246; 114 Stat. 524), the Secretary of the Army may expend appropriated funds in excess of the amount specified by such section to construct and renovate the Cadet Physical Development Center at the United States Military Academy, except that—

(1) such additional expenditures may be used only for the purposes of meeting unanticipated price increases and related construction contingency costs and making minor changes to the project to incorporate design features that result in reducing long-term operating costs; and

(2) such additional expenditures may not exceed the difference between the authorized amount for the project and the amount specified in such section.

(b) LIMITATIONS AND REPORTS.—No sums may be expended for final phase construction of the project until 15 days after the Secretary of the Army submits a report to the congressional defense committees describing the revised cost estimates referred to in subsection (a), the methodology used in making these cost estimates,

and the changes in project costs compared to estimates made in October, 2000. Not later than August 1, 2001, the Secretary of the Army shall submit a report to the congressional defense committees explaining the plan of the Department of the Army to expend privately donated funds for capital improvements at the United States Military Academy between fiscal years 2001 and 2011.

Deadline.

SEC. 1402. Except as otherwise specifically provided in this chapter, amounts provided to the Department of Defense under each of the headings in this chapter shall be made available for the same time period as the amounts appropriated under each such heading in Public Law 106-246.

(RESCISSIONS)

SEC. 1403. Of the funds provided in the Military Construction Appropriations Act, 2001 (Public Law 106-246), the following amounts are hereby rescinded as of the date of the enactment of this Act:

| | |
|--|--------------------------|
| “Military Construction, Army”, \$12,856,000; | -\$12,856,000 |
| “Military Construction, Navy”, \$6,213,000; | -6,213,000 |
| “Military Construction, Air Force”, \$4,935,000; | -4,935,000 |
| “Military Construction, Defense-Wide”, \$14,376,000; | ¹ -14,376,000 |
| “Family Housing, Army”, \$4,000,000; and | -4,000,000 |
| “Family Housing, Air Force”, \$4,375,000. | -4,375,000 |

SEC. 1404. Notwithstanding any other provision of law, the amount authorized, and authorized to be appropriated, for the Defense Agencies for the TRICARE Management Agency for a military construction project for Bassett Army Hospital at Fort Wainwright, Alaska, shall be \$215,000,000.

SEC. 1405. DESIGNATION OF ENGINEERING AND MANAGEMENT BUILDING AT NORFOLK NAVAL SHIPYARD, VIRGINIA, AFTER NORMAN SISISKY. The engineering and management building (also known as Building 1500) at Norfolk Naval Shipyard, Portsmouth, Virginia, shall be known as the Norman Sisisky Engineering and Management Building. Any reference to that building in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Norman Sisisky Engineering and Management Building.

Federal buildings and facilities.

[Total, chapter 4 (net), \$79,125,000.]

[Total, title I, National Security Matters (net), \$5,834,050,000.]

TITLE II—OTHER SUPPLEMENTAL APPROPRIATIONS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

For an additional amount for “Office of the Secretary”, \$3,000,000, to remain available until September 30, 2002: *Provided*, That of these funds, no less than \$1,000,000 shall be used for enforcement of the Animal Welfare Act: *Provided further*, That of these funds, no less than \$1,000,000 shall be used to enhance humane slaughter practices under the Federal Meat Inspection Act: *Provided further*, That no more than \$500,000 of these funds shall be made available to the Under Secretary for Research, Education and Economics for development and demonstration of technologies to promote the humane treatment of animals: *Provided*

3,000,000

¹NOTE.—The correct amount “\$14,376,000” has been added in lieu of the amount “\$4,376,000”.

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

further, That these funds may be transferred to and merged with appropriations for agencies performing this work.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”,
\$5,000,000 \$5,000,000.

FARM SERVICE AGENCY

AGRICULTURAL CONSERVATION PROGRAM

(RESCISSION)

Of the funds appropriated for “Agricultural Conservation Program” under Public Law 104-37, \$45,000,000 are rescinded.
-45,000,000

NATURAL RESOURCES CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for “Watershed and Flood Prevention Operations”, to repair damages to waterways and watersheds resulting from natural disasters, \$35,500,000, to remain available until expended.
35,500,000

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2101. Title I of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549, 1549A-10) is amended by striking “until expended” under the heading “Buildings and Facilities” under the heading “Animal and Plant Health Inspection Service” and adding the following: “until expended: *Provided*, That notwithstanding any other provision of law (including chapter 63 of title 31, U.S.C.), \$4,670,000 of the amount shall be transferred by the Secretary and once transferred, shall be state funds for the construction, renovation, equipment, and other related costs for a post entry plant quarantine facility and related laboratories as described in Senate Report 106-288”.

SEC. 2102. The paragraph under the heading “Rural Community Advancement Program” in title III of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549, 1549A-17) is amended—

(1) in the third proviso, by striking “ability of” and inserting “ability of low income rural communities and”; and

(2) in the fourth proviso, by striking “assistance to” the first place it appears and inserting “assistance and to”.

SEC. 2103. (a) Not later than August 1, 2001, the Federal Crop Insurance Corporation shall promulgate final regulations to carry out section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 522(b)), without regard to—

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

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices

Deadline.
Regulations.
7 USC 1522 note.

of proposed rulemaking and public participation in rulemaking; and

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

(b) In carrying out this section, the Corporation shall use the authority provided under section 808 of title 5, United States Code.

(c) The final regulations promulgated under subsection (a) shall take effect on the date of publication of the final regulations.

Effective date.

SEC. 2104. In addition to amounts otherwise available, \$20,000,000, to remain available until expended, from amounts pursuant to 15 U.S.C. 713a-4 for the Secretary of Agriculture to make available financial assistance to eligible producers to promote water conservation in the Klamath Basin, as determined by the Secretary: *Provided*, That the issuance of regulations promulgated pursuant to this section shall be made without regard to: (1) the notice and comment provisions of section 553 of title 5, United States Code; (2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and (3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act"): *Provided further*, That in carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

\$20,000,000

SEC. 2105. Under the heading "Food Stamp Program" in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), in the sixth proviso, strike "\$194,000,000" and insert in lieu thereof "\$191,000,000".

- 3,000,000

114 Stat. 1549A-24.

SEC. 2106. Of funds which may be reserved by the Secretary for allocation to State agencies under section 16(h)(1) of the Food Stamp Act of 1977 to carry out the Employment and Training program, \$39,500,000 made available in prior years are rescinded and returned to the Treasury.

- 39,500,000

SEC. 2107. In addition to amounts otherwise available, \$2,000,000, to remain available until expended, from amounts pursuant to 15 U.S.C. 713a-4 for the Secretary of Agriculture to make available financial assistance to eligible producers to promote water conservation in the Yakima Basin, Washington, as determined by the Secretary: *Provided*, That the issuance of regulations promulgated pursuant to this section shall be made without regard to: (1) the notice and comment provisions of section 553 of title 5, United States Code; (2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and (3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act"): *Provided further*, That in carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

2,000,000

SEC. 2108. (a) In addition to the payment of any other eligible expenses, the Secretary of Agriculture shall have the authority to approve the use of Commodity Credit Corporation funds pursuant to 15 U.S.C. 713a-4 to make available up to \$22,949,000 of financial assistance for internal transportation, storage, and handling expenses, and for any appropriate administrative expenses as determined by the Secretary, for cooperating sponsors with which the Secretary has entered into agreements in fiscal year 2001 or 2002

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

under the Global Food for Education Initiative covered by the notice published by the Corporation in the Federal Register on September 6, 2000 (65 Fed. Reg. 53977 et seq.), for their activities under those agreements.

(b) The unobligated balance of the funds appropriated by section 745(e) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-387) is rescinded.

[Total, chapter 1 (net), -\$22,000,000.]

CHAPTER 2

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

COASTAL AND OCEAN ACTIVITIES

(INCLUDING RESCISSION)

Of the funds made available in Public Law 106-553 for the costs of construction of a research center at the ACE Basin National Estuarine Research Reserve, for use under this heading until expended, \$8,000,000 are rescinded.

-\$8,000,000

For an additional amount for the activities specified in Public Law 106-553 for which funds were rescinded in the preceding paragraph, \$3,000,000, to remain available until expended for construction and \$5,000,000, to remain available until expended for land acquisition.

3,000,000

5,000,000

DEPARTMENTAL MANAGEMENT

EMERGENCY OIL AND GAS GUARANTEED LOAN PROGRAM

(RESCISSION)

Of the funds made available in the Emergency Oil and Gas Guaranteed Loan Program Act (chapter 2 of Public Law 106-51; 113 Stat. 255-258), \$114,800,000 are rescinded.

-114,800,000

RELATED AGENCY

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

Of the funds made available in Public Law 106-553 for the costs of technical assistance related to the New Markets Venture Capital Program for use under this heading in only fiscal year 2001, \$30,000,000 are rescinded.

-30,000,000

For an additional amount for the activities specified in Public Law 106-553 for which funds were rescinded in the preceding paragraph, \$30,000,000, to remain available until expended.

30,000,000

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

BUSINESS LOANS PROGRAM ACCOUNT
(INCLUDING RESCISSION)

Of the funds made available in Public Law 106-553 for the costs of guaranteed loans under the New Markets Venture Capital Program for use under this heading in only fiscal year 2001, \$22,000,000 are rescinded.

-\$22,000,000

For an additional amount for the activities specified in Public Law 106-553 for which funds were rescinded in the preceding paragraph, \$22,000,000, to remain available until expended.

22,000,000

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2201. Section 144(d) of division B of Public Law 106-554 is amended—

114 Stat.
2763A-240.

(1) in paragraph (1) and paragraph (5)(B) by striking “not later than May 1, 2001” and inserting in lieu thereof “as soon as practicable”;

(2) in paragraph (2)(A) by striking “for vessels” and inserting in lieu thereof “who hold such permits based on fishing histories”;

(3) in paragraph (2)(B)(i) by striking “meets” and inserting in lieu thereof “is fishing under a permit that is issued based on fishing histories that meet”;

(4) in paragraph (2)(B)(i) by inserting “, provided that any interim Bering Sea crab fishery certificates issued after December 1, 2000 shall remain valid until the Secretary implements final regulations consistent with the provisions of this subparagraph” after “paragraph”;

(5) in paragraph (3) by striking “the May 1, 2001 date” and inserting in lieu thereof “the direction to issue regulations as soon as practicable as”;

(6) in paragraph (3) by striking “with that date”; and

(7) in paragraph (2)(A)(ii) by striking “have made” and inserting in lieu thereof “except as specifically provided otherwise in the regulations described in clause (i), include”.

SEC. 2202. (a) Section 12102(c) of title 46, United States Code, as amended by section 202(a) of the American Fisheries Act (46 U.S.C. 12102 note), is amended—

(1) in paragraph (2)(B) by striking “or the use” and all that follows in such paragraph and inserting in lieu thereof “or the exercise of rights under loan or mortgage covenants by a mortgagee eligible to be a preferred mortgagee under section 31322(a) of this title, provided that a mortgagee not eligible to own a vessel with a fishery endorsement may only operate such a vessel to the extent necessary for the immediate safety of the vessel or for repairs, drydocking or berthing changes.”; and

(2) by striking paragraph (4) and renumbering the remaining paragraph accordingly.

(b) Section 31322(a)(4) of title 46, United States Code, as amended by section 202(b) of the American Fisheries Act (Public Law 105-277, division C, title II) is amended by striking paragraph (4)(B) and all that follows in such paragraph and inserting in lieu thereof the following:

“(B) a state or federally chartered financial institution that is insured by the Federal Deposit Insurance Corporation;

“(C) a farm credit lender established under title 12, chapter 23 of the United States Code;

“(D) a commercial fishing and agriculture bank established pursuant to State law;

“(E) a commercial lender organized under the laws of the United States or of a State and eligible to own a vessel under section 12102(a) of this title; or

“(F) a mortgage trustee under subsection (f) of this section.”.

(c) Section 31322 of title 46, United States Code is amended by adding at the end the following new subsections:

“(f)(1) A mortgage trustee may hold in trust, for an individual or entity, an instrument or evidence of indebtedness, secured by a mortgage of the vessel to the mortgage trustee, provided that the mortgage trustee—

“(A) is eligible to be a preferred mortgagee under subsection (a)(4), subparagraphs (A)–(E) of this section;

“(B) is organized as a corporation, and is doing business, under the laws of the United States or of a State;

“(C) is authorized under those laws to exercise corporate trust powers;

“(D) is subject to supervision or examination by an official of the United States Government or a State;

“(E) has a combined capital and surplus (as stated in its most recent published report of condition) of at least \$3,000,000; and

“(F) meets any other requirements prescribed by the Secretary.

“(2) If the beneficiary under the trust arrangement is not a commercial lender, a lender syndicate or eligible to be a preferred mortgagee under subsection (a)(4), subparagraphs (A)–(E) of this section, the Secretary must determine that the issuance, assignment, transfer, or trust arrangement does not result in an impermissible transfer of control of the vessel to a person not eligible to own a vessel with a fishery endorsement under section 12102(c) of this title.

“(3) A vessel with a fishery endorsement may be operated by a mortgage trustee only with the approval of the Secretary.

“(4) A right under a mortgage of a vessel with a fishery endorsement may be issued, assigned, or transferred to a person not eligible to be a mortgagee of that vessel under this section only with the approval of the Secretary.

“(5) The issuance, assignment, or transfer of an instrument or evidence of indebtedness contrary to this subsection is voidable by the Secretary.

“(g) For purposes of this section a ‘commercial lender’ means an entity primarily engaged in the business of lending and other financing transactions with a loan portfolio in excess of \$100,000,000, of which not more than 50 per centum in dollar amount consists of loans to borrowers in the commercial fishing industry, as certified to the Secretary by such lender.

“(h) For purposes of this section a ‘lender syndicate’ means an arrangement established for the combined extension of credit of not less than \$20,000,000 made up of four or more entities

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

that each have a beneficial interest, held through an agent, under a trust arrangement established pursuant to subsection (f), no one of which may exercise powers thereunder without the concurrence of at least one other unaffiliated beneficiary.”

(d) Section 31322 of title 46, United States Code as amended in this section, and as amended by section 202(b) of the American Fisheries Act (Public Law 105-277, division C, title II) shall not take effect until April 1, 2003, nor shall the Secretary of Transportation, in determining whether a vessel owner complies with the requirements of section 12102(c) of title 46, United States Code, consider the citizenship status of a lender, in its capacity as a lender with respect to that vessel owner, until after April 1, 2003.

46 USC 12102
note.

(e)(1) Section 213(g) of the American Fisheries Act (Public Law 105-277, division C, title II) is amended by—

16 USC 1851
note.

(A) striking “October 1, 2001” both places it appears;

(B) striking “such date” and inserting in lieu thereof “or if the percentage of foreign ownership in the vessel is increased after the effective date of this subsection”; and

(C) striking “such vessel” the first time it appears and inserting “their ownership or mortgage interest in such vessel on that date” in lieu thereof.

(2) Section 213(g) of the American Fisheries Act (Public Law 105-277, division C, title II) shall take effect on the date of enactment of this Act.

Effective date.
16 USC 1851
note.

SEC. 2203. (a) Section 20(a)(1) of the Small Business Act (15 U.S.C. 631 note) is amended—

(1) in subparagraph (D), by striking “and” at the end;

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

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

“(F) to pay for small business development center grants as mandated or directed by Congress.”

(b) Section 21(a)(4)(C)(v)(II) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(v)(II)), is amended by inserting “, or accompanying report language,” after “in appropriations Acts”.

SEC. 2204. Section 633 of Public Law 106-553 is amended with respect to a grant of \$2,000,000 for Promesa Enterprises in the Bronx, New York, by inserting the words “financially or otherwise” after “to assist community-based businesses”.

114 Stat.
2762A-112.

[Total, chapter 2 (net), - \$114,800,000.]

CHAPTER 3

DISTRICT OF COLUMBIA

FEDERAL FUNDS

FEDERAL PAYMENT TO THE CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

(INCLUDING TRANSFER OF FUNDS)

For a Federal contribution to the Chief Financial Officer of the District of Columbia for the Excel Institute Adult Education Program, \$1,000,000, of which \$250,000 shall be derived by transfer from the appropriation “Federal Payment for Plan to Simplify Employee Compensation Systems” in the District of Columbia Appropriations Act, 2001 (Public Law 106-522; 114 Stat. 2444).

\$750,000
250,000
(by transfer)

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(INCLUDING RESCISSION)

¹\$5,150,000 For an additional amount for “Governmental Direction and Support”, \$5,400,000 from local funds for increases in natural gas costs.

Of the funds appropriated under this heading for the fiscal year ending September 30, 2001, in the District of Columbia Appropriations Act, 2001, approved November 22, 2000 (Public Law 106-522; 114 Stat. 2447), \$250,000 to simplify employee compensation systems are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

¹1,684,820,000 For an additional amount for “Economic Development and Regulation”, \$1,000,000 from local funds for the implementation of the New E-Conomy Transformation Act of 2000, (D.C. Act 13-543), and \$624,820 for the Department of Consumer and Regulatory Affairs for the purposes of D.C. Code, sec. 5-513: *Provided*, That the Department shall transfer all local funds resulting from the lapse of personnel vacancies, caused by transferring Department of Consumer and Regulatory Affairs employees into Neighborhood Stabilization Officer positions without the filling of the resultant vacancies, into the general fund, of these funds an amount not to exceed \$60,000 may be used to implement the provisions in D.C. Bill 13-646, the Abatement and Condemnation of Nuisance Properties Omnibus Amendment Act of 2000, pertaining to the prevention of the demolition by neglect of historic properties: *Provided further*, That the fees established and collected pursuant to D.C. Bill 13-646 shall be identified, and an accounting provided, to the Committee on Consumer and Regulatory Affairs of the Council of the District of Columbia.

PUBLIC SAFETY AND JUSTICE

(INCLUDING RESCISSION)

¹8,870,500 For an additional amount for “Public Safety and Justice”, \$8,901,000 from local funds to be allocated as follows: \$2,800,000 is for the Metropolitan Police Department of which \$800,000 is for the speed camera program and \$2,000,000 is for the Fraternal Order of Police arbitration award and the Fair Labor Standards Act liability; \$5,940,000 is for the Fire and Emergency Medical Services Department of which \$5,540,000 is for pre-tax payments for pension, health and life insurance premiums and \$400,000 is for the fifth fire fighter on trucks initiative; and \$161,000 is for the Child Fatality Review Committee established pursuant to the Child Fatality Review Committee Establishment Emergency Act of 2001 (D.C. Act 14-40) and the Child Fatality Review Committee Establishment Temporary Act of 2001 (D.C. Bill 14-165).

In addition, of all funds in the District of Columbia Antitrust Fund established pursuant to section 2 of the District of Columbia Antitrust Act of 1980 (D.C. Law 3-169; D.C. Code, sec. 28-4516) an amount not to exceed \$52,000, of all funds in the Antifraud Fund established pursuant to section 820 of the District of Columbia

¹Total.

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1188.20) an amount not to exceed \$5,500, and of all funds in the District of Columbia Consumer Protection Fund established pursuant to section 1402 of the District of Columbia Budget Support Act for Fiscal Year 2001 (D.C. Law 13-172; D.C. Code, sec. 28-3911) an amount not to exceed \$43,000, are hereby made available for the use of the Office of the Corporation Counsel of the District of Columbia until September 30, 2001, in accordance with the statutes that established these funds.

Of the funds appropriated under this heading in the District of Columbia Appropriations Act, 2001, approved November 22, 2000 (Public Law 106-522), \$131,000 for Taxicab Inspectors are rescinded.

PUBLIC EDUCATION SYSTEM

For an additional amount for “Public Education System”, \$1,000,000 from local funds for the State Education Office for a census-type audit of the student enrollment of each District of Columbia Public School and of each public charter school and \$12,000,000 from local funds for the District of Columbia Public Schools to conduct the 2001 summer school session.

In addition, section 108(b) of the District of Columbia Public Education Act, Public Law 89-791 as amended (sec. 31-1408, D.C. Code), is amended by adding a new sentence at the end of the subsection, which states: “In addition, any proceeds and interest accruing thereon, which remain from the sale of the former radio station WDCU in an escrow account of the District of Columbia Financial Management and Assistance Authority for the benefit of the University of the District of Columbia, shall be used for the University of the District of Columbia’s Endowment Fund. Such proceeds may be invested in equity based securities if approved by the Chief Financial Officer of the District of Columbia.”

¹\$13,000,000

HUMAN SUPPORT SERVICES

For an additional amount for “Human Support Services”, \$28,000,000 from local funds to be allocated as follows: \$15,000,000 for expansion of the Medicaid program; \$4,000,000 to increase the local share for Disproportionate Share to Hospitals (DSH) payments; \$3,000,000 for the Disability Compensation Fund; \$1,000,000 for the Office of Latino Affairs for Latino Community Education grants; and \$5,000,000 for the Children Investment Trust.

28,000,000

PUBLIC WORKS

For an additional amount for “Public Works”, \$131,000 from local funds for Taxicab Inspectors.

131,000

FINANCING AND OTHER USES

WORKFORCE INVESTMENTS

For expenses associated with the workforce investments program, \$40,500,000 from local funds.

40,500,000

¹Total.

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

WILSON BUILDING

\$7,100,000 For an additional amount for “Wilson Building”, \$7,100,000 from local funds.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

2,151,000 For an additional amount for “Water and Sewer Authority and the Washington Aqueduct”, \$2,151,000 from local funds for the Water and Sewer Authority for initiatives associated with complying with stormwater legislation and proposed right-of-way fees.

[*Total, District of Columbia Funds, \$106,588,000.*]

GENERAL PROVISION—THIS CHAPTER

SEC. 2301. REPORT BY THE MAYOR. The Mayor of the District of Columbia shall provide the House and Senate Committees on Appropriations, the Senate Committee on Governmental Affairs and the House Committee on Government Reform with a report on the specific authority necessary to carry out the responsibilities transferred to the Chief Financial Officer in a non-control year, outlined in section 155 of Public Law 106-522, the Fiscal Year 2001 District of Columbia Appropriations Act, and responsibilities outlined in Bill 14-254, passed by the Council of the District of Columbia on July 10, 2001 relating to the transition of responsibilities under Public Law 104-8, the District of Columbia Financial Responsibility and Management Assistance Act of 1995, within 45 days of the enactment of this Act.

[*Total, chapter 3, \$750,000.*]

CHAPTER 4

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

\$9,000,000 For an additional amount for “Flood Control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee”, for emergency expenses due to flooding and other natural disasters, \$9,000,000, to remain available until expended.

OPERATION AND MAINTENANCE, GENERAL

86,500,000 For an additional amount for “Operation and Maintenance, General”, \$86,500,000, to remain available until expended: *Provided*, That using \$8,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to repair, restore, and clean up Corps’ projects and facilities, dredge navigation channels, restore and clean out area streams, provide emergency streambank protection, restore other crucial public infrastructure (including sewer and water facilities), document flood impacts, and undertake other flood recovery efforts

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

deemed necessary and advisable by the Chief of Engineers due to the July 2001 flooding in Southern and Central West Virginia: *Provided further*, That using \$1,900,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the project authorized by section 518 of Public Law 106-53, at full Federal expense.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act of August 18, 1941, as amended, \$50,000,000, \$50,000,000
 [Total, Corps of Engineers, \$145,500,000.]

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

For an additional amount for “Non-Defense Environmental Management”, \$11,950,000, to remain available until expended. 11,950,000

URANIUM FACILITIES MAINTENANCE AND REMEDIATION

For an additional amount for “Uranium Facilities Maintenance and Remediation”, \$30,000,000, to be derived from the Uranium Enrichment Decontamination and Decommissioning Fund, to remain available until expended. 30,000,000

POWER MARKETING ADMINISTRATIONS

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,
 WESTERN AREA POWER ADMINISTRATION

For an additional amount for “Construction, Rehabilitation, Operation and Maintenance, Western Area Power Administration”, \$1,578,000, to remain available until expended: *Provided*, That these funds shall be non-reimbursable. 1,578,000
 [Total, Department of Energy, \$43,528,000.]

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2401. Of the amounts appropriated under the heading “Operation and Maintenance, General” under title I of the Energy and Water Development Appropriations Act, 2001 (enacted by Public Law 106-377; 114 Stat. 1441 A-62), \$500,000 made available for the Chickamauga Lock, Tennessee, shall be available for completion of the feasibility study for Chickamauga Lock, Tennessee.

SEC. 2402. AUTHORIZATION TO ACCEPT PREPAYMENT OF OBLIGATIONS. (a) IN GENERAL.—Notwithstanding section 213 of the Reclamation Reform Act of 1982 (43 U.S.C. 390mm), the Bureau of Reclamation may accept prepayment for all remaining repayment obligations under Contract I78r-423, Amendment 4 (referred to in this section as the “Contract”) entered into with the United States.

(b) CONTRACTUAL OBLIGATIONS.—If full prepayment of all remaining repayment obligations under the Contract is offered—
 (1) the Secretary of the Interior shall accept the prepayment; and

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

(2) on acceptance by the Secretary of the prepayment all land covered by the Contract shall not be subject to the ownership and full cost pricing limitation under Federal reclamation law (the Act of June 17, 1902 (32 Stat. 388, chapter 1093), and Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.)).

42 USC 7384L.

SEC. 2403. INCLUSION OF RENAL CANCER AS BASIS FOR BENEFITS UNDER THE ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT OF 2000. (a) Section 3621(17) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398; 114 Stat. 1654A-502)) is amended by adding at the end the following new subparagraph:

“(C) Renal cancers.”

Effective date.
42 USC 7384L
note.

(b) This section shall be effective on October 1, 2001.
[Total, chapter 4, \$189,028,000.]

CHAPTER 5

BILATERAL ECONOMIC ASSISTANCE

AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND DISEASE PROGRAMS FUND

(INCLUDING RESCISSION)

\$100,000,000 For an additional amount for “Child Survival and Disease Programs Fund”, \$100,000,000, to remain available until expended: *Provided*, That this amount may be made available, notwithstanding any other provision of law, for a United States contribution to a global trust fund to combat HIV/AIDS, malaria, and tuberculosis.

–10,000,000 Of the funds made available under this heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, and prior Acts, \$10,000,000 are rescinded.

OTHER BILATERAL ASSISTANCE

ECONOMIC SUPPORT FUND

(RESCISSION)

–10,000,000 Of the funds made available under this heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, and prior Acts, \$10,000,000 are rescinded.

GENERAL PROVISION—THIS CHAPTER

113 Stat.
1501A-89.

SEC. 2501. The final proviso in section 526 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (as enacted into law by section 1000(a)(2) of Public Law 106-113), as amended, is hereby repealed, and the funds identified by such proviso shall be made available pursuant to the authority of section 526 of Public law 106-429.
[Total, chapter 5 (net), \$80,000,000.]

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

CHAPTER 6

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for “Management of Lands and Resources”, \$3,000,000, to remain available until expended, to address increased permitting responsibilities related to energy needs. \$3,000,000

UNITED STATES FISH AND WILDLIFE SERVICE

CONSTRUCTION

For an additional amount for “Construction”, \$17,700,000, to remain available until expended, to repair damages caused by floods, ice storms, and earthquakes in the States of Washington, Illinois, Iowa, Minnesota, Missouri, Wisconsin, New Mexico, Oklahoma, and Texas. 17,700,000

NATIONAL PARK SERVICE

UNITED STATES PARK POLICE

For an additional amount for “United States Park Police”, \$1,700,000, to remain available until September 30, 2002, for unbudgeted increases in pension costs for retired United States Park Police officers. 1,700,000

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for “Operation of Indian Programs”, \$50,000,000, to remain available until expended, for electric power operations and related activities at the San Carlos Irrigation Project, of which such amounts as necessary may be transferred to other appropriations accounts for repayment of advances previously made for such power operations. 50,000,000

[*Total, Department of the Interior, \$72,400,000.*]

RELATED AGENCY

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For an additional amount for “Forest and Rangeland Research”, \$1,400,000, to remain available until expended, to carry out research and development activities to arrest, control, eradicate, and prevent the spread of sudden oak death syndrome. 1,400,000

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

STATE AND PRIVATE FORESTRY

For an additional amount for “State and Private Forestry”, \$22,000,000, to remain available until expended, to repair damages caused by ice storms in the States of Arkansas, Oklahoma, and Texas, and for emergency pest suppression and prevention on Federal, State and private lands.

¹\$24,500,000 For an additional amount for “State and Private Forestry”, \$750,000 to be provided to the Kenai Peninsula Borough Spruce Bark Beetle Task Force for emergency response and \$1,750,000 to be provided to the Municipality of Anchorage for emergency fire fighting response and preparedness to respond to wildfires in spruce bark beetle infested forests, to remain available until expended: *Provided*, That such amounts shall be provided as direct lump sum payments within 30 days of enactment of this Act.

NATIONAL FOREST SYSTEM

12,000,000 For an additional amount for “National Forest System”, \$12,000,000, to remain available until expended, to repair damages caused by ice storms in the States of Arkansas and Oklahoma and to address illegal cultivation of marijuana in California and Kentucky.

CAPITAL IMPROVEMENT AND MAINTENANCE

(INCLUDING RESCISSION)

¹ - 5,000,000 Of the funds appropriated in title V of Public Law 105-83 for the purposes of section 502(e) of that Act, the following amounts are rescinded: \$1,000,000 for snow removal and pavement preservation and \$4,000,000 for pavement rehabilitation.

5,000,000 For an additional amount for “Capital Improvement and Maintenance”, \$5,000,000, to remain available until expended, for the purposes of section 502(e) of Public Law 105-83.

4,000,000 For an additional amount for “Capital Improvement and Maintenance” to repair damage caused by ice storms in the States of Arkansas and Oklahoma, \$4,000,000, to remain available until expended.

[*Total, Forest Service (net), \$41,900,000.*]

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2601. Of the funds appropriated to “Operation of the National Park System” in Public Law 106-291, \$200,000 for completion of a wilderness study at Apostle Islands National Lakeshore, Wisconsin, shall remain available until expended.

SEC. 2602. (a) The unobligated balances as of September 30, 2001, of the funds transferred to the Secretary of the Interior pursuant to section 311 of chapter 3 of division A of the Miscellaneous Appropriations Act, 2001 (as enacted into law by Public Law 106-554) for maintenance, protection, or preservation of the land and interests in land described in section 3 of the Minuteman Missile National Historic Site Establishment Act of 1999 (Public Law 106-115), are rescinded.

Effective date.

(b) Subsection (a) shall be effective on September 30, 2001.

(c) The amount rescinded pursuant to subsection (a) is appropriated to the Secretary of the Interior for the purposes specified in such subsection, to remain available until expended.

¹Total.

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

SEC. 2603. Pursuant to title VI of the Steens Mountain Cooperative Management and Protection Act, Public Law 106-399, the Bureau of Land Management may transfer such sums as are necessary to complete the individual land exchanges identified under title VI from unobligated land acquisition balances.

SEC. 2604. Section 338 of Public Law 106-291 is amended by striking “105-825” and inserting in lieu thereof: “105-277”. 16 USC 2104 note.

SEC. 2605. Section 2 of Public Law 106-558 is amended by striking subsection (b) in its entirety and inserting in lieu thereof: “(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.”. 5 USC 5542 note.

SEC. 2606. Federal Highway Administration emergency relief for federally-owned roads, made available to the Forest Service as Federal-aid highways funds, may be used to reimburse Forest Service accounts for expenditures previously completed only to the extent that such expenditures would otherwise have qualified for the use of Federal-aid highways funds.

SEC. 2607. Notwithstanding any other provision of law, \$2,000,000 provided to the Forest Service in Public Law 106-291 for the Region 10 Jobs in the Woods program shall be advanced as a direct lump sum payment to Ketchikan Public Utilities within 30 days of enactment: *Provided*, That such funds shall be used by Ketchikan Public Utilities specifically for hiring workers for the purpose of removing timber within the right-of-way for the Swan Lake-Lake Tyee Intertie.

SEC. 2608. Section 122(a) of Public Law 106-291 is amended by: 25 USC 13f.

(1) inserting “hereafter” after “such amounts”; and

(2) striking “June 1, 2000” and inserting “June 1 of the preceding fiscal year”.

SEC. 2609. Section 351 of Public Law 105-277 is amended by striking “prior to September 30, 2001” and inserting in lieu thereof: “prior to September 30, 2004”. 112 Stat. 2681-302.

[*Total, chapter 6 (net), \$114,300,000.*]

CHAPTER 7

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

(INCLUDING RESCISSIONS)

For an additional amount to carry out chapter 4 of the Workforce Investment Act, \$25,000,000 to be available for obligation for the period April 1, 2001 through June 30, 2002.

\$25,000,000

Of the funds made available under this heading in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554), \$65,000,000 are rescinded including \$25,000,000 available for obligation for the period April 1, 2001 through June 30, 2002 to carry out section 169 of the Workforce Investment Act, and \$40,000,000 available for obligation for the period July 1, 2001 through June 30, 2002 for Safe Schools/Healthy Students and Incumbent Workers.

Of the funds made available under this heading in the Departments of Labor, Health and Human Services, and Education, and

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554), for Dislocated Worker Employment and Training Activities, \$177,500,000 available for obligation for the period July 1, 2001 through June 30, 2002 are rescinded: *Provided*, That, notwithstanding any other provision of law, \$110,000,000 is from amounts allotted under section 132(a)(2)(B), and \$67,500,000 is from the National Reserve under section 132(a)(2)(A) of the Workforce Investment Act: *Provided further*, That notwithstanding any other provision of law, the Secretary shall reduce each State's program year 2001 allotment under section 132(a)(2)(B) by applying an allocation methodology that distributes the rescission based on each State's share of unexpended balances as of June 30, 2001: *Provided further*, That the effective date of the rescission shall be at the time the Secretary determines, based on the best information available, each State's unexpended balance as of June 30, 2001.

¹ - \$242,500,000

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

Of the funds made available under this heading in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554), \$490,000 are authorized to remain available through September 30, 2002.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

114 Stat.
2763A-12.

The matter under this heading in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554) is amended by striking "\$226,224,000" and inserting "\$224,724,000".

The provision for Northeastern University is amended by striking "doctors" and inserting "allied health care professionals".

NATIONAL INSTITUTES OF HEALTH

(INCLUDING TRANSFER OF FUNDS)

Of the amount appropriated in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554) for the National Library of Medicine, \$7,115,000 is hereby transferred to Buildings and Facilities, National Institutes of Health, for purposes of the design of a National Library of Medicine facility.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out the Public Health Service Act with respect to mental health services, \$6,500,000 for maintenance, repair,

¹Total.

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

preservation, and protection of the Federally owned facilities, including the Civil War Cemetery, at St. Elizabeths Hospital, which shall remain available until expended.

ADMINISTRATION FOR CHILDREN AND FAMILIES

LOW INCOME HOME ENERGY ASSISTANCE

For an additional amount for “Low Income Home Energy Assistance” under section 2602(e) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621(e)), \$300,000,000, to remain available until expended: *Provided*, That these funds are for the home energy assistance needs of one or more States, as authorized by section 2604(e) of that Act and notwithstanding the designation requirement of section 2602(e) of such Act.

\$300,000,000

DEPARTMENT OF EDUCATION

EDUCATION REFORM

In the statement of the managers of the committee of conference accompanying H.R. 4577 (Public Law 106-554; House Report 106-1033), in title III of the explanatory language on H.R. 5656 (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001), in the matter relating to Technology Innovation Challenge Grants under the heading “Education Reform”, the amount specified for Western Kentucky University to improve teacher preparation programs that help incorporate technology into the school curriculum shall be deemed to be \$400,000.

EDUCATION FOR THE DISADVANTAGED

The matter under this heading in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554) is amended by striking “\$7,332,721,000” and inserting “\$7,237,721,000”.

114 Stat.
2763A-31.

For an additional amount (to the corrected amount under this heading) for “Education for the Disadvantaged” to carry out part A of title I of the Elementary and Secondary Education Act of 1965 in accordance with the eighth proviso under that heading, \$161,000,000, which shall become available on July 1, 2001, and shall remain available through September 30, 2002.

161,000,000

IMPACT AID

Of the \$12,802,000 available under the heading “Impact Aid” in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554) for construction under section 8007 of the Elementary and Secondary Education Act of 1965, \$6,802,000 shall be used as directed in the first proviso under that heading, and the remaining \$6,000,000 shall be distributed to eligible local educational agencies under section 8007, as such section was in effect on September 30, 2000.

SPECIAL EDUCATION

In the statement of the managers of the committee of conference accompanying H.R. 4577 (Public Law 106-554; House Report 106-1033), in title III of the explanatory language on H.R. 5656 (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001), in the matter relating to Special Education Research and Innovation under the heading “Special Education”, the provision for training, technical support, services and equipment through the Early Childhood Development Project in the Mississippi Delta Region shall be applied by substituting “Easter Seals—Arkansas” for “the National Easter Seals Society”.

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

114 Stat.
2763A-39.

The matter under this heading in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554) is amended by striking “\$139,624,000” and inserting “\$139,853,000”.

In the statement of the managers of the committee of conference accompanying H.R. 4577 (Public Law 106-554; House Report 106-1033), in title III of the explanatory language on H.R. 5656 (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001), in the matter relating to the Fund for the Improvement of Education under the heading “Education Research, Statistics and Improvement”—

(1) the aggregate amount specified shall be deemed to be \$139,853,000;

(2) the amount specified for the National Mentoring Partnership in Washington, D.C. for establishing the National E-Mentoring Clearinghouse shall be deemed to be \$461,000; and

(3) the provision specifying \$1,275,000 for one-to-one computing shall be deemed to read as follows:

“\$1,275,000—NetSchools Corporation, to provide one-to-one e-learning pilot programs for Dover Elementary School in San Pablo, California, Belle Haven Elementary School in East Menlo Park, California, East Rock Magnet School in New Haven, Connecticut, Reid Elementary School in Searchlight, Nevada, and McDermitt Combined School in McDermitt, Nevada;”.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2701. (a) Section 117 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2327) is amended—

(1) in subsection (a), by inserting “that are not receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.)” after “institutions”;

(2) in subsection (b), by adding “institutional support of” after “for”;

(3) in subsection (d), by inserting “that is not receiving Federal support under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.)” after “institution”; and

- (4) in subsection (e)(1)—
 - (A) by striking “and” at the end of subparagraph (B);
 - (B) by striking the period at the end of subparagraph (C) and inserting “; and”; and
 - (C) by adding at the end the following:
 - “(D) institutional support of vocational and technical education.”.

(b) EFFECTIVE DATE.—

20 USC 2327 note.

(1) The amendments made by subsection (a) shall take effect on the date of enactment of this section.

(2) The amendments made by subsection (a) shall apply to grants made for fiscal year 2001 only if this section is enacted before August 4, 2001.

Applicability.

SEC. 2702. CORPORATION FOR PUBLIC BROADCASTING AUTHORIZATION OF APPROPRIATIONS.—Subsection (k)(1) of section 396 of the Communications Act of 1934 (47 U.S.C. 396) is amended—

(1) by re-designating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph (D):

“(D) In addition to any amounts authorized under any other provision of this or any other Act to be appropriated to the Fund, \$20,000,000 are hereby authorized to be appropriated to the Fund (notwithstanding any other provision of this subsection) specifically for transition from the use of analog to digital technology for the provision of public broadcasting services for fiscal year 2001.”.

SEC. 2703. IMPACT AID. (a) LEARNING OPPORTUNITY THRESHOLD PAYMENTS.—Section 8003(b)(3)(B)(iv) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(3)(B)(iv)) (as amended by section 1806(b)(2)(C) of the Impact Aid Reauthorization Act of 2000 (as enacted into law by section 1 of Public Law 106-398)) is amended by inserting “or less than the average per-pupil expenditure of all the States” after “of the State in which the agency is located”.

(b) FUNDING.—The Secretary of Education shall make payments under section 8003(b)(3)(B)(iv) of the Elementary and Secondary Education Act of 1965 from the \$882,000,000 available under the heading “Impact Aid” in title III of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-554) for basic support payments under section 8003(b).

[Total, chapter 7 (net), \$250,000,000.]

CHAPTER 8

LEGISLATIVE BRANCH

CONGRESSIONAL OPERATIONS

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Rhonda B. Sisisky, widow of Norman Sisisky, late a Representative from the Commonwealth of Virginia, \$145,100.

Rhonda B. Sisisky.

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

Barbara Cheney. For payment to Barbara Cheney, heir of John Joseph Moakley, late a Representative from the Commonwealth of Massachusetts, \$145,100.

¹\$290,200

SALARIES AND EXPENSES

For an additional amount for salaries and expenses of the House of Representatives, \$61,662,000, as follows:

MEMBERS' REPRESENTATIONAL ALLOWANCES, STANDING COMMITTEES, SPECIAL AND SELECT, COMMITTEE ON APPROPRIATIONS, ALLOWANCES AND EXPENSES

44,214,000 For an additional amount for Members' Representational Allowances, Standing Committees, Special and Select, Committee on Appropriations, and Allowances and Expenses, \$44,214,000, with any allocations to such accounts subject to approval by the Committee on Appropriations of the House of Representatives: *Provided*, That \$9,776,000 of such amount shall remain available for such salaries and expenses until December 31, 2002.

SALARIES, OFFICERS AND EMPLOYEES

17,448,000 For an additional amount for compensation and expenses of officers and employees, as authorized by law, \$17,448,000, including: for salaries and expenses of the Office of the Clerk, \$3,150,000; and for salaries and expenses of the Office of the Chief Administrative Officer, \$14,298,000, of which \$11,181,000 shall be for salaries, expenses, and temporary personal services of House Information Resources and \$3,000,000 shall be for separate upgrades for committee rooms: *Provided*, That \$500,000 of the funds provided to the Office of the Chief Administrative Officer for separate upgrades for committee rooms may be transferred to the Office of the Architect of the Capitol for the same purpose, subject to the approval of the Committee on Appropriations of the House of Representatives: *Provided further*, That all of the funds provided under this heading shall remain available until expended.

ADMINISTRATIVE PROVISION

114 Stat. 2763A-99. SEC. 2801. (a) The Legislative Branch Appropriations Act, 2001 (as enacted into law by reference under section 1(a)(2) of the Consolidated Appropriations Act, 2001; Public Law 106-554), is amended in the item relating to "HOUSE OF REPRESENTATIVES—SALARIES AND EXPENSES—SALARIES, OFFICERS AND EMPLOYEES" by striking "not more than \$3,500, of which not more than \$2,500 is for the Family Room" and inserting "not more than \$11,000, of which not more than \$10,000 is for the Family Room".

Effective date. (b) The amendment made by subsection (a) shall take effect as if included in the enactment of the Legislative Branch Appropriations Act, 2001.

¹Total.

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

JOINT ITEMS

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

For an additional amount for the Capitol Police Board for salaries of officers, members and employees of the Capitol Police, including overtime and Government contributions for health, retirement, Social Security, and other applicable employee benefits, \$514,000, of which \$257,000 is provided to the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief Administrative Officer of the House, and \$257,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate: *Provided*, That of the amounts appropriated under this heading, such amounts as may be necessary may be transferred between the Sergeant at Arms of the House of Representatives and the Sergeant at Arms and Doorkeeper of the Senate.

\$514,000

GENERAL EXPENSES

For an additional amount for the Capitol Police Board for necessary expenses of the Capitol Police, including security equipment and installation, supplies, materials, and meals, beverages and water for officers or civilian employees of the Capitol Police while performing duties during an extraordinary event or emergency response incident as determined by the Capitol Police Board, \$486,000, to be disbursed by the Capitol Police Board or their delegatee, to remain available until September 30, 2002.

486,000

ADMINISTRATIVE PROVISION

SEC. 2802. (a)(1) Any funds received by the Capitol Police as reimbursement for law enforcement assistance from any Federal, State, or local government agency (including any agency of the District of Columbia) shall be deposited in the United States Treasury for credit to the appropriation for "GENERAL EXPENSES" under the heading "CAPITOL POLICE BOARD", or "SECURITY ENHANCEMENTS" under the heading "CAPITOL POLICE BOARD".

40 USC 207e.

(2) Funds deposited under this subsection may be expended by the Capitol Police Board for any authorized purpose, including overtime pay expenditures relating to law enforcement assistance to any Federal, State, or local government agency (including any agency of the District of Columbia), and shall remain available until expended.

(b) This section shall take effect on the date of enactment of this Act and shall apply to fiscal year 2001 and each fiscal year thereafter.

Effective date.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For an additional amount for salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), \$35,000.

35,000

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

For an additional amount for authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, \$9,900,000.

\$9,900,000

GOVERNMENT PRINTING OFFICE REVOLVING FUND

For payment to the Government Printing Office Revolving Fund, \$6,000,000, to remain available until expended, for air-conditioning and lighting systems.

6,000,000

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For an additional amount for salaries and expenses, Library of Congress, \$600,000, to remain available until expended, for a collaborative Library of Congress telecommunications project with the United States Military Academy.

600,000

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2803. Section 101(a) of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h-6(a)) is amended—

(1) by inserting after the second sentence the following: “The President pro tempore emeritus of the Senate is authorized to appoint and fix the compensation of one individual consultant, on a temporary or intermittent basis, at a daily rate of compensation not in excess of that specified in the first sentence of this subsection.”; and

(2) in the last sentence by inserting “President pro tempore emeritus,” after “President pro tempore.”

36 USC note
prec. 101.

SEC. 2804. The Abraham Lincoln Bicentennial Commission Act, Public Law 106-173, February 25, 2000 is hereby amended in section 7 by striking subsection (e) and inserting the following:

“(e) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Librarian of Congress shall provide to the Commission, on a reimbursable basis, administrative support services necessary for the Commission to carry out its responsibilities under this Act, including disbursing funds available to the Commission, and computing and disbursing the basic pay for Commission personnel.”

SEC. 2805. Notwithstanding any limitation in 31 U.S.C. sec. 1553(b) and 1554, the Architect of the Capitol may use current year appropriations to reimburse the Department of the Treasury for prior year water and sewer services payments otherwise chargeable to closed accounts.

15 USC 1024
note.

SEC. 2806. That notwithstanding any other provision of law, and specifically section 5(a) of the Employment Act of 1946 (15

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

U.S.C. 1024(a)), the Members of the Senate to be appointed by the President of the Senate shall for the duration of the One Hundred Seventh Congress, be represented by six Members of the majority party and five Members of the minority party.

[Total, chapter 8, \$79,487,000.]

CHAPTER 9

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

RENTAL PAYMENTS

(RESCISSION)

Of the available balances under this heading, \$440,000 are rescinded. - \$440,000

COAST GUARD

OPERATING EXPENSES

For an additional amount for “Operating expenses”, \$92,000,000, to remain available until September 30, 2002. 92,000,000

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for “Acquisition, Construction, and Improvements”, \$4,000,000, to remain available until expended, for the repair of Coast Guard facilities damaged during the Nisqually earthquake or for costs associated with moving the affected Coast Guard assets to an alternative site within Seattle, Washington. 4,000,000

(RESCISSION)

Of the amounts made available under this heading in Public Law 106-69 and Public Law 106-346, \$12,000,000 are rescinded. - 12,000,000

FEDERAL AVIATION ADMINISTRATION

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the unobligated balances authorized under 49 U.S.C. 48103, as amended, \$30,000,000 are rescinded. - 30,000,000

FEDERAL HIGHWAY ADMINISTRATION

EMERGENCY HIGHWAY RESTORATION

(HIGHWAY TRUST FUND)

For the costs associated with the long term improvement, restoration, or replacement of highways including seismically-vulnerable highways recently damaged during the Nisqually earthquake, \$27,600,000, to be derived from the Highway Trust Fund, other than the Mass Transit Account, and to remain available until 27,600,000

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

expended: *Provided*, That of the amount made available under this head, \$3,800,000 shall be for the Alaskan Way Viaduct in Seattle, Washington; \$9,000,000 shall be for the Magnolia Bridge in Seattle, Washington; \$9,100,000 shall be for U.S. 119 over Pine Mountain in Letcher County, Kentucky; \$4,700,000 shall be for the Lake Street Access to I-35 West project in Minneapolis, Minnesota; \$500,000 shall be for the Interstate 55 interchange project at Weaver Road and River Des Peres in Missouri; and \$500,000 shall be for damage resulting from tornadoes, flooding and icestorms in northwest Wisconsin including Bayfield and Douglas counties.

FEDERAL-AID HIGHWAYS

(HIGHWAY TRUST FUND)

(RESCISSIONS)

Of the unobligated balances made available under Public Law 94-280, Public Law 95-599, Public Law 97-424, Public Law 100-17, Public Law 101-516, Public Law 102-143, Public Law 102-240, and Public Law 103-311, \$15,918,497 are rescinded.

-\$15,918,497

RELATED AGENCY

UNITED STATES-CANADA RAILROAD COMMISSION

For necessary expenses of the joint United States-Canada Railroad Commission to study the feasibility of connecting the rail system in Alaska to the North American continental rail system, \$2,000,000, to remain available until expended.

2,000,000

GENERAL PROVISIONS—THIS CHAPTER

SEC. 2901. (a) Item 143 in the table under the heading “Capital Investment Grants” in title I of the Department of Transportation and Related Agencies Appropriations Act, 1999 (Public Law 105-277; 112 Stat. 2681-456) is amended by striking “Northern New Mexico park and ride facilities” and inserting “Northern New Mexico park and ride facilities and State of New Mexico, Buses and Bus-Related Facilities”.

(b) Item 167 in the table under the heading “Capital Investment Grants” in title I of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106-69; 113 Stat. 1006) is amended by striking “Northern New Mexico Transit Express/Park and Ride buses” and inserting “Northern New Mexico park and ride facilities and State of New Mexico, Buses and Bus-Related Facilities”.

[Total, chapter 9 (net), \$67,242,000.]

CHAPTER 10

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses” to reimburse any agency of the Department of the Treasury or other Federal agency for costs of providing operational and perimeter

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

security at the 2002 Winter Olympics in Salt Lake City, Utah, \$59,956,000, to remain available until September 30, 2002. \$59,956,000

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”, \$49,576,000, to remain available through September 30, 2002. 49,576,000

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For an additional amount for “Processing, Assistance, and Management”, \$66,200,000, to remain available through September 30, 2002. 66,200,000

FEDERAL PAYMENT TO MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

Of the funds made available under this heading in H.R. 5658 of the 106th Congress, as incorporated by reference in Public Law 106-554, up to \$1,000,000 may be transferred and made available for necessary expenses incurred pursuant to section 6(7) of the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (20 U.S.C. 5604(7)), to remain available until expended. 1,000,000
(by transfer)

GENERAL PROVISIONS—THIS CHAPTER

SEC. 21001. Section 413 of H.R. 5658, as incorporated by reference in Public Law 106-554, is amended to read as follows: “SEC. 413. DESIGNATION OF THE PAUL COVERDELL BUILDING. The recently-completed classroom building constructed on the Core Campus of the Federal Law Enforcement Training Center in Glynco, Georgia, shall be known and designated as the ‘Paul Coverdell Building’.” 114 Stat. 2763A-147. Federal buildings and facilities.

SEC. 21002. Of unobligated balances as of September 30, 2000, appropriated in, and further authorized through section 511 of Public Law 106-58, and under the headings, “Internal Revenue Service, Processing, Assistance, and Management”, “Tax Law Enforcement”, and “Earned Income Tax Compliance”, \$18,000,000 is hereby rescinded, effective September 30, 2001, as follows: \$9,805,000 from “Processing, Assistance, and Management”, \$6,952,000 from “Tax Law Enforcement”, and \$1,243,000 from “Earned Income Tax Credit Compliance Initiative”. - 18,000,000

[Total, chapter 10 (net), \$157,732,000.]

CHAPTER 11

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for “Compensation and pensions”, \$589,413,000, to remain available until expended. 589,413,000

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

READJUSTMENT BENEFITS

\$347,000,000 For an additional amount for “Readjustment benefits”, \$347,000,000, to remain available until expended.

VETERANS HEALTH ADMINISTRATION

MEDICAL AND PROSTHETIC RESEARCH

Of the amount provided for “Medical and prosthetic research” in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001 (Public Law 106-377), up to \$3,500,000 may be used for associated travel expenses.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

(TRANSFER OF FUNDS)

19,000,000
(by transfer) Of the amounts available in the Medical care account, not more than \$19,000,000 may be transferred not later than September 30, 2001, to the General operating expenses account, for the administrative expenses of processing compensation and pension claims, of which up to \$5,000,000 may be used for associated travel expenses.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(RESCISSION)

-114,300,000 \$114,300,000 is rescinded from unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under this heading or the heading “Annual contributions for assisted housing” or any other heading for fiscal year 2000 and prior years: *Provided*, That any such balances governed by reallocation provisions under the statute authorizing the program for which the funds were originally appropriated shall not be available for this rescission.

NATIVE AMERICAN HOUSING BLOCK GRANTS

Of the funds provided under this heading within the Department of Housing and Urban Development in fiscal year 2001 and prior years, \$5,000,000 shall be made available for emergency housing, housing assistance, and other assistance to address the mold problem at the Turtle Mountain Indian Reservation: *Provided*, That the Federal Emergency Management Agency shall provide technical assistance to the Turtle Mountain Band of Chippewa with respect to the acquisition of emergency housing and related issues on the Turtle Mountain Indian Reservation.

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

COMMUNITY PLANNING AND DEVELOPMENT
COMMUNITY DEVELOPMENT FUND
(INCLUDING RESCISSION)

Except for the amount made available for the cost of guaranteed loans as authorized under section 108 of the Housing and Community Development Act of 1974, the unobligated balances available in Public Law 106-377 for use under this heading in only fiscal year 2001 are rescinded as of the date of enactment of this provision.

The amount of the unobligated balances rescinded in the preceding paragraph is appropriated for the activities specified in Public Law 106-377 for which such balances were available, to remain available until September 30, 2003.

The referenced statement of the managers under this heading in Public Law 106-377 is deemed to be amended with respect to the amount made available for Rio Arriba County, New Mexico by striking the words “for an environmental impact statement” and inserting the words “for a regional landfill”.

The referenced statement of the managers in the seventh undesignated paragraph under this heading in title II of Public Law 106-377 is deemed to be amended by striking “\$500,000 for Essex County, Massachusetts for its wastewater and combined sewer overflow program;” in reference to an appropriation for Essex County, and inserting “\$500,000 to the following Massachusetts communities for wastewater and combined sewer overflow infrastructure improvements: Beverly (\$32,000); Peabody (\$32,000); Salem (\$32,000); Lynn (\$32,000); Newburyport (\$32,000); Gloucester (\$32,000); Marblehead (\$30,000); Danvers (\$30,000); Ipswich (\$17,305); Amesbury (\$17,305); Manchester (\$17,305); Essex (\$17,305); Rockport (\$17,305); and Haverhill (\$161,475);”.

The referenced statement of the managers in the seventh undesignated paragraph under this heading in title II of Public Law 106-377 is deemed to be amended by striking “\$100,000 to Essex County, Massachusetts for cyberdistrict economic development initiatives;” in reference to an appropriation for Essex County, and inserting “\$75,000 to improve cyber-districts in Haverhill, Massachusetts and \$25,000 to improve cyber-districts in Amesbury, Massachusetts;”.

The referenced statement of the managers in the seventh undesignated paragraph under this heading in title II of Public Law 106-377 is deemed to be amended by striking “women’s and children’s hospital” in reference to an appropriation for Hackensack University Medical Center, and inserting “the construction of the Audrey Hepburn Children’s House”: *Provided*, That the referenced statement of the managers in the seventh undesignated paragraph under the heading “Community development block grants” in title II of Public Law 106-74 is deemed to be amended by striking “rehabilitation and conversion of part of the NYNEX building into a parking garage” in reference to an appropriation for the City of Syracuse, New York, and inserting “the demolition and revitalization of the Montgomery Street/Columbus Circle National Register District Area”.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(TRANSFER OF FUNDS)

Of the amounts available for administrative expenses and administrative contract expenses under the headings, “FHA—mutual mortgage insurance program account”, “FHA—general and special risk program account”, and “Salaries and expenses, management and administration” in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, as enacted by Public Law 106-377, not to exceed \$8,000,000 is available to liquidate deficiencies incurred in fiscal year 2000 in the “FHA—mutual mortgage insurance program account”.

INDEPENDENT AGENCIES

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

Notwithstanding any other provision of law, the provisions of section 401 of chapter 4 of appendix D of Public Law 106-554 shall not apply to Arlington National Cemetery (the Cemetery): *Provided*, That water and sewer services expenses charged to the Cemetery in excess of that amount which the Cemetery has to date paid for such services shall, for the purposes of section 104 of chapter 4 of appendix D of Public Law 106-554, be paid for out of appropriations accounts of the Department of Defense other than such account for the Cemetery: *Provided further*, That in satisfying the provisions of section 401 of chapter 4 of appendix D of Public Law 106-554 for fiscal year 2002 and future years, the water and sewer services expenses of the Cemetery shall be that amount as determined by metering within the Cemetery: *Provided further*, That to the extent the Department of the Treasury has heretofore withdrawn funds of the Cemetery pursuant to section 401 of chapter 4 of appendix D of Public Law 106-554, such amount shall be reimbursed to the Cemetery by the Department of the Treasury from funds withdrawn from appropriations accounts of the Department of Defense other than such account for the Cemetery.

ENVIRONMENTAL PROTECTION AGENCY

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

From the amounts appropriated for Cortland County, New York and Central New York Watersheds under this heading in title III of Public Law 106-377 and in future Acts, the Administrator is authorized to award grants for work on New York watersheds: *Provided*, That notwithstanding any other provision of law, the funds provided to the Salt Lake Organizing Committee (SLOC) under this heading in Public Law 106-377 are available for grants for environmental programs and operations as set forth in the November 2000 Environment Annual Report of the Salt Lake 2002

PUBLIC LAW 107-20—JULY 24, 2001

115 STAT.

Olympic Winter Games: *Provided further*, That the Environmental Protection Agency shall make such funds available within 30 days of enactment of this Act: *Provided further*, That actual costs incurred by the SLOC for activities consistent with the aforementioned report undertaken by the SLOC subsequent to enactment of Public Law 106-377 shall be eligible for reimbursement under this grant and shall not require a grant deviation by the Agency.

STATE AND TRIBAL ASSISTANCE GRANTS

The referenced statement of the managers under this heading in Public Law 106-377 is deemed to be amended by striking all after the words “Beloit, Wisconsin” in reference to item number 236, and inserting the words “extension of separate sanitary sewers and extension of separate storm sewers”.

The referenced statement of the managers under this heading in Public Law 106-377 is deemed to be amended by striking all after the words “Limestone County Water and Sewer Authority in Alabama for” in reference to item number 13, and inserting the words “drinking water improvements”: *Provided*, That the referenced statement of the managers under this heading in Public Law 106-377 is deemed to be amended by striking all after the words “Clinton, Tennessee for” in reference to item number 211, and inserting the words “wastewater and sewer system infrastructure improvements”.

The referenced statement of the managers under this heading in Public Law 106-377 is deemed to be amended by striking the words “the City of Hartselle” in reference to item number 11, and inserting the words “Hartselle Utilities”.

The referenced statement of the managers under this heading in Public Law 106-377 is deemed to be amended by striking the words “Florida Department of Environmental Protection” in reference to item number 48, and inserting the words “Southwest Florida Water Management District”.

Under this heading in title III of Public Law 106-377, strike “\$3,628,740,000” and insert “\$3,641,341,386”.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

Notwithstanding the proviso under the heading, “Human space flight”, in Public Law 106-74, \$40,000,000 of the amount provided therein shall be available for preparations necessary to carry out future research supporting life and micro-gravity science and applications.

[*Total, chapter 11 (net), \$822,113,000.*]

[*Total, title II, Other Supplementals (net), \$1,623,852,000.*]

TITLE III

GENERAL PROVISIONS—THIS ACT

SEC. 3001. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 3002. UNITED STATES-CHINA SECURITY REVIEW COMMISSION. There are hereby appropriated, out of any funds in the

115 STAT.

PUBLIC LAW 107-20—JULY 24, 2001

\$1,700,000 Treasury not otherwise appropriated, \$1,700,000, to remain available until expended, to the United States-China Security Review Commission.

This Act may be cited as the “Supplemental Appropriations Act, 2001”.

Approved July 24, 2001.

LEGISLATIVE HISTORY—H.R. 2216 (S. 1077):

HOUSE REPORTS: Nos. 107-102 (Comm. on Appropriations) and 107-148 (Comm. of Conference).

SENATE REPORTS: No. 107-33 accompanying S. 1077 (Comm. on Appropriations). CONGRESSIONAL RECORD, Vol. 147 (2001):

June 20, considered and passed House.

July 10, considered and passed Senate, amended, in lieu of S. 1077.

July 20, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

July 24, Presidential statement.

[In thousands of dollars]

| | |
|---|--------------|
| Net grand total, Supplemental Appropriations Act, 2001 | \$7,480,186 |
| Appropriations | (9,282,299) |
| Rescissions | (-1,799,113) |
| Offsets | (-3,000) |
| Consisting of: | |
| Department of Agriculture (net) | 19,900 |
| Department of Commerce | -114,800 |
| Department of Defense—Military (net) | 5,536,825 |
| Department of Defense—Civil | 145,500 |
| Department of Education | 161,000 |
| Department of Energy | 320,753 |
| Foreign Assistance (net) | 80,000 |
| General Government—Independent Agencies ... | 4,450 |
| Department of Health and Human Services | 306,500 |
| Department of Housing and Urban Development (net) | -114,300 |
| Department of the Interior | 72,400 |
| Department of Justice | 20,000 |
| Legislative Branch | 79,487 |
| Department of Labor (net) | -217,500 |
| Small Business Administration (net) | 0 |
| Department of Transportation (net) | 65,242 |
| Department of the Treasury (net) | 157,732 |
| Department of Veterans Affairs | 936,413 |
| Other budget adjustments | 20,584 |

**EMERGENCY SUPPLEMENTAL
APPROPRIATIONS ACT, 2001**

PUBLIC LAW 107-38

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT, 2001

115 STAT.

PUBLIC LAW 107-38—SEPT. 18, 2001

**Public Law 107-38
107th Congress****An Act**Sept. 18, 2001
[H.R. 2888]

Making emergency supplemental appropriations for fiscal year 2001 for additional disaster assistance, for anti-terrorism initiatives, and for assistance in the recovery from the tragedy that occurred on September 11, 2001, and for other purposes.

2001 Emergency
Supplemental
Appropriations
Act for Recovery
from and
Response to
Terrorist Attacks
on the United
States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide emergency supplemental appropriations for fiscal year 2001, namely:

**EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS
APPROPRIATED TO THE PRESIDENT**

EMERGENCY RESPONSE FUND

(INCLUDING TRANSFERS OF FUNDS)

¹\$20,000,000,000

For emergency expenses to respond to the terrorist attacks on the United States that occurred on September 11, 2001, to provide assistance to the victims of the attacks, and to deal with other consequences of the attacks, \$40,000,000,000, to remain available until expended, including for the costs of: (1) providing Federal, State, and local preparedness for mitigating and responding to the attacks; (2) providing support to counter, investigate, or prosecute domestic or international terrorism; (3) providing increased transportation security; (4) repairing public facilities and transportation systems damaged by the attacks; and (5) supporting national security: *Provided*, That these funds may be transferred to any authorized Federal Government activity to meet the purposes of this Act: *Provided further*, That the Congress designates the entire amount as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That \$40,000,000,000 shall be available only to the extent that an official budget request, that includes designation of the \$40,000,000,000 as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, is transmitted by the President to the Congress: *Provided further*, That the President shall consult with the chairmen and ranking minority members of the Committees on Appropriations prior to the transfer of these funds: *Provided further*, That of the \$40,000,000,000 made available herein, \$10,000,000,000 shall not be available for transfer to any Department or Agency until 15 days after the Director of the Office of Management and Budget has submitted to the House and Senate Committees on Appropriations a proposed allocation and plan for use of the funds for that

¹Fiscal year 2001 available.

PUBLIC LAW 107-38—SEPT. 18, 2001

115 STAT.

Department or Agency; \$20,000,000,000 may be obligated only when enacted in a subsequent emergency appropriations bill, in response to the terrorist acts on September 11, 2001: *Provided further*, That the President shall transmit an amended budget request proposing an allocation of funds: *Provided further*, That not less than one-half of the \$40,000,000,000 shall be for disaster recovery activities and assistance related to the terrorist acts in New York, Virginia, and Pennsylvania on September 11, 2001, as authorized by law: *Provided further*, That the Director of the Office of Management and Budget shall provide quarterly reports to the Committees on Appropriations on the use of these funds, beginning not later than January 2, 2002: *Provided further*, That the President shall submit to the Congress as soon as practicable detailed requests to meet any further funding requirements for the purposes specified in this Act.

(1)

Reports.

GENERAL PROVISIONS

SEC. 101. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 102. Funds appropriated by this Act, or made available by the transfer of funds in this Act, may be obligated and expended notwithstanding section 10 of Public Law 91-672, section 313 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995, and section 15 of the State Department Basic Authorities Act of 1956.

This Act may be cited as the “2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States”.

Approved September 18, 2001.

LEGISLATIVE HISTORY—H.R. 2888 (S. 1426):

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 14, considered and passed House and Senate.

¹ Funding of \$20,000,000,000 for fiscal year 2002 provided in P.L. 107-117.

**AGRICULTURE, RURAL DEVELOPMENT,
FOOD AND DRUG ADMINISTRATION,
AND RELATED AGENCIES APPROPRIA-
TIONS ACT, 2002**

PUBLIC LAW 107-76

AGRICULTURE APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

**Public Law 107-76
107th Congress**

An Act

Nov. 28, 2001
[H.R. 2330]

Making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2002, and for other purposes.

Agriculture,
Rural
Development,
Food and Drug
Administration,
and Related
Agencies
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed \$75,000 for employment under 5 U.S.C. 3109, \$2,992,000: *Provided*, That not to exceed \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104-127: *Provided further*, That none of the funds made available by this Act may be used to enforce section 793(d) of Public Law 104-127.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, energy and new uses, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, \$7,704,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$25,000 is for employment under 5 U.S.C. 3109, \$12,869,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, \$7,041,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, \$10,029,000.

COMMON COMPUTING ENVIRONMENT

For necessary expenses to acquire a Common Computing Environment for the Natural Resources Conservation Service, the Farm and Foreign Agricultural Service and Rural Development mission areas for information technology, systems, and services, \$59,369,000, to remain available until expended, for the capital asset acquisition of shared information technology systems, including services as authorized by 7 U.S.C. 6915-16 and 40 U.S.C. 1421-28: *Provided*, That obligation of these funds shall be consistent with the Department of Agriculture Service Center Modernization Plan of the county-based agencies, and shall be with the concurrence of the Department's Chief Information Officer.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, \$5,384,000: *Provided*, That the Chief Financial Officer shall actively market and expand cross-servicing activities of the National Finance Center.

[*Total, Executive Operations, \$102,396,000.*]

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded by this Act, \$647,000.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS
(INCLUDING TRANSFERS OF FUNDS)

\$187,647,000 For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings, \$187,647,000, to remain available until expended: *Provided*, That the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation to cover the costs of new or replacement space for such agency, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account.

HAZARDOUS MATERIALS MANAGEMENT
(INCLUDING TRANSFERS OF FUNDS)

15,665,000 For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9601 et seq., and the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., \$15,665,000, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION
(INCLUDING TRANSFERS OF FUNDS)

37,079,000 For Departmental Administration, \$37,079,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

3,243,000 For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), \$3,243,000, to remain available until expended.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL
RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, \$3,718,000: *Provided*, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level: *Provided further*, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations. \$3,718,000

OFFICE OF COMMUNICATIONS

For necessary expenses to carry out services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, \$8,894,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000 may be used for farmers' bulletins. 8,894,000

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, \$70,839,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including not to exceed \$125,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98. 70,839,000

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, \$32,627,000. 32,627,000

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND
ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, \$573,000. 573,000

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

ECONOMIC RESEARCH SERVICE

\$67,200,000 For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$67,200,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

NATIONAL AGRICULTURAL STATISTICS SERVICE

113,786,000 For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by 7 U.S.C. 1621-1627, Public Law 105-113, and other laws, \$113,786,000, of which up to \$25,350,000 shall be available until expended for the Census of Agriculture: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

979,464,000 For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, \$979,464,000: *Provided*, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed \$375,000, except for headhouses or greenhouses which shall each be limited to \$1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed \$750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or \$375,000, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further*, That appropriations hereunder shall be

7 USC 2254.

available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In fiscal year 2002, the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency, as authorized by law, and such fees shall be credited to this account, and shall remain available until expended for authorized purposes.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, \$118,987,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law.

\$118,987,000

[*Total, Agricultural Research Service, \$1,098,451,000.*]

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, \$542,062,000, as follows: to carry out the provisions of the Hatch Act (7 U.S.C. 361a-i), \$180,148,000; for grants for cooperative forestry research (16 U.S.C. 582a-a7), \$21,884,000; for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222), \$34,604,000, of which \$1,507,496 shall be made available only for the purpose of ensuring that each institution shall receive no less than \$1,000,000; for special grants for agricultural research (7 U.S.C. 450i(c)), \$97,008,000; for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)), \$15,206,000; for competitive research grants (7 U.S.C. 450i(b)), \$120,452,000; for the support of animal health and disease programs (7 U.S.C. 3195), \$5,098,000; for supplemental and alternative crops and products (7 U.S.C. 3319d), \$924,000; for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), \$720,000, to remain available until expended; for the 1994 research program (7 U.S.C. 301 note),

542,062,000

\$998,000, to remain available until expended; for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), \$2,993,000, to remain available until expended (7 U.S.C. 2209b); for higher education challenge grants (7 U.S.C. 3152(b)(1)), \$4,340,000; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), \$998,000, to remain available until expended (7 U.S.C. 2209b); for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), \$3,492,000; for noncompetitive grants for the purpose of carrying out all provisions of 7 U.S.C. 3242 (section 759 of Public Law 106-78) to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with funds awarded equally to each of the States of Alaska and Hawaii, \$2,997,000; for a secondary agriculture education program and 2-year post-secondary education (7 U.S.C. 3152(h)), \$1,000,000; for aquaculture grants (7 U.S.C. 3322), \$3,996,000; for sustainable agriculture research and education (7 U.S.C. 5811), \$12,500,000; for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328), including Tuskegee University, \$9,479,000, to remain available until expended (7 U.S.C. 2209b); for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103-382, \$1,549,000; and for necessary expenses of Research and Education Activities, of which not to exceed \$100,000 shall be for employment under 5 U.S.C. 3109, \$21,676,000.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products: *Provided*, That this paragraph shall not apply to research on the medical, biotechnological, food, and industrial uses of tobacco.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

¹\$7,100,000 For the Native American Institutions Endowment Fund authorized by Public Law 103-382 (7 U.S.C. 301 note), \$7,100,000.

EXTENSION ACTIVITIES

439,473,000 For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa, \$439,473,000, as follows: payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93-471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, \$275,940,000, of which \$3,600,000 may be used to carry out Public Law 107-19; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), \$3,273,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, \$58,566,000; payments for the pest management program under section 3(d) of the Act, \$10,759,000; payments for the farm safety program under section 3(d) of the Act, \$5,250,000; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University, as authorized by section 1447 of Public Law 95-113 (7 U.S.C. 3222b), \$13,500,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, \$953,000; payments for youth-at-

¹Funds are deposited into a Federal trust fund. Only interest against principal is available for use.

risk programs under section 3(d) of the Act, \$8,481,000; for youth farm safety education and certification extension grants, to be awarded competitively under section 3(d) of the Act, \$499,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, \$4,093,000; payments for Indian reservation agents under section 3(d) of the Act, \$1,996,000; payments for sustainable agriculture programs under section 3(d) of the Act, \$4,750,000; payments for rural health and safety education as authorized by section 2390 of Public Law 101-624 (7 U.S.C. 2661 note, 2662), \$2,622,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326 and 328) and Tuskegee University, \$31,181,000, of which \$1,724,884 shall be made available only for the purpose of ensuring that each institution shall receive no less than \$1,000,000; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341-349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$17,610,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

INTEGRATED ACTIVITIES

For the integrated research, education, and extension competitive grants programs, including necessary administrative expenses, as authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), \$42,853,000, as follows: payments for the water quality program, \$12,971,000; payments for the food safety program, \$14,967,000; payments for the national agriculture pesticide impact assessment program, \$4,531,000; payments for the Food Quality Protection Act risk mitigation program for major food crop systems, \$4,889,000; payments for the crops affected by Food Quality Protection Act implementation, \$1,497,000; payments for the methyl bromide transition program, \$2,498,000; and payments for the organic transition program, \$1,500,000.

\$42,853,000

[*Total, Cooperative State Research, Education, and Extension Service, \$1,024,388,000.*]

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service; the Agricultural Marketing Service; and the Grain Inspection, Packers and Stockyards Administration; \$654,000.

654,000

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Acts of March 2, 1931 (46 Stat. 1468) and December 22, 1987 (101 Stat. 1329-1331) (7 U.S.C. 426-426c); and to protect the environment, as authorized by law, \$620,490,000, of which \$4,096,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions; of which \$77,355,000 shall be used for the boll weevil eradication program for cost share purposes or for debt retirement for active eradication zones: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

\$620,490,000

21 USC 129.

In fiscal year 2002, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

PUBLIC LAW 107-76—NOV. 28, 2001

115 STAT.

Of the total amount available under this heading in fiscal year 2002, \$84,813,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account. ¹\$84,813,000

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, \$7,189,000, to remain available until expended. 7,189,000

[*Total, Animal and Plant Health Inspection Service, \$627,679,000.*]

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry out services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$90,000 for employment under 5 U.S.C. 3109, \$71,430,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. 71,430,000

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701). 25,000,000

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$60,596,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided*, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress. 60,596,000
(limitation)

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$13,995,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961. 13,995,000

¹User fees.

²CBO estimate of user fees.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,347,000.
 [Total, Agricultural Marketing Service, \$86,772,000.]

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for employment under 5 U.S.C. 3109, \$33,117,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed \$42,463,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, \$476,000.

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to exceed \$50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$715,642,000, of which no less than \$608,730,000 shall be available for Federal food inspection; and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102-237: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during

¹In addition, fees collected may be credited to this account.

the fiscal year shall not exceed 10 percent of the current replacement value of the building.

[*Total, Production, Processing, and Marketing, \$4,234,485,000.*]

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN
AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, \$606,000.

\$606,000

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, \$939,030,000: *Provided*, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: *Provided further*, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: *Provided further*, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$1,000,000 shall be available for employment under 5 U.S.C. 3109.

939,030,000

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101-5106), \$3,493,000.

3,493,000

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, \$100,000, to remain available until expended: *Provided*, That such program is carried out by the Secretary in the same manner as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106-387; 114 Stat. 1549A-12).

100,000

[*Subtotal, Farm Service Agency, \$942,623,000.*]

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, \$1,146,996,000, of which \$1,000,000,000 shall be for guaranteed loans and \$146,996,000 shall be for direct loans; operating loans, \$2,616,729,000, of which \$1,500,000,000 shall be for unsubsidized guaranteed loans,

¹3,890,725,000

¹Total loan authorizations.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

\$505,531,000 shall be for subsidized guaranteed loans and \$611,198,000 shall be for direct loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$2,000,000; for emergency insured loans, \$25,000,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$100,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, \$8,366,000, of which \$4,500,000 shall be for guaranteed loans; operating loans, \$175,780,000, of which \$52,650,000 shall be for unsubsidized guaranteed loans and \$68,550,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$118,400; and for emergency insured loans, \$3,362,500 to meet the needs resulting from natural disasters.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$280,595,000, of which \$272,595,000 shall be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership and operating direct loans and guaranteed loans may be transferred among these programs: *Provided*, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.

[*Total, Agricultural Credit Insurance Fund, \$468,222,000.*]

[*Total, Farm Service Agency, \$1,410,845,000.*]

RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), \$74,752,000: *Provided*, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

[*Total, Farm Assistance Programs, \$1,486,203,000.*]

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 2002, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses

¹ CBO estimate.

sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE
MANAGEMENT

(LIMITATION ON EXPENSES)

For fiscal year 2002, the Commodity Credit Corporation shall not expend more than \$5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961.

\$5,000,000
(limitation)

[Total, Corporations, \$26,153,000,000.]
[Total, title I, Agricultural Programs, \$31,873,688,000.]

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND
ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, \$730,000.

730,000

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, \$779,000,000, to remain available until expended (7 U.S.C. 2209b), of which not less than \$8,515,000 is for snow survey and water forecasting, and not less than \$9,849,000 is for operation and establishment of the plant materials centers, and of which not less than \$21,500,000 shall be for the grazing lands conservation initiative: *Provided*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: *Provided further*, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as

779,000,000

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

provided in 7 U.S.C. 2250a: *Provided further*, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2).

WATERSHED SURVEYS AND PLANNING

\$10,960,000 For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1009), \$10,960,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$110,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

106,590,000 For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1005 and 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$106,590,000, to remain available until expended (7 U.S.C. 2209b) (of which up to \$15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701 and 16 U.S.C. 1006a)): *Provided*, That not to exceed \$45,514,000 of this appropriation shall be available for technical assistance: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

WATERSHED REHABILITATION PROGRAM

For necessary expenses to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001 et seq.), as amended by section 313 of Public Law 106-472, November 9, 2000 (16 U.S.C. 1012), and in accordance with

PUBLIC LAW 107-76—NOV. 28, 2001

115 STAT.

the provisions of laws relating to the activities of the Department, \$10,000,000, to remain available until expended. \$10,000,000

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a-f); and the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), \$48,048,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109. 48,048,000

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$6,811,000, to remain available until expended, as authorized by that Act. [Total, *Natural Resources Conservation Service*, \$961,409,000.] [Total, *title II, Conservation Programs*, \$962,139,000.] 6,811,000

TITLE III

RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, \$623,000. 623,000

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E-H, 381N, and 381O of the Consolidated Farm and Rural Development Act, \$806,557,000, to remain available until expended, of which \$83,545,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which \$646,512,000 shall be for the rural utilities programs described in sections 381E(d)(2), 306C(a)(2), and 306D of such Act; and of which \$76,500,000 shall be for the rural business and cooperative development programs described in sections 381E(d)(3) and 310B(f) of such Act: *Provided*, That of the total amount appropriated in this account, \$24,000,000 shall be for loans and grants to benefit Federally Recognized Native American Tribes, including grants for drinking water and waste disposal systems pursuant to section 306C of such Act, of which \$4,000,000 shall be available for community facilities grants to tribal colleges, as authorized by section 306(a)(19) of the Consolidated Farm and Rural Development Act, and of which \$250,000 shall be available for a grant to a qualified 806,557,000

national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That of the amount appropriated for rural community programs, \$6,000,000 shall be available for a Rural Community Development Initiative: *Provided further*, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, low-income rural communities, and Federally Recognized Native American Tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: *Provided further*, That such funds shall be made available to qualified private, nonprofit and public intermediary organizations proposing to carry out a program of financial and technical assistance: *Provided further*, That such intermediary organizations shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: *Provided further*, That of the amount appropriated for the rural business and cooperative development programs, not to exceed \$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development; and \$2,000,000 shall be for grants to Mississippi Delta Region counties: *Provided further*, That of the amount appropriated for rural utilities programs, not to exceed \$20,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; not to exceed \$24,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act, with up to 1 percent available to administer the program and up to 1 percent available to improve interagency coordination may be transferred to and merged with the appropriation for “Rural Development, Salaries and Expenses”; not to exceed \$17,465,000, shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act, of which \$5,250,000 shall be for Rural Community Assistance Programs; and not to exceed \$11,000,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That of the total amount appropriated, not to exceed \$37,624,000 shall be available through June 30, 2002, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones; of which \$1,163,000 shall be for the rural community programs described in section 381E(d)(1) of such Act, of which \$27,431,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act, and of which \$9,030,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: *Provided further*, That of the amount appropriated for rural community programs, not to exceed \$25,000,000 shall be to provide grants for facilities in rural communities with extreme unemployment and severe economic depression (Public Law 106-387), with 5 percent for administration and capacity building in the State rural development offices: *Provided further*, That of the amount appropriated \$30,000,000 shall be to provide grants in rural communities with extremely high energy costs: *Provided further*, That any prior year balances for high cost

energy grants authorized by section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 901(19)) shall be transferred to and merged with the “Rural Utilities Service, High Energy Costs Grants” account: *Provided further*, That of the funds appropriated by this Act to the Rural Community Advancement Program for guaranteed business and industry loans, funds may be transferred to direct business and industry loans as deemed necessary by the Secretary and with prior approval of the Committees on Appropriations of both Houses of Congress.

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; \$133,722,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$1,000,000 may be used for employment under 5 U.S.C. 3109: *Provided further*, That not more than \$10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: *Provided further*, That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this appropriation. [Total, Rural Development, \$940,279,000.]

\$133,722,000

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: \$4,217,816,000 for loans to section 502 borrowers, as determined by the Secretary, of which \$1,079,848,000 shall be for direct loans, and of which \$3,137,968,000 shall be for unsubsidized guaranteed loans; \$32,324,000 for section 504 housing repair loans; \$114,068,000 for section 515 rental housing; \$99,770,000 for section 538 guaranteed multi-family housing loans; \$5,090,000 for section 524 site loans; \$11,778,000 for credit sales of acquired property, of which up to \$1,778,000 may be for multi-family credit sales; and \$5,000,000 for section 523 self-help housing land development loans.

14,485,846,000

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, \$182,274,000 of which \$142,108,000 shall be for direct loans, and of which \$40,166,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, \$10,386,000; section 515 rental housing, \$48,274,000; section 538 multi-family housing guaranteed loans, \$3,921,000; section 524 site loans, \$28,000; multi-family credit sales of acquired property, \$750,000; and section 523 self-help housing land development loans, \$254,000: *Provided*, That of the total amount appropriated in this paragraph, \$11,656,000

182,274,000

10,386,000

48,274,000

3,921,000

28,000

750,000

254,000

¹Total loan authorizations.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

shall be available through June 30, 2002, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

\$422,241,000 In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$422,241,000, which shall be transferred to and merged with the appropriation for “Rural Development, Salaries and Expenses”.

Of the amounts made available under this heading in chapter 1 of title II of Public Law 106-246 (114 Stat. 540) for gross obligations for principal amount of direct loans authorized by title V of the Housing Act of 1949 for section 515 rental housing, the Secretary of Agriculture may use up to \$5,986,197 for rental assistance agreements described in the item relating to “Rental Assistance Program” in such chapter: *Provided*, That such amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Control Act of 1985, as amended.

In making available for occupancy dwelling units in housing that is provided with funds made available under the heading referred to in the preceding paragraph, the Secretary of Agriculture may give preference to prospective tenants who are residing in temporary housing provided by the Federal Emergency Management Agency as a result of an emergency.

RENTAL ASSISTANCE PROGRAM

701,004,000 For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, \$701,004,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: *Provided*, That of this amount, not more than \$5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed \$10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: *Provided further*, That agreements entered into or renewed during fiscal year 2002 shall be funded for a 5-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

[*Total, Rural Housing Insurance Fund, \$1,369,132,000.*]

MUTUAL AND SELF-HELP HOUSING GRANTS

35,000,000 For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$35,000,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That of the total amount appropriated, \$1,000,000 shall be available through June 30, 2002, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1490e, and 1490m, \$38,914,000, to remain available until expended: *Provided*, That of the total amount appropriated, \$1,200,000 shall be available through June 30, 2002, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones. \$38,914,000

FARM LABOR PROGRAM ACCOUNT

For the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, \$31,431,000, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts. 31,431,000
 [Total, Rural Housing Service, \$1,474,477,000.]

RURAL BUSINESS—COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the principal amount of direct loans, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), \$38,171,000. ¹38,171,000

For the cost of direct loans, \$16,494,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which \$1,724,000 shall be for Federally Recognized Native American Tribes and of which \$3,449,000 shall be for Mississippi Delta Region counties (as defined by Public Law 100-460): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That of the total amount appropriated, \$2,730,000 shall be available through June 30, 2002, for the cost of direct loans for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones. 16,494,000

In addition, for administrative expenses to carry out the direct loan programs, \$3,733,000 shall be transferred to and merged with the appropriation for “Rural Development, Salaries and Expenses”. 3,733,000
 [Total, Rural Development Loan Fund, \$20,227,000.]

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING RESCISSION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$14,966,000. ¹14,966,000

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, \$3,616,000. 3,616,000

Of the funds derived from interest on the cushion of credit payments in fiscal year 2002, as authorized by section 313 of the Rural Electrification Act of 1936, \$3,616,000 shall not be obligated and \$3,616,000 are rescinded. (2)

¹ Loan authorization.

² Technical budget scoring, to limit mandatory account, excluded from bill totals.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

RURAL COOPERATIVE DEVELOPMENT GRANTS

\$7,750,000 For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), \$7,750,000, of which \$2,500,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed \$1,497,000 of the total amount appropriated shall be made available to cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers and whose governing board and/or membership is comprised of at least 75 percent minority.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

14,967,000 For grants in connection with a second round of empowerment zones and enterprise communities, \$14,967,000, to remain available until expended, for designated rural empowerment zones and rural enterprise communities, as authorized by the Taxpayer Relief Act of 1997 and the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277).

[*Total, Rural Business-Cooperative Service, \$46,560,000.*]

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM
ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

¹4,565,934,000 Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, \$121,107,000; municipal rate rural electric loans, \$500,000,000; loans made pursuant to section 306 of that Act, rural electric, \$2,700,000,000; Treasury rate direct electric loans, \$750,000,000; 5 percent rural telecommunications loans, \$74,827,000; cost of money rural telecommunications loans, \$300,000,000; and loans made pursuant to section 306 of that Act, rural telecommunications loans, \$120,000,000.

3,689,000 For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of rural electric loans, \$3,689,000, and the cost of telecommunication loans, 2,036,000 \$2,036,000: *Provided*, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

36,000,000 In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$36,000,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

[*Total, \$41,725,000.*]

¹Total loan authorizations.

PUBLIC LAW 107-76—NOV. 28, 2001

115 STAT.

RURAL TELEPHONE BANK PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs. During fiscal year 2002 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be \$174,615,000.

¹\$174,615,000

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), \$3,737,000.

3,737,000

In addition, for administrative expenses, including audits, necessary to carry out the loan programs, \$3,082,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

3,082,000

[Total, \$6,819,000.]

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the principal amount of direct distance learning and telemedicine loans, \$300,000,000; and for the principal amount of broadband telecommunication loans, \$80,000,000.

¹300,000,000

¹80,000,000

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., \$49,441,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas: *Provided*, That \$22,500,000 may be available for the continuation of a pilot project for a loan and grant program to finance broadband transmission and local dial-up Internet service in areas that meet the definition of "rural area" used for the Distance Learning and Telemedicine Program authorized by 7 U.S.C. 950aaa: *Provided further*, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

49,441,000

LOCAL TELEVISION LOAN GUARANTEE PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

For gross obligations for the principal amount of guaranteed loans, as authorized by title X of Public Law 106-553 for the purpose of facilitating access to signals of local television stations for households located in nonserved areas and underserved areas, \$258,065,000.

¹258,065,000

For the cost of guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, \$20,000,000.

20,000,000

In addition, for administrative expenses necessary to carry out the guaranteed loan program, \$2,000,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

2,000,000

[Total, Rural Utilities Service, \$119,985,000.]

[Total, title III, Rural Economic and Community, \$2,581,924,000.]

¹Loan authorization.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

TITLE IV

DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND
CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, \$587,000.

\$587,000

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; \$10,087,246,000, to remain available through September 30, 2003, of which \$4,914,788,000 is hereby appropriated and \$5,172,458,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That of the funds made available under this heading, \$500,000 shall be for a School Breakfast Program startup grant pilot program for the State of Wisconsin: *Provided further*, That up to \$4,507,000 shall be available for independent verification of school food service claims.

10,087,246,000

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS,
AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$4,348,000,000, to remain available through September 30, 2003: *Provided*, That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That of the total amount available, the Secretary shall obligate \$10,000,000 for the farmers' market nutrition program within 45 days of the enactment of this Act, and up to an additional \$15,000,000 for the farmers' market nutrition program upon a determination by the Secretary that funds are available to meet caseload requirements: *Provided further*, That notwithstanding section 17(h)(10)(A) of such Act, \$10,000,000 shall be available for the purposes specified in section 17(h)(10)(B), and up to an additional \$4,000,000 shall be available for the purposes specified in section 17(h)(10)(B) upon a determination by the Secretary that funds are available to meet caseload requirements: *Provided further*, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: *Provided further*, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost

4,348,000,000

containment and competitive bidding requirements specified in section 17 of such Act: *Provided further*, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), \$22,991,986,000, of which \$2,000,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided*, That of the funds made available under this heading and not already appropriated to the Food Distribution Program on Indian Reservations (FDPIR) established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)), not to exceed \$3,000,000 shall be used to purchase bison meat for the FDPIR from producer-owned cooperative organizations: *Provided further*, That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That of funds that may be reserved by the Secretary for allocation to State agencies under section 16(h)(1) of such Act to carry out Employment and Training programs, not more than \$145,000,000 made available in previous years may be obligated in fiscal year 2002: *Provided further*, That funds made available for Employment and Training under this heading shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act: *Provided further*, That funds provided under this heading may be used to procure food coupons necessary for program operations in this or subsequent fiscal years until electronic benefit transfer implementation is complete.

\$22,991,986,000

COMMODITY ASSISTANCE PROGRAM

(INCLUDING RESCISSION)

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) and the Emergency Food Assistance Act of 1983, \$152,813,000, to remain available through September 30, 2003: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: *Provided further*, That of the total amount available, the Secretary shall provide \$10,000,000 for senior farmers' market activities: *Provided further*, That notwithstanding section 5(a)(2) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93-86; 7 U.S.C. 612c note), \$20,820,000 of this amount shall be available for administrative expenses of the commodity supplemental food program: *Provided further*, That \$3,300,000 of unobligated balances available at the beginning of fiscal year 2002 are hereby rescinded.

152,813,000

- 3,300,000
(rescission)

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

FOOD DONATIONS PROGRAMS

\$150,749,000 For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973; special assistance for the nuclear affected islands as authorized by section 103(h)(2) of the Compacts of Free Association Act of 1985; and section 311 of the Older Americans Act of 1965, \$150,749,000, to remain available through September 30, 2003.

FOOD PROGRAM ADMINISTRATION

127,546,000 For necessary administrative expenses of the domestic food programs funded under this Act, \$127,546,000, of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp benefit delivery, and assisting in the prevention, identification, and prosecution of fraud and other violations of law and of which not less than \$6,500,000 shall be available to improve integrity in the Food Stamp and Child Nutrition programs: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109.

[*Total, Food and Nutrition Service, \$37,855,040,000.*]

[*Total, title IV, Domestic Food Programs, \$37,855,627,000.*]

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

121,813,000 For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$121,813,000: *Provided*, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development: *Provided further*, That none of the funds appropriated in this account may be used to pay the salaries and expenses of personnel to disburse funds to any rice trade association under the market access program or the foreign market development program at any time when the applicable international activity agreement for such program is not in effect.

¹3,224,000

¹1,033,000

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.

[*Total, program level, \$126,070,000.*]

¹ Transfer.

PUBLIC LAW 107-76—NOV. 28, 2001

115 STAT.

PUBLIC LAW 480 TITLE I PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of agreements under the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit arrangements under said Acts, \$126,409,000, to remain available until expended. \$126,409,000

In addition, for administrative expenses to carry out the credit program of title I, Public Law 83-480, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 83-480 are utilized, \$2,005,000, of which \$1,033,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which \$972,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses". 12,005,000

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For ocean freight differential costs for the shipment of agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954 and under the Food for Progress Act of 1985, \$20,277,000, to remain available until expended: *Provided*, That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress. 20,277,000

PUBLIC LAW 480 TITLE II GRANTS

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, \$850,000,000, to remain available until expended, for commodities supplied in connection with dispositions abroad under title II of said Act. 850,000,000

[*Total, Public Law 480, \$998,691,000.*]

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, \$4,014,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which \$3,224,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which \$790,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses". 4,014,000

[*Total, title V, Foreign Assistance and Related Programs, \$1,124,518,000.*]

¹ Shown in Table 1 under Salaries and Expenses

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG
ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed \$25,000; \$1,345,386,000, of which not to exceed \$161,716,000 to be derived from prescription drug user fees authorized by 21 U.S.C. 379(h), including any such fees assessed prior to the current fiscal year but credited during the current year, in accordance with section 736(g)(4), shall be credited to this appropriation and remain available until expended: *Provided*, That fees derived from applications received during fiscal year 2002 shall be subject to the fiscal year 2002 limitation: *Provided further*, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701: *Provided further*, That of the total amount appropriated: (1) \$312,049,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) \$352,647,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs, of which no less than \$13,207,000 shall be available for grants and contracts awarded under section 5 of the Orphan Drug Act (21 U.S.C. 360ee); (3) \$155,875,000 shall be for the Center for Biologics Evaluation and Research and for related field activities in the Office of Regulatory Affairs; (4) \$82,967,000 shall be for the Center for Veterinary Medicine and for related field activities in the Office of Regulatory Affairs; (5) \$179,521,000 shall be for the Center for Devices and Radiological Health and for related field activities in the Office of Regulatory Affairs; (6) \$37,082,000 shall be for the National Center for Toxicological Research; (7) \$29,798,000 shall be for Rent and Related activities, other than the amounts paid to the General Services Administration, of which \$4,000,000 for costs related to occupancy of new facilities at White Oak, Maryland, shall remain available until September 30, 2003; (8) \$105,116,000 shall be for payments to the General Services Administration for rent and related costs; and (9) \$90,331,000 shall be for other activities, including the Office of the Commissioner; the Office of Management and Systems; the Office of the Senior Associate Commissioner; the Office of International and Constituent Relations; the Office of Policy, Legislation, and Planning; and central services for these offices: *Provided further*, That funds may be transferred from one specified activity to another with the prior approval of the Committees on Appropriations of both Houses of Congress.

\$1,183,670,000

¹ 161,716,000² 105,116,000¹ User fees.² Limitation.

In addition, mammography user fees authorized by 42 U.S.C. 263(b) may be credited to this account, to remain available until expended.

In addition, export certification user fees authorized by 21 U.S.C. 381 may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, \$34,281,000, to remain available until expended (7 U.S.C. 2209b). \$34,281,000

[Total, Food and Drug Administration, \$1,217,951,000.]

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed \$25,000 for employment under 5 U.S.C. 3109, \$70,700,000, including not to exceed \$2,000 for official reception and representation expenses. 70,700,000

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$36,700,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: *Provided*, That this limitation shall not apply to expenses associated with receiverships. 36,700,000
(limitation)

[Total, title VI, Related Agencies and Food and Drug Administration, \$1,288,651,000.]

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for fiscal year 2002 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 379 passenger motor vehicles, of which 378 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by sections 1 and 10 of the Act of June 29, 1935 (7 U.S.C. 427, 427i; commonly known as the Bankhead-Jones Act), subtitle A of title II and section 302 of the Act of August 14, 1946 (7 U.S.C. 1621 et seq.), and chapter 63 of title 31, United States Code, shall be available for contracting in accordance with such Acts and chapter. 7 USC 1623a.

SEC. 704. The Secretary of Agriculture may transfer unobligated balances of funds appropriated by this Act or other available unobligated balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture: *Provided*, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior approval of the agency administrator: *Provided further*, That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without the prior approval of the Committees on Appropriations of both Houses of Congress.

7 USC 2209b.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, emerging plant pests, integrated systems acquisition project, boll weevil program, up to 25 percent of the screwworm program, and up to \$2,000,000 for costs associated with collocating regional offices; Food Safety and Inspection Service, field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)), funds for the Research, Education and Economics Information System (REEIS), and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; Foreign Agricultural Service, middle-income country training program and up to \$2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed \$50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to section 606C of the Act of August 28, 1954 (7 U.S.C. 1766b).

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 710. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the

Cooperative State Research, Education, and Extension Service that exceed 19 percent of total Federal funds provided under each award: *Provided*, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).

SEC. 711. Notwithstanding any other provision of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 712. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 2002 shall remain available until expended to cover obligations made in fiscal year 2002 for the following accounts: the Rural Development Loan Fund program account; the Rural Telephone Bank program account; the Rural Electrification and Telecommunications Loans program account; the Local Television Loan Guarantee program; the Rural Housing Insurance Fund program account; and the Rural Economic Development Loans program account.

SEC. 713. Notwithstanding chapter 63 of title 31, United States Code, marketing services of the Agricultural Marketing Service; the Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; and the food safety activities of the Food Safety and Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service; the Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; or the Food Safety and Inspection Service and a state or cooperator to carry out agricultural marketing programs, to carry out programs to protect the nation's animal and plant resources, or to carry out educational programs or special studies to improve the safety of the nation's food supply.

SEC. 714. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 715. Of the funds made available by this Act, not more than \$1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 716. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 717. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 718. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 719. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 720. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2002, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2002, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

Notification.

(c) The Secretary of Agriculture shall notify the Committees on Appropriations of both Houses of Congress before implementing a program or activity not carried out during the previous fiscal

year unless the program or activity is funded by this Act or specifically funded by any other Act.

SEC. 721. With the exception of funds needed to administer and conduct oversight of grants awarded and obligations incurred prior to enactment of this Act, none of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out section 793 of Public Law 104-127, the Fund for Rural America (7 U.S.C. 2204f).

SEC. 722. With the exception of funds needed to administer and conduct oversight of grants awarded and obligations incurred prior to enactment of this Act, none of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out the provisions of section 401 of Public Law 105-185, the Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621).

SEC. 723. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 1240M of the Food Security Act of 1985 (16 U.S.C. 3839bb).

SEC. 724. None of the funds made available to the Food and Drug Administration by this Act shall be used to reduce the Detroit, Michigan, Food and Drug Administration District Office below the operating and full-time equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office: *Provided*, That this section shall not apply to Food and Drug Administration field laboratory facilities or operations currently located in Detroit, Michigan, except that field laboratory personnel shall be assigned to locations in the general vicinity of Detroit, Michigan, pursuant to cooperative agreements between the Food and Drug Administration and other laboratory facilities associated with the State of Michigan.

Michigan.

SEC. 725. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2003 appropriations Act.

SEC. 726. None of the funds made available by this Act or any other Act may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

SEC. 727. Of any shipments of commodities made pursuant to section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), the Secretary of Agriculture shall, to the extent practicable, direct that tonnage equal in value to not more than \$25,000,000 shall be made available to foreign countries to assist in mitigating the

effects of the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome on communities, including the provision of—

(1) agricultural commodities to—

(A) individuals with Human Immunodeficiency Virus or Acquired Immune Deficiency Syndrome in the communities; and

(B) households in the communities, particularly individuals caring for orphaned children; and

(2) agricultural commodities monetized to provide other assistance (including assistance under microcredit and microenterprise programs) to create or restore sustainable livelihoods among individuals in the communities, particularly individuals caring for orphaned children.

\$2,496,000 SEC. 728. In addition to amounts otherwise appropriated or made available by this Act, \$2,496,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships through the Congressional Hunger Center.

7 USC 2235a. SEC. 729. Hereafter, refunds or rebates received on an ongoing basis from a credit card services provider under the Department of Agriculture's charge card programs may be deposited to and retained without fiscal year limitation in the Department's Working Capital Fund established under 7 U.S.C. 2235 and used to fund management initiatives of general benefit to the Department of Agriculture bureaus and offices as determined by the Secretary of Agriculture or the Secretary's designee.

SEC. 730. Notwithstanding section 412 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736f) any balances available to carry out title III of such Act as of the date of enactment of this Act, and any recoveries and reimbursements that become available to carry out title III of such Act, may be used to carry out title II of such Act.

1,000,000 SEC. 731. Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)(B)) is amended by striking "\$25,000,000" and inserting "\$26,000,000".

SEC. 732. None of the funds appropriated or made available by this Act shall be used to issue a proposed rule for which the comment period would close prior to September 30, 2002, final, or interim final rule pursuant to notice and comment rulemaking in relation to any change or modification of the definition of "animal" in existing regulations pursuant to the Animal Welfare Act.

Grants.
Loans.
State listing. SEC. 733. Notwithstanding any other provision of law, the City of Cabot, Arkansas, the City of Berlin, New Hampshire, and the City of Coachella, California, shall be eligible for loans and grants provided through the Rural Community Advancement Program.

Arizona. SEC. 734. Notwithstanding any other provision of law, the Secretary shall consider the City of Casa Grande, Arizona, as meeting the requirements of a rural area in section 520 of the Housing Act of 1949 (42 U.S.C. 1490).

SEC. 735. Of the funds made available under section 27(a) of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the Secretary may use up to \$5,000,000 for administrative costs associated with the distribution of commodities.

SEC. 736. Notwithstanding any other provision of law, the Secretary may transfer up to \$13,000,000 in funds provided for the Environmental Quality Incentives Program authorized by

chapter 4, subtitle D, title XII of the Food Security Act of 1985, for technical assistance to implement the Conservation Reserve Program authorized by subchapter B, chapter 1, title XII of the Food Security Act of 1985, with funds to remain available until expended.

SEC. 737. Notwithstanding any other provision of law, the City of St. Joseph, Missouri, shall be eligible for grants and loans administered by the rural development mission area of the Department of Agriculture relating to an application submitted to the Department by a farmer-owned cooperative, a majority of whose members reside in a rural area, as determined by the Secretary, and for the purchase and operation of a facility beneficial to the purpose of the cooperative.

Grants.
Loans.
Missouri.

SEC. 738. Notwithstanding any other provision of law, the Secretary of Agriculture shall consider the City of Hollister, California, as meeting the requirements of a rural area for the purposes of housing programs in the rural development mission areas of the Department of Agriculture.

SEC. 739. None of the funds appropriated or otherwise made available by this Act may be used to maintain, modify, or implement any assessment against agricultural producers as part of a commodity promotion, research, and consumer information order, known as a check-off program, that has not been approved by the affected producers in accordance with the statutory requirements applicable to the order.

SEC. 740. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Drug Analysis (recently renamed the Division of Pharmaceutical Analysis) in St. Louis, Missouri, except that funds could be used to plan a possible relocation of this Division within the city limits of St. Louis, Missouri.

SEC. 741. MARKET LOSS ASSISTANCE FOR APPLE PRODUCERS (a) ASSISTANCE AVAILABLE.—The Secretary of Agriculture shall use \$75,000,000 of funds of the Commodity Credit Corporation to make payments as soon as possible after the date of the enactment of this Act to apple producers to provide relief for the loss of markets for their 2000 crop.

\$75,000,000

(b) PAYMENT BASIS.—The amount of the payment to a producer under subsection (a) shall be made on a per pound basis equal to each qualifying producer's 2000 production of apples, except that the Secretary shall not make payments for that amount of a particular farm's apple production that is in excess of 20,000,000 pounds.

(c) DUPLICATIVE PAYMENTS.—A producer shall be ineligible for payments under this section with respect to a market loss for apples to the extent of that amount that the producer received as compensation or assistance for the same loss under any other Federal program, other than under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(d) OTHER TERMS AND CONDITIONS.—The Secretary shall not establish any terms or conditions for producer eligibility, such as limits based upon gross income, other than those specified in this section.

(e) APPLICABILITY.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

SEC. 742. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating the Act of March 3, 1933 (41 U.S.C. 10a-10c; popularly known as the “Buy American Act”).

¹\$10,000,000 SEC. 743. Section 17(a)(2)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(a)(2)(B)) is amended by striking “2001” and inserting “2002”.

150,000 SEC. 744. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance in the amount of \$150,000 to the Mallard Pointe project in Madison County, Mississippi.

SEC. 745. Notwithstanding any other provision of law, the Secretary of Agriculture shall, in cooperation with the State of Illinois, develop and implement a pilot project utilizing conservation programs of the Department of Agriculture for soil, water, wetlands, and wildlife habitat enhancement in the Illinois River Basin: *Provided*, That no funds shall be made available to carry out this section unless they are expressly provided for a program in this Act or any other Act for obligation in fiscal year 2002: *Provided further*, That any conservation reserve program enrollments made pursuant to this section shall be subject to section 734 of this Act.

250,000 SEC. 746. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide \$250,000 for a wetlands restoration and water conservation project in the vicinity of Jamestown, Rhode Island.

SEC. 747. Notwithstanding any other provision of law, \$3,000,000 shall be made available from funds under the rural business and cooperative development programs of the Rural Community Advancement Program for a grant for an integrated ethanol plant, feedlot, and animal waste digestion unit, to the extent matching funds from the Department of Energy are provided if a commitment for such matching funds is made prior to July 1, 2002: *Provided*, That such funds shall be released to the project after the farmer-owned cooperative equity is in place, and a formally executed commitment from a qualified lender based upon receipt of necessary permits, contract, and other appropriate documentation has been secured by the project.

7 USC 918b. SEC. 748. Hereafter, notwithstanding any other provision of law, the Administrator of the Rural Utilities Service shall use the authorities provided in the Rural Electrification Act of 1936 to finance the acquisition of existing generation, transmission and distribution systems and facilities serving high cost, predominantly rural areas by entities capable of and dedicated to providing or improving service in such areas in an efficient and cost effective manner.

SEC. 749. Notwithstanding subsection (f) of section 156 of the Agricultural Market Transition Act (7 U.S.C. 7272(f)), any assessment imposed under that subsection for marketings of raw cane sugar or beet sugar for the 2002 fiscal year shall not be required to be remitted to the Commodity Credit Corporation before September 2, 2002.

SEC. 750. Notwithstanding any other provision of law, the Secretary of Agriculture, acting through the Natural Resources Conservation Service, shall provide financial assistance from available funds from the Emergency Watershed Protection Program in Arkansas, in an amount not to exceed \$400,000 for completion

¹ CBO estimate.

of the current construction phase of the Kuhn Bayou (Point Remove) Project.

SEC. 751. (a) TEMPORARY USE OF EXISTING PAYMENTS TO STATES TABLE.—Notwithstanding section 101(a)(1) of the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106-393; 16 U.S.C. 500 note), for the purpose of making the fiscal year 2001 payments under section 102 of such Act to eligible States and eligible counties, the full payment amount for each eligible State and eligible county shall be deemed to be equal to the full payment amount calculated for that eligible State or eligible county in the Forest Service document entitled “P.L. 106-393, Secure Rural Schools and Community Self-Determination Act” and dated July 31, 2001, subject to the adjustment required by section 101(b) of such Act. 16 USC 500 note.

(b) REVISION OF TABLE.—For the purpose of making payments under section 102 of such Act to eligible States and eligible counties for fiscal years 2002 through 2006, as required by section 101(a)(1) of such Act, the Secretary of Agriculture shall revise the table referred to in subsection (a) to accurately reflect, to the maximum extent practicable, each eligible State’s and eligible county’s historic share of the 25-percent payments and safety net payments made for the fiscal years of the eligibility period.

(c) REPORTING REQUIREMENT.—Not later than March 1, 2002, the Secretary of Agriculture shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Agriculture of the House of Representatives a report containing the revisions made to the table referred to in subsection (a), as required by subsection (b). Deadline.

(d) ADDITIONAL ELIGIBLE COUNTY ELECTION.—Notwithstanding section 102(b)(2) of such Act, if the revision pursuant to subsection (b) of the table referred to in subsection (a) results in a reduced full payment amount for an eligible county that elected under section 102(b) of such Act to receive the full payment amount, the eligible county shall have a 90-day period, beginning on the date the revised table is first available to the public, during which to reconsider and change its election. The eligible county shall notify the Secretary of Agriculture of any change in its election before the end of such period. If an eligible county elects under this subsection to receive the 25-percent payment in place of the full payment amount, the election shall be effective for 1 year.

(e) TREATMENT OF CERTAIN MINERAL LEASING RECEIPTS.—(1) An eligible county that elects under section 102(b) of such Act to receive its share of an eligible State’s full payment amount shall continue to receive its share of any payments made to that State from a lease for mineral resources issued by the Secretary of the Interior under the last paragraph under the heading “FOREST SERVICE.” in the Act of March 4, 1917 (Chapter 179; 16 U.S.C. 520).

(2) Section 6(b) of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355(b)) is amended by inserting after the first sentence the following new sentence: “The preceding sentence shall also apply to any payment to a State derived from a lease for mineral resources issued by the Secretary of the Interior under the last paragraph under the heading ‘FOREST SERVICE.’ in the Act of March 4, 1917 (Chapter 179; 16 U.S.C. 520).”

(f) DEFINITIONS.—In this section, the terms “eligible State”, “eligible county”, “eligibility period”, “full payment amount”, “25-

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

percent payment”, and “safety net payments” have the meanings given such terms in section 3 of such Act, and the term “such Act” means the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106-393; 16 U.S.C. 500 note).

SEC. 752. ALASKA PERMANENT FUND. Section 501(b) of the Housing Act of 1949 (42 U.S.C. 1471) is amended in paragraph (5)—

(1) by striking “(5)” and inserting “(5)(A)”; and

(2) by adding at the end the following:

“(B) For purposes of this title, for fiscal years 2002 and 2003, the term ‘income’ does not include dividends received from the Alaska Permanent Fund by a person who was under the age of 18 years when that person qualified for the dividend.”

7 USC 321 note.

SEC. 753. Hereafter, any provision of any Act of Congress relating to colleges and universities eligible to receive funds under the Act of August 30, 1890, including Tuskegee University, shall apply to West Virginia State College at Institute, West Virginia: *Provided*, That the Secretary may waive the matching funds’ requirement under section 1449 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222d) for fiscal year 2002 for West Virginia State College if the Secretary determines the State of West Virginia will be unlikely to satisfy the matching requirement.

SEC. 754. Notwithstanding any other provision of law, the Secretary, acting through the Natural Resources Conservation Service, shall provide financial and technical assistance relating to the Tanana River bordering the Big Delta State Historical Park.

SEC. 755. None of the funds appropriated or otherwise made available by this Act to the Food and Drug Administration shall be used to allow admission of fish or fish products labeled wholly or in part as “catfish” unless the products are taxonomically from the family Ictaluridae.

SEC. 756. The Secretary of Agriculture is authorized to accept any unused funds transferred to the Alaska Railroad Corporation for avalanche control and retransfer up to \$499,000 of such funds as a direct lump sum payment to the City of Valdez to construct an avalanche control wall to protect a public school.

SEC. 757. The Secretary of Agriculture may use not more than \$5,000,000 of funds of the Commodity Credit Corporation to pay claims of crop damage, upon consultation with the Secretary of the Interior, that resulted from the Bureau of Land Management’s use of herbicides during the 2001 calendar year in the State of Idaho: *Provided*, That if the amount provided in this section is not sufficient to pay all approved claims the Secretary of Agriculture shall reduce all approved claims on a pro rata basis related to the degree of loss in production: *Provided further*, That nothing in this section shall be construed to constitute an admission of liability by the United States arising from the use by the Bureau of Land Management of the herbicide Oust: *Provided further*, That the issuance of regulations promulgated pursuant to this section shall be made without regard to: (1) the notice and comment provisions of section 553 of title 5, United States Code; (2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and (3) chapter 35 of title

44, United States Code (commonly known as the “Paperwork Reduction Act”): *Provided further*, That in carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. 758. PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE. (a) IN GENERAL.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

(b) CONFORMING AMENDMENT.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting “(which may include emerging vegetation in water)” after “vegetative cover”.

SEC. 759. SPECIALITY CROPS. (a) GRADING OF TOBACCO.—

7 USC 511s.
Deadline.

(1) IN GENERAL.—Not later than March 31, 2002, the Secretary of Agriculture (referred to in this section as the “Secretary”) shall conduct referenda among producers of each kind of tobacco that is eligible for price support under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) to determine whether such producers favor the mandatory grading of that kind of tobacco by the Secretary.

(2) MANDATORY GRADING.—

(A) IN GENERAL.—If the Secretary determines that mandatory grading is favored by a majority of the producers of a kind of tobacco voting in the referendum, the Secretary is authorized and directed to ensure that the kind of tobacco is graded at the time of sale effective for the 2002 and subsequent marketing years.

(B) FEES.—To the maximum extent practicable, the Secretary shall establish, collect, and use fees for the grading of tobacco required under this subsection in the same manner as user fees for the grading of tobacco sold at auction authorized under the Tobacco Inspection Act (7 U.S.C. 511 et seq.).

(3) JUDICIAL REVIEW.—A determination by the Secretary under this subsection shall not be subject to judicial review.

(b) QUOTA REDUCTION FOR CONSERVATION RESERVE ACREAGE.—

(1) IN GENERAL.—Section 1236 of the Food Security Act of 1985 (16 U.S.C. 3836) is amended—

(A) by striking subsection (a);

(B) by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively;

(C) in subsection (b) (as so redesignated), by striking “subsection (b)” and inserting “subsection (a)”; and

(D) in subsection (c) (as so redesignated), by striking “subsection (c)” and inserting “subsection (b)”.

(2) CONFORMING AMENDMENT.—Section 1232(a)(5) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(5)) is amended by striking “section 1236(d)” and inserting “section 1236(c)”.

(3) APPLICATION.—The amendments made by this subsection shall apply beginning with the 2002 crop.

16 USC 3832
note.

(c) HORSE BREEDER LOANS.—

(1) DEFINITION OF HORSE BREEDER.—In this subsection, the term “horse breeder” means a person that, as of the date of enactment of this Act, derives more than 70 percent of the income of the person from the business of breeding,

boarding, raising, training, or selling horses, during the shorter of—

(A) the 5-year period ending on January 1, 2001; or

(B) the period the person has been engaged in such business.

(2) LOAN AUTHORIZATION.—The Secretary shall make loans to eligible horse breeders to assist the horse breeders for losses suffered as a result of mare reproductive loss syndrome.

(3) ELIGIBILITY.—A horse breeder shall be eligible for a loan under this subsection if the Secretary determines that, as a result of mare reproductive loss syndrome—

(A) during the period beginning January 1 and ending October 1 of any of calendar years 2000, 2001, or 2002—

(i) 30 percent or more of the mares owned by the horse breeder failed to conceive, miscarried, aborted, or otherwise failed to produce a live healthy foal; or

(ii) 30 percent or more of the mares boarded on a farm owned, operated, or leased by the horse breeder failed to conceive, miscarried, aborted, or otherwise failed to produce a live healthy foal;

(B) the horse breeder is unable to meet the financial obligations, or pay the ordinary and necessary expenses, of the horse breeder incurred in connection with breeding, boarding, raising, training, or selling horses; and

(C) the horse breeder is not able to obtain sufficient credit elsewhere, in accordance with subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.).

(4) AMOUNT.—

(A) IN GENERAL.—Subject to subparagraph (B), the amount of a loan made to a horse breeder under this subsection shall be determined by the Secretary on the basis of the amount of losses suffered by the horse breeder, and the financial needs of the horse breeder, as a result of mare reproductive loss syndrome.

(B) MAXIMUM AMOUNT.—The amount of a loan made to a horse breeder under this subsection shall not exceed the maximum amount of an emergency loan under section 324(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(a)).

(5) TERM.—

(A) IN GENERAL.—Subject to subparagraph (B), the term for repayment of a loan made to a horse breeder under this subsection shall be determined by the Secretary based on the ability of the horse breeder to repay the loan.

(B) MAXIMUM TERM.—The term of a loan made to a horse breeder under this subsection shall not exceed 20 years.

(6) INTEREST RATE.—The interest rate for a loan made to a horse breeder under this subsection shall be the interest rate for emergency loans prescribed under section 324(b)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(b)(1)).

(7) SECURITY.—A loan to a horse breeder under this subsection shall be made on the security required for emergency

loans under section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)).

(8) APPLICATION.—To be eligible to obtain a loan under this subsection, a horse breeder shall submit an application for the loan to the Secretary not later than September 30, 2002. Deadline.

(9) FUNDING.—The Secretary shall carry out this subsection using funds made available to make emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.).

(10) TERMINATION.—The authority provided by this subsection to make a loan terminates effective September 30, 2003.

SEC. 760. During fiscal year 2002, subsection (a)(2) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) shall be applied as though the term “and potatoes” read as follows: “, potatoes, and sweet potatoes”.

SEC. 761. CITRUS CANKER ERADICATION. (a) IN GENERAL.—Section 810 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549A–52) is amended—

(1) in subsection (a) by striking “The” and inserting “Subject to subsection (e), the”; and

(2) in subsection (c), by striking “2001” and inserting “2002”.

(b) EFFECTIVE DATE.—The amendments in subsection (a) shall take effect as if enacted on September 30, 2001.

SEC. 762. Section 306(a)(20) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(20)) is amended by adding at the end the following new subparagraph:

“(E) RURAL BROADBAND.—Notwithstanding subparagraph (C), the Secretary may make grants to state agencies for use by regulatory commissions in states with rural communities without local dial-up Internet access or broadband service to establish a competitively, technologically neutral grant program to telecommunications carriers or cable operators that establish common carrier facilities and services which, in the commission’s determination, will result in the long-term availability to such communities of affordable broadband services which are used for the provision of high speed Internet access.”.

SEC. 763. In accordance with the Farmland Protection Program, a total of \$720,000 shall be made available to purchase conservation easements or other interests in land, not to exceed 235 acres, in Adair, Green, and Taylor Counties, Kentucky: *Provided*, That \$490,000 of this amount shall be from funds made available to the Conservation Reserve Enhancement Program for the State of Kentucky.

SEC. 764. Notwithstanding any other provision of law, the City of Caldwell, Idaho, shall be eligible for grants and loans administered by the Rural Housing Service of the United States Department of Agriculture for a period not to exceed 1 year from the date of enactment of this Act.

SEC. 765. Section 8c(1) of the Agricultural Marketing Agreement Act of 1937 is amended by adding the following provision at the end of the penultimate sentence: 7 USC 608c.

115 STAT.

PUBLIC LAW 107-76—NOV. 28, 2001

“The Secretary is authorized to implement a producer allotment program and a handler withholding program under the cranberry marketing order in the same crop year through informal rulemaking based on a recommendation and supporting economic analysis submitted by the Cranberry Marketing Committee. Such recommendation and analysis shall be submitted by the Committee no later than March 1 of each year.”

SEC. 766. Section 11(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(f)) is amended by—

(1) in paragraph (1)(E), by striking “2001” and inserting “2003”; and

(2) in paragraph (2)—

(A) by striking subparagraph (A) and inserting the following:

“(A) IN GENERAL.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

“(i) not later than January 1, 2003, an interim report on the activities of the State agencies receiving grants under this subsection; and

“(ii) not later than January 1, 2004, a final report on the activities of the State agencies receiving grants under this subsection.”; and

(B) in subparagraph (B), by striking “report” and inserting “reports”.

SEC. 767. Notwithstanding any other provision of law, the City of Mt. Vernon, Washington, shall be eligible for grants and loans administered by the Rural Housing Service of the United States Department of Agriculture for a period not to exceed 1 year from the date of enactment of this Act.

SEC. 768. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance to DuPage County, Illinois, from funds available for the Watershed and Flood Prevention Operations program, not to exceed \$1,400,000.

SEC. 769. Notwithstanding any other provision of law, from funds previously appropriated for Watershed and Flood Prevention Operations of the Natural Resource and Conservation Service, the Secretary of Agriculture shall provide technical and financial assistance, but not to exceed \$1,000,000, in connection with a lake level stabilization project carried out as part of local efforts to restore and repair watersheds damaged by the 2001 tornado and storms in Burnett and Washburn Counties, Wisconsin: *Provided*, That the Secretary shall waive the cost share requirement of the local sponsors of such efforts in Burnett and Washburn Counties, Wisconsin.

SEC. 770. Notwithstanding any other provision of law, from the funds appropriated to the Rural Utilities Service by this Act, any current Rural Utilities Service borrower within 100 miles of New York City shall be eligible for additional financing, refinancing, collateral flexibility, and deferrals on an expedited basis without regard to population limitations for any financially feasible telecommunications, energy or water project that assists endeavors related to the rehabilitation, prevention, relocation, site preparation, or relief efforts resulting from the terrorist events of September 11, 2001.

Reports.
Deadlines.

SEC. 771. Section 17(r)(5) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(r)(5)) is amended—

- (1) by striking “six” and inserting “seven”;
- (2) by striking “four” and inserting “five”; and
- (3) by inserting “Illinois,” after the first instance of “States shall be”.

SEC. 772. (a) EXTENSION.—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended—

¹\$15,000,000

(1) in subsection (b), by adding at the end the following new paragraph:

“(5) During the period beginning on January 1, 2002, and ending on May 31, 2002, \$9.90.”; and

(2) in subsection (h), by striking “December 31, 2001” both places it appears and inserting “May 31, 2002”.

(b) CONFORMING AMENDMENT.—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

SEC. 773. The Secretary shall transfer to the Southern Minnesota Beet Sugar Co-op, refined sugar, acquired by the Commodity Credit Corporation, in the amount of 10,000 tons to compensate sugar producers in Minnesota for losses incurred beyond those that may be compensated under existing programs administered by the Secretary: *Provided*, That this amount of sugar shall be provided in installments starting on the day that is 30 days after the date of enactment of this Act and on the first day of each of the following 7 months after that day.

15,000,000

SEC. 774. (a) DEFINITIONS.—In this section:

(1) The term “eligible person” means a person that—

(A) owns a farm for which, irrespective of temporary transfers or undermarketings, a basic quota or allotment for eligible tobacco is established for the 2001 crop year under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.);

15,000,000

(B) controls the farm from which, under the quota or allotment for the relevant period, eligible tobacco is marketed, could have been marketed, or can be marketed, taking into account temporary transfers; or

(C) grows, could have grown, or can grow eligible tobacco that is marketed, could have been marketed, or can be marketed under the quota or allotment for the 2001 crop year, taking into account temporary transfers.

(2) The term “eligible tobacco” means each of the following kinds of tobacco:

(A) Fire-cured tobacco, comprising types 22 and 23.

(B) Dark air-cured tobacco, comprising types 35 and

36.
(C) Virginia sun-cured tobacco, comprising type 37.

(b) PAYMENTS.—Not later than March 31, 2002, the Secretary of Agriculture (referred to in this section as the “Secretary”) shall use funds of the Commodity Credit Corporation to make payments under this section.

Deadline.

(c) POUNDAGE PAYMENT QUANTITIES.—For the purposes of this section, in the case of each kind of eligible tobacco, individual tobacco quotas and allotments shall be converted to poundage payment quantities by multiplying—

- (1) the number of acres that may, irrespective of temporary transfers or undermarketings, be devoted, without penalty, to the production of the kind of tobacco under the allotment under

¹ CBO estimate.

part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year; by

(2)(A) in the case of fire-cured tobacco (types 22 and 23), 2,601 pounds per acre;

(B) in the case of dark air-cured tobacco (types 35 and 36), 2,337 pounds per acre; and

(C) in the case of Virginia sun-cured tobacco (type 37), 1,512 pounds per acre.

(d) AVAILABLE PAYMENT AMOUNTS.—In the case of each kind of eligible tobacco, the available payment amount for pounds of a payment quantity under subsection (c) shall be equal to 10 cents per pound.

(e) DIVISION OF PAYMENTS AMONG ELIGIBLE PERSONS.—Payments available with respect to a pound of payment quantity, as determined under subsection (d), shall be made available to eligible persons in accordance with this subsection. In the case of payments made available in a State under this section for each kind of eligible tobacco, the Secretary shall distribute (as determined by the Secretary)—

(1) 33 $\frac{1}{3}$ percent of the payments to eligible persons that are owners described in subsection (a)(1)(A);

(2) 33 $\frac{1}{3}$ percent of the payments to eligible persons that are controllers described in subsection (a)(1)(B); and

(3) 33 $\frac{1}{3}$ percent of the payments to eligible persons that are growers described in subsection (a)(1)(C).

(f) STANDARDS.—In carrying out this section, the Secretary shall use, to the maximum extent practicable, the same standards for payments that were used for making payments under section 204(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106-224).

(g) JUDICIAL REVIEW.—A determination by the Secretary under this section shall not be subject to judicial review.

(h) REGULATIONS.—As soon as practicable after the date of enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this section. The promulgation of the regulations and administration of this section shall be made without regard to—

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

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

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

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

SEC. 775. The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) is amended:

(1) in subsection (b)(3) by adding at the end the following:

“(G) Grants may be awarded to improve research capabilities in States (as defined in the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended) in which institutions have been less successful

PUBLIC LAW 107-76—NOV. 28, 2001

115 STAT.

in receiving funding under this subsection, based on a three-year rolling average of funding levels.”; and
 (2) in subsections (b)(10)(C) by striking “and (F) of paragraph (3) for awarding grants in” and inserting “, (F), and (G) of paragraph (3) for”.

SEC. 776. None of the funds made available in this Act may be used to pay the salaries of personnel of the Department of Agriculture who carry out the programs authorized by section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524) in excess of a total of \$4,000,000 for all such programs for fiscal year 2002.

¹ - \$6,000,000

SEC. 777. Section 501 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1737) is amended—

(1) in the section heading, by inserting “**JOHN OGWONSKI**” before “**FARMER-TO-FARMER PROGRAM**”; and

(2) by adding at the end the following new subsection:
 “(d) DESIGNATION OF PROGRAM.—The program of farmer-to-farmer assistance authorized by this section shall be known and designated as the ‘John Ogonowski Farmer-to-Farmer Program’.”.

This Act may be cited as the “Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002”.

[Total, title VII, General provisions, \$107,896,000.]

Approved November 28, 2001.

LEGISLATIVE HISTORY—H.R. 2330 (S. 1191):

HOUSE REPORTS: Nos. 107-116 (Comm. on Appropriations) and 107-275 (Comm. of Conference).

SENATE REPORTS: No. 107-41 accompanying S. 1191 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

- June 28, July 11, considered and passed House.
- Oct. 25, considered and passed Senate, amended.
- Oct. 30, Senate agreed to another amendment.
- Nov. 13, House agreed to conference report.
- Nov. 15, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

- Nov. 28, Presidential statement.

¹ CBO estimate.

[In thousands of dollars]

| | |
|--|--------------|
| Net grand total, Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 | \$75,344,827 |
| Appropriations | (75,348,127) |
| Rescission | (- 3,300) |
| Consisting of: | |
| Department of Agriculture (net) | 74,505,792 |
| General Government—Independent Agencies | 70,700 |
| Department of Health and Human Services: | |
| Food and Drug Administration | 1,217,951 |
| Other budget adjustments | - 449,616 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**DEPARTMENTS OF COMMERCE,
JUSTICE, AND STATE,
THE JUDICIARY, AND RELATED
AGENCIES APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-77

COMMERCE, JUSTICE, STATE, JUDICIARY APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

Public Law 107-77
107th Congress

An Act

Nov. 28, 2001
[H.R. 2500]

Making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

Departments of
Commerce,
Justice, and
State, the
Judiciary, and
Related Agencies
Appropriations
Act, 2002.
Department of
Justice
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

\$91,668,000 For expenses necessary for the administration of the Department of Justice, \$91,668,000, of which not to exceed \$3,317,000 is for the Facilities Program 2000, to remain available until expended: *Provided*, That not to exceed 43 permanent positions and 44 full-time equivalent workyears and \$8,451,000 shall be expended for the Department Leadership Program exclusive of augmentation that occurred in these offices in fiscal year 2001: *Provided further*, That not to exceed 41 permanent positions and 48 full-time equivalent workyears and \$4,997,000 shall be expended for the Offices of Legislative Affairs and Public Affairs: *Provided further*, That the latter two aforementioned offices may utilize non-reimbursable details of career employees within the caps described in the preceding proviso: *Provided further*, That the Attorney General is authorized to transfer, under such terms and conditions as the Attorney General shall specify, forfeited real or personal property of limited or marginal value, as such value is determined by guidelines established by the Attorney General, to a State or local government agency, or its designated contractor or transferee, for use to support drug abuse treatment, drug and crime prevention and education, housing, job skills, and other community-based public health and safety programs: *Provided further*, That any transfer under the preceding proviso shall not create or confer any private right of action in any person against the United States, and shall be treated as a reprogramming under section 605 of this Act.

PUBLIC LAW 107-77—NOV. 28, 2001 115 STAT.

JOINT AUTOMATED BOOKING SYSTEM

For expenses necessary for the nationwide deployment of a Joint Automated Booking System including automated capability to transmit fingerprint and image data, \$1,000,000, to remain available until expended. \$1,000,000

NARROWBAND COMMUNICATIONS

For the costs of conversion to narrowband communications, including the cost for operation and maintenance of Land Mobile Radio legacy systems, \$94,615,000, to remain available until expended. 94,615,000

COUNTERTERRORISM FUND 11,000,000

For necessary expenses, as determined by the Attorney General, \$4,989,000, to remain available until expended, to reimburse any Department of Justice organization for: (1) the costs incurred in reestablishing the operational capability of an office or facility which has been damaged or destroyed as a result of any domestic or international terrorist incident; and (2) the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities: *Provided*, That any Federal agency may be reimbursed for the costs of detaining in foreign countries individuals accused of acts of terrorism that violate the laws of the United States: *Provided further*, That funds provided under this paragraph shall be available only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act. 4,989,000

Notification.

ADMINISTRATIVE REVIEW AND APPEALS

For expenses necessary for the administration of pardon and clemency petitions and immigration-related activities, \$173,647,000. 173,647,000

DETENTION TRUSTEE

For necessary expenses of the Federal Detention Trustee who shall exercise all power and functions authorized by law relating to the detention of Federal prisoners in non-Federal institutions or otherwise in the custody of the United States Marshals Service; and the detention of aliens in the custody of the Immigration and Naturalization Service, \$1,000,000: *Provided*, That the Trustee shall be responsible for overseeing construction of detention facilities or for housing related to such detention; the management of funds appropriated to the Department for the exercise of any detention functions; and the direction of the United States Marshals Service and Immigration and Naturalization Service with respect to the exercise of detention policy setting and operations for the Department. 1,000,000

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$50,735,000; including not to exceed \$10,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the 50,735,000

¹Deputy Attorney General for Combatting Domestic Terrorism provided in general provision (Sec. 612e).

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

certificate of, the Attorney General; and for the acquisition, lease, maintenance, and operation of motor vehicles, without regard to the general purchase price limitation for the current fiscal year. [Total, General administration, \$418,654,000.]

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

\$9,876,000 For necessary expenses of the United States Parole Commission as authorized by law, \$9,876,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

549,176,000 For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed \$20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia, \$549,176,000; of which not to exceed \$10,000,000 for litigation support contracts shall remain available until expended: *Provided*, That of the total amount appropriated, not to exceed \$1,000 shall be available to the United States National Central Bureau, INTERPOL, for official reception and representation expenses: *Provided further*, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for litigation activities of the Civil Division, the Attorney General may transfer such amounts to "Salaries and Expenses, General Legal Activities" from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: *Provided further*, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

4,028,000 In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, as amended, not to exceed \$4,028,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

LEGAL ACTIVITIES OFFICE AUTOMATION

15,765,000 For necessary office-automation expenses of organizations funded under the headings "Salaries and Expenses", General Legal Activities, and "Salaries and Expenses", General Administration, and of the United States Attorneys, the United States Marshals Service, the Antitrust Division, the United States Trustee Program, the Executive Office for Immigration Review, and the Community Relations Service, \$15,765,000, to remain available until expended.

SALARIES AND EXPENSES, ANTITRUST DIVISION

130,791,000 For expenses necessary for the enforcement of antitrust and
 - 130,791,000 kindred laws, \$130,791,000: *Provided*, That, notwithstanding any
 (fees) other provision of law, not to exceed \$130,791,000 of offsetting
 collections derived from fees collected for premerger notification

filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection, shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2002, so as to result in a final fiscal year 2002 appropriation from the general fund estimated at not more than \$0.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, including inter-governmental and cooperative agreements, \$1,353,968,000; of which not to exceed \$2,500,000 shall be available until September 30, 2003, for: (1) training personnel in debt collection; (2) locating debtors and their property; (3) paying the net costs of selling property; and (4) tracking debts owed to the United States Government: *Provided*, That of the total amount appropriated, not to exceed \$8,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed \$10,000,000 of those funds available for automated litigation support contracts shall remain available until expended: *Provided further*, That not to exceed \$2,500,000 for the operation of the National Advocacy Center shall remain available until expended: *Provided further*, That, in addition to reimbursable full-time equivalent workyears available to the Offices of the United States Attorneys, not to exceed 9,571 positions and 9,776 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the United States Attorneys: *Provided further*, That, notwithstanding any other provision of law, the Attorney General shall transfer to the Department of Justice Working Capital Fund, unobligated, all unexpended funds appropriated by the first heading of chapter 2 of title II of division B of Public Law 106-246 and by section 202 of division A of appendix H.R. 5666 of Public Law 106-554: *Provided further*, That the fourth proviso under the heading “Salaries and Expenses, United States Attorneys” in title I of H.R. 3421 of the 106th Congress, as enacted by section 1000(a)(1) of Public Law 106-113 shall apply to amounts made available under this heading for fiscal year 2002.

UNITED STATES TRUSTEE SYSTEM FUND

For necessary expenses of the United States Trustee Program, as authorized by 28 U.S.C. 589a(a), \$147,000,000, to remain available until expended and to be derived from the United States Trustee System Fund: *Provided*, That, notwithstanding any other provision of law, deposits to the Fund shall be available in such amounts as may be necessary to pay refunds due depositors: *Provided further*, That, notwithstanding any other provision of law, \$147,000,000 of offsetting collections pursuant to 28 U.S.C. 589a(b) shall be retained and used for necessary expenses in this appropriation and remain available until expended: *Provided further*, That the sum herein appropriated from the Fund shall be reduced as such offsetting collections are received during fiscal year 2002, so as to result in a final fiscal year 2002 appropriation from the Fund estimated at \$0.

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109, \$1,136,000.

\$1,136,000

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service, including the acquisition, lease, maintenance, and operation of vehicles, and the purchase of passenger motor vehicles for police-type use, without regard to the general purchase price limitation for the current fiscal year, \$619,429,000; of which not to exceed \$6,000 shall be available for official reception and representation expenses; and of which not to exceed \$4,000,000 for development, implementation, maintenance and support, and training for an automated prisoner information system shall remain available until expended: *Provided*, That, in addition to reimbursable full-time equivalent workyears available to the United States Marshals Service, not to exceed 4,128 positions and 3,993 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the United States Marshals Service.

619,429,000

In addition, for the costs of courthouse security equipment, including furnishings, relocations, and telephone systems and cabling, \$14,267,000, to remain available until expended.

14,267,000

CONSTRUCTION

For planning, constructing, renovating, equipping, and maintaining United States Marshals Service prisoner-holding space in United States courthouses and Federal buildings, including the renovation and expansion of prisoner movement areas, elevators, and sallyports, \$15,000,000 to remain available until expended. [*Total, United States Marshals Service, \$648,696,000.*]

15,000,000

FEDERAL PRISONER DETENTION

For expenses, related to United States prisoners in the custody of the United States Marshals Service, but not including expenses otherwise provided for in appropriations available to the Attorney General, \$706,182,000, to remain available until expended.

706,182,000

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses, for expenses of contracts for the procurement and supervision of expert witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances, \$156,145,000, to remain available until expended; of which not to exceed \$6,000,000 may be made available for planning, construction, renovations, maintenance, remodeling, and repair of buildings, and the purchase of equipment incident thereto, for protected witness safesites; of which not to exceed \$1,000,000 may be made available for the purchase and maintenance of armored vehicles for transportation of protected witnesses; and of which not to exceed \$5,000,000 may be made available for the purchase, installation, and maintenance of secure telecommunications equipment and a secure automated information network to store and retrieve the identities and locations of protected witnesses.

156,145,000

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, \$9,269,000 and, in addition, up to \$1,000,000 of funds made available to the Department of Justice in this Act may be transferred by the Attorney General to this account: *Provided*, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for conflict prevention and resolution activities of the Community Relations Service, the Attorney General may transfer such amounts to the Community Relations Service, from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: *Provided further*, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

\$9,269,000

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524(c)(1)(A)(ii), (B), (F), and (G), as amended, \$22,949,000, to be derived from the Department of Justice Assets Forfeiture Fund.

22,949,000

[*Total, Legal activities, \$3,467,314,000.*]

RADIATION EXPOSURE COMPENSATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses in accordance with the Radiation Exposure Compensation Act, \$1,996,000.

1,996,000

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the detection, investigation, and prosecution of individuals involved in organized crime drug trafficking not otherwise provided for, to include inter-governmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, \$338,577,000, of which \$50,000,000 shall remain available until expended: *Provided*, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation: *Provided further*, That any unobligated balances remaining available at the end of the fiscal year shall revert to the Attorney General for reallocation among participating organizations in succeeding fiscal years, subject to the reprogramming procedures set forth in section 605 of this Act.

338,577,000

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For necessary expenses of the Federal Bureau of Investigation for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 1,354 passenger motor vehicles, of which 1,190 will be for replacement only, without regard to the general purchase price

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

\$3,491,073,000 limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance, and operation of aircraft; and not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General, \$3,491,073,000; of which not to exceed \$50,000,000 for automated data processing and telecommunications and technical investigative equipment and not to exceed \$1,000,000 for undercover operations shall remain available until September 30, 2003; of which not less than \$459,243,000 shall be for counterterrorism investigations, foreign counterintelligence, and other activities related to our national security; of which not to exceed \$10,000,000 is authorized to be made available for making advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to violent crime, terrorism, organized crime, and drug investigations: *Provided*, That not to exceed \$45,000 shall be available for official reception and representation expenses: *Provided further*, That of the amount made available under this heading, \$53,000 shall be available only to reimburse Acadian Ambulance & Air Med Services for costs incurred during the December 1999 prison riot in St. Martin Parish Correctional Center, St. Martin Parish, Louisiana: *Provided further*, That, in addition to reimbursable full-time equivalent workyears available to the Federal Bureau of Investigation, not to exceed 24,935 positions and 24,488 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the Federal Bureau of Investigation.

CONSTRUCTION

33,791,000 For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects; \$33,791,000, to remain available until expended.

[Total, Federal Bureau of Investigation, \$3,524,864,000.]

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

1,481,783,000 For necessary expenses of the Drug Enforcement Administration, including not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs; purchase of not to exceed 1,477 passenger motor vehicles, of which 1,354 will be for replacement only, for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft, \$1,481,783,000; of which \$33,000,000 for permanent change of station shall remain available until September 30, 2003; of which not to exceed \$1,800,000 for research shall remain available until expended, and of which not to exceed \$4,000,000 for purchase of evidence and payments for information, not to exceed \$10,000,000

for contracting for automated data processing and telecommunications equipment, and not to exceed \$2,000,000 for laboratory equipment, \$4,000,000 for technical equipment, and \$2,000,000 for aircraft replacement retrofit and parts, shall remain available until September 30, 2003; of which not to exceed \$50,000 shall be available for official reception and representation expenses: *Provided*, That, in addition to reimbursable full-time equivalent workyears available to the Drug Enforcement Administration, not to exceed 7,654 positions and 7,515 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the Drug Enforcement Administration.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, as follows:

ENFORCEMENT AND BORDER AFFAIRS

For salaries and expenses for the Border Patrol program, the detention and deportation program, the intelligence program, the investigations program, and the inspections program, including not to exceed \$50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; purchase for police-type use (not to exceed 3,165 passenger motor vehicles, of which 2,211 are for replacement only), without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; research related to immigration enforcement; for protecting and maintaining the integrity of the borders of the United States including, without limitation, equipping, maintaining, and making improvements to the infrastructure; and for the care and housing of Federal detainees held in the joint Immigration and Naturalization Service and United States Marshals Service Buffalo Detention Facility, \$2,739,695,000; of which not to exceed \$5,000,000 is for payments or advances arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to immigration; of which not to exceed \$5,000,000 is to fund or reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens: *Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available to pay any employee overtime pay in an amount in excess of \$30,000 during the calendar year beginning January 1, 2002, except that the INS Commissioner may exceed this cap as necessary for national security purposes and in cases of immigration emergencies: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That, in addition to reimbursable full-time equivalent workyears available to the Immigration and Naturalization Service, not to exceed 20,759 positions and 20,096 full-time equivalent workyears shall be supported from the funds appropriated under this heading in this Act for the Immigration and Naturalization

\$2,739,695,000

Service: *Provided further*, That none of the funds provided in this or any other Act shall be used for the continued operation of the San Clemente and Temecula checkpoints unless the checkpoints are open and traffic is being checked on a continuous 24-hour basis.

CITIZENSHIP AND BENEFITS, IMMIGRATION SUPPORT AND PROGRAM
DIRECTION

\$631,745,000 For all programs of the Immigration and Naturalization Service not included under the heading "Enforcement and Border Affairs", \$631,745,000, of which not to exceed \$400,000 for research shall remain available until expended: *Provided*, That not to exceed \$5,000 shall be available for official reception and representation expenses: *Provided further*, That the Attorney General may transfer any funds appropriated under this heading and the heading "Enforcement and Border Affairs" between said appropriations notwithstanding any percentage transfer limitations imposed under this appropriations Act and may direct such fees as are collected by the Immigration and Naturalization Service to the activities funded under this heading and the heading "Enforcement and Border Affairs" for performance of the functions for which the fees legally may be expended: *Provided further*, That not to exceed 40 permanent positions and 40 full-time equivalent workyears and \$4,300,000 shall be expended for the Offices of Legislative Affairs and Public Affairs: *Provided further*, That unencumbered positions in the aforementioned offices after the date of enactment of this Act shall be filled only by personnel details, temporary transfers of personnel on either a reimbursable or non-reimbursable basis, or any other formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis up to 10 full-time equivalent workyears: *Provided further*, That the number of positions filled through non-career appointment at the Immigration and Naturalization Service, for which funding is provided in this Act or is otherwise made available to the Immigration and Naturalization Service, shall not exceed six permanent positions and six full-time equivalent workyears: *Provided further*, That none of the funds available to the Immigration and Naturalization Service shall be used to pay any employee overtime pay in an amount in excess of \$30,000 during the calendar year beginning January 1, 2002, except that the INS Commissioner may exceed this cap as necessary for national security purposes and in cases of immigration emergencies: *Provided further*, That funds may be used, without limitation, for equipping, maintaining, and making improvements to the infrastructure and the purchase of vehicles for police-type use within the limits of the Enforcement and Border Affairs appropriation: *Provided further*, That, in addition to reimbursable full-time equivalent workyears available to the Immigration and Naturalization Service, not to exceed 3,100 positions and 3,500 full-time equivalent workyears shall be supported from the funds appropriated under this heading in this Act for the Immigration and Naturalization Service.

CONSTRUCTION

For planning, construction, renovation, equipping, and maintenance of buildings and facilities necessary for the administration and enforcement of the laws relating to immigration, naturalization,

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

and alien registration, not otherwise provided for, \$128,454,000, to remain available until expended: *Provided*, That no funds shall be available for the site acquisition, design, or construction of any Border Patrol checkpoint in the Tucson sector.

[*Total, Immigration and Naturalization Service, \$3,499,894,000.*]

\$128,454,000

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 685, of which 610 are for replacement only) and hire of law enforcement and passenger motor vehicles, and for the provision of technical assistance and advice on corrections related issues to foreign governments, \$3,808,600,000: *Provided*, That the Attorney General may transfer to the Health Resources and Services Administration such amounts as may be necessary for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further*, That the Director of the Federal Prison System (FPS), where necessary, may enter into contracts with a fiscal agent/fiscal intermediary claims processor to determine the amounts payable to persons who, on behalf of FPS, furnish health services to individuals committed to the custody of FPS: *Provided further*, That not to exceed \$6,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed \$50,000,000 shall remain available for necessary operations until September 30, 2003: *Provided further*, That, of the amounts provided for Contract Confinement, not to exceed \$20,000,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements, and other expenses authorized by section 501(c) of the Refugee Education Assistance Act of 1980, as amended, for the care and security in the United States of Cuban and Haitian entrants: *Provided further*, That the Director of the Federal Prison System may accept donated property and services relating to the operation of the prison card program from a not-for-profit entity which has operated such program in the past notwithstanding the fact that such not-for-profit entity furnishes services under contracts to the Federal Prison System relating to the operation of pre-release services, halfway houses or other custodial facilities.

3,808,600,000
42 USC 250a.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling, and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, \$813,552,000, to remain available until expended, of which not to exceed \$14,000,000 shall be available to construct areas for inmate work programs: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation: *Provided further*, That not to exceed 10 percent of the funds appropriated to “Buildings and Facilities” in this or any other Act may be transferred to “Salaries and Expenses”, Federal

813,552,000

Prison System, upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 605 of this Act.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase (not to exceed five for replacement only) and hire of passenger motor vehicles.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

\$3,429,000

Not to exceed \$3,429,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

[Total, Federal Prison System, \$4,625,581,000.]

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended ("the 1968 Act"), and the Missing Children's Assistance Act, as amended, including salaries and expenses in connection therewith, and with the Victims of Crime Act of 1984, as amended, \$185,514,000, to remain available until expended, as authorized by section 1001 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by Public Law 102-534 (106 Stat. 3524).

185,514,000

In addition, for grants, cooperative agreements, and other assistance authorized by sections 819 and 821 of the Antiterrorism and Effective Death Penalty Act of 1996 and for other counterterrorism programs, \$251,494,000, to remain available until expended.

251,494,000

[Total, \$437,008,000.]

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For assistance authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103-322), as amended ("the 1994 Act"); the Omnibus Crime Control and Safe Streets Act of 1968, as amended ("the 1968 Act"); the Victims of Child Abuse Act of 1990, as amended ("the 1990 Act"); and the Victims

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

of Trafficking and Violence Protection Act of 2000 (Public Law 106-386); \$2,403,354,000 (including amounts for administrative costs, which shall be transferred to and merged with the “Justice Assistance” account), to remain available until expended as follows: \$2,403,354,000

(1) \$400,000,000 for Local Law Enforcement Block Grants, pursuant to H.R. 728 as passed by the House of Representatives on February 14, 1995, except that for purposes of this Act and retroactive to October 1, 2000, Guam shall be considered as one “State” for all purposes under H.R. 728, notwithstanding any provision of section 108(3) thereof, the Commonwealth of Puerto Rico shall be considered a “unit of local government” as well as a “State”, for the purposes set forth in paragraphs (A), (B), (D), (F), and (I) of section 101(a)(2) of H.R. 728, and for establishing crime prevention programs involving cooperation between community residents and law enforcement personnel in order to control, detect, or investigate crime or the prosecution of criminals: *Provided*, That no funds provided under this heading may be used as matching funds for any other Federal grant program, of which:

(A) \$70,000,000 shall be for Boys and Girls Clubs in public housing facilities and other areas in cooperation with State and local law enforcement: *Provided*, That funds may also be used to defray the costs of indemnification insurance for law enforcement officers;

(B) \$19,956,000 shall be available for grants, contracts, and other assistance to carry out section 102(c) of H.R. 728;

(2) \$565,000,000 for the State Criminal Alien Assistance Program, as authorized by section 242(j) of the Immigration and Nationality Act, as amended;

(3) \$20,000,000 for the Cooperative Agreement Program;

(4) \$48,162,000 for assistance to Indian tribes, of which:

(A) \$35,191,000 shall be available for grants under section 20109(a)(2) of subtitle A of title II of the 1994 Act;

(B) \$7,982,000 shall be available for the Tribal Courts Initiative; and

(C) \$4,989,000 shall be available for demonstration grants on alcohol and crime in Indian Country;

(5) \$594,489,000 for programs authorized by part E of title I of the 1968 Act, notwithstanding the provisions of section 511 of said Act, of which \$94,489,000 shall be for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs;

(6) \$11,975,000 for the Court Appointed Special Advocate Program, as authorized by section 218 of the 1990 Act;

(7) \$2,296,000 for Child Abuse Training Programs for Judicial Personnel and Practitioners, as authorized by section 224 of the 1990 Act;

(8) \$998,000 for grants for televised testimony, as authorized by section 1001(a)(7) of the 1968 Act;

(9) \$184,737,000 for Grants to Combat Violence Against Women, to States, units of local government, and Indian tribal governments, as authorized by section 1001(a)(18) of the 1968 Act, of which:

(A) \$1,000,000 shall be for the Bureau of Justice Statistics for grants, contracts, and other assistance for a domestic violence Federal case processing study;

(B) \$5,200,000 shall be for the National Institute of Justice for grants, contracts, and other assistance for research and evaluation of violence against women;

(C) \$10,000,000 shall be for the Office of Juvenile Justice and Delinquency Prevention for the Safe Start Program, to be administered as authorized by part C of the Juvenile Justice and Delinquency Act of 1974, as amended; and

(D) \$200,000 for the Attorney General to conduct a study and prepare a report to be submitted to the Subcommittee on Commerce, Justice and State Appropriations of the Senate and House of Representatives Appropriations Committee on the response of local law enforcement agencies to emergency calls involving domestic violence;

(10) \$64,925,000 for Grants to Encourage Arrest Policies to States, units of local government, and Indian tribal governments, as authorized by section 1001(a)(19) of the 1968 Act;

(11) \$39,945,000 for Rural Domestic Violence and Child Abuse Enforcement Assistance Grants, as authorized by section 40295 of the 1994 Act;

(12) \$4,989,000 for training programs to assist probation and parole officers who work with released sex offenders, as authorized by section 40152(c) of the 1994 Act, and for local demonstration projects;

(13) \$3,000,000 for grants to States and units of local government to improve the process for entering data regarding stalking and domestic violence into local, State, and national crime information databases, as authorized by section 40602 of the 1994 Act;

(14) \$10,000,000 for grants to reduce Violent Crimes Against Women on Campus, as authorized by section 1108(a) of Public Law 106-386;

(15) \$40,000,000 for Legal Assistance for Victims, as authorized by section 1201 of Public Law 106-386;

(16) \$5,000,000 for enhancing protection for older and disabled women from domestic violence and sexual assault as authorized by section 40801 of the 1994 Act;

(17) \$15,000,000 for the Safe Havens for Children Pilot Program as authorized by section 1301 of Public Law 106-386;

(18) \$200,000 for the study of standards and processes for forensic exams of domestic violence, as authorized by section 1405 of Public Law 106-386;

(19) \$7,500,000 for Education and Training to end violence against and abuse of women with disabilities, as authorized by section 1402 of Public Law 106-386;

(20) \$10,000,000 for victim services programs for victims of trafficking, as authorized by section 107(b)(2) of Public Law 106-386;

(21) \$70,000,000 for grants for residential substance abuse treatment for State prisoners, as authorized by section 1001(a)(17) of the 1968 Act: *Provided*, That States that have in-prison drug treatment programs, in compliance with Federal

requirements, may use their residential substance abuse grant funds for treatment, both during incarceration and after release;

(22) \$898,000 for the Missing Alzheimer's Disease Patient Alert Program, as authorized by section 240001(c) of the 1994 Act;

(23) \$50,000,000 for Drug Courts, as authorized by title V of the 1994 Act;

(24) \$1,497,000 for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act;

(25) \$1,995,000 for public awareness programs addressing marketing scams aimed at senior citizens, as authorized by section 250005(3) of the 1994 Act;

(26) \$249,450,000 for Juvenile Accountability Incentive Block Grants, of which \$38,000,000 shall be available for grants, contracts, and other assistance under the Project ChildSafe Initiative, except that such funds shall be subject to the same terms and conditions as set forth in the provisions under this heading for this program in Public Law 105-119, but all references in such provisions to 1998 shall be deemed to refer instead to 2002, and Guam shall be considered a "State" for the purposes of title III of H.R. 3, as passed by the House of Representatives on May 8, 1997; and

(27) \$1,298,000 for Motor Vehicle Theft Prevention Programs, as authorized by section 220002(h) of the 1994 Act: *Provided*, That funds made available in fiscal year 2002 under subpart 1 of part E of title I of the 1968 Act may be obligated for programs to assist States in the litigation processing of death penalty Federal habeas corpus petitions and for drug testing initiatives: *Provided further*, That, if a unit of local government uses any of the funds made available under this title to increase the number of law enforcement officers, the unit of local government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service.

WEED AND SEED PROGRAM FUND

For necessary expenses, including salaries and related expenses of the Executive Office for Weed and Seed, to implement "Weed and Seed" program activities, \$58,925,000, to remain available until expended, for inter-governmental agreements, including grants, cooperative agreements, and contracts, with State and local law enforcement agencies, non-profit organizations, and agencies of local government engaged in the investigation and prosecution of violent crimes and drug offenses in "Weed and Seed" designated communities, and for either reimbursements or transfers to appropriation accounts of the Department of Justice and other Federal agencies which shall be specified by the Attorney General to execute the "Weed and Seed" program strategy: *Provided*, That funds designated by Congress through language for other Department of Justice appropriation accounts for "Weed and Seed" program activities shall be managed and executed by the Attorney General through the Executive Office for Weed and Seed: *Provided further*, That the Attorney General may direct the use of other Department of Justice funds and personnel in support of "Weed and Seed" program activities only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

\$58,925,000

COMMUNITY ORIENTED POLICING SERVICES

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103-322 (“the 1994 Act”) (including administrative costs), \$1,050,440,000, to remain available until expended: *Provided*, That prior year balances available in this program shall be used for the direct hiring of law enforcement officers through the Universal Hiring Program: *Provided further*, That section 1703 (b) and (c) of the 1968 Act shall not apply to non-hiring grants made pursuant to part Q of title I thereof (42 U.S.C. 3796dd et seq.): *Provided further*, That all prior year balances derived from the Violent Crime Trust Fund for Community Oriented Policing Services may be transferred into this appropriation: *Provided further*, That the officer redeployment demonstration described in section 1701(b)(1)(C) shall not apply to equipment, technology, support system or overtime grants made pursuant to part Q of title I thereof (42 U.S.C. 3796dd et seq.).

Of the amounts provided:

(1) for Public Safety and Community Policing Grants pursuant to title I of the 1994 Act, \$496,014,000 as follows: \$330,000,000 for the hiring of law enforcement officers, including up to \$180,000,000 for school resource officers; \$20,662,000 for training and technical assistance; \$25,444,000 for the matching grant program for Law Enforcement Armor Vests pursuant to section 2501 of part Y of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (“the 1968 Act”); \$35,000,000 to improve tribal law enforcement including equipment and training; \$70,473,000 for policing initiatives to combat methamphetamine production and trafficking and to enhance policing initiatives in “drug hot spots”; and \$14,435,000 for Police Corps education, training, and service under sections 200101–200113 of the 1994 Act;

(2) for crime technology, \$351,632,000 as follows: \$154,345,000 for a law enforcement technology program; \$35,000,000 for grants to upgrade criminal records, as authorized under the Crime Identification Technology Act of 1998 (42 U.S.C. 14601); \$40,000,000 for DNA analysis and backlog reduction of which \$35,000,000 shall be used as authorized by the DNA Analysis Backlog Elimination Act of 2000 (Public Law 106-546) and of which \$5,000,000 shall be available for Paul Coverdell Forensic Sciences Improvement Grants under part BB of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797j et seq.); \$35,000,000 for State and local DNA laboratories as authorized by section 1001(a)(22) of the 1968 Act, and improvements to forensic laboratory general forensic science capacity and capabilities; and \$87,287,000 for grants, contracts and other assistance to States under section 102(b) of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601), of which \$17,000,000 is for the National Institute of Justice for grants, contracts, and other agreements to develop school safety technologies and training;

(3) for prosecution assistance, \$99,780,000 as follows: \$49,780,000 for a national program to reduce gun violence, and \$50,000,000 for the Southwest Border Prosecutor Initiative

to reimburse State, county, parish, tribal, or municipal governments only for Federal costs associated with the prosecution of criminal cases declined by local U.S. Attorneys offices;

(4) for grants, training, technical assistance, and other expenses to support community crime prevention efforts, \$70,202,000 as follows: \$14,967,000 for Project Sentry; \$14,934,000 for an offender re-entry program; \$23,338,000 for the Safe Schools Initiative; and \$16,963,000 for a police integrity program; and

(5) not to exceed \$32,812,000 for program management and administration.

JUVENILE JUSTICE PROGRAMS

For grants, contracts, cooperative agreements, and other assistance authorized by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended (“the Act”), including salaries and expenses in connection therewith to be transferred to and merged with the appropriations for Justice Assistance, \$286,403,000, to remain available until expended, as authorized by section 299 of part I of title II and section 506 of title V of the Act, as amended by Public Law 102-586, of which: (1) notwithstanding any other provision of law, \$6,832,000 shall be available for expenses authorized by part A of title II of the Act, \$88,804,000 shall be available for expenses authorized by part B of title II of the Act, and \$58,513,000 shall be available for expenses authorized by part C of title II of the Act: *Provided*, That \$26,442,000 of the amounts provided for part B of title II of the Act, as amended, is for the purpose of providing additional formula grants under part B to States that provide assurances to the Administrator that the State has in effect (or will have in effect no later than 1 year after date of application) policies and programs that ensure that juveniles are subject to accountability-based sanctions for every act for which they are adjudicated delinquent; (2) \$11,974,000 shall be available for expenses authorized by sections 281 and 282 of part D of title II of the Act for prevention and treatment programs relating to juvenile gangs; (3) \$9,978,000 shall be available for expenses authorized by section 285 of part E of title II of the Act; (4) \$15,965,000 shall be available for expenses authorized by part G of title II of the Act for juvenile mentoring programs; and (5) \$94,337,000 shall be available for expenses authorized by title V of the Act for incentive grants for local delinquency prevention programs; of which \$12,472,000 shall be for delinquency prevention, control, and system improvement programs for tribal youth; of which \$14,513,000 shall be available for the Safe Schools Initiative including \$5,033,000 for grants, contracts, and other assistance under the Project Sentry Initiative; and of which \$25,000,000 shall be available for grants of \$360,000 to each State and \$6,640,000 shall be available for discretionary grants to States, for programs and activities to enforce State laws prohibiting the sale of alcoholic beverages to minors or the purchase or consumption of alcoholic beverages by minors, prevention and reduction of consumption of alcoholic beverages by minors, and for technical assistance and training: *Provided further*, That of amounts made available under the Juvenile Justice Programs of the Office of Justice Programs to carry out part B (relating to Federal Assistance for State and Local Programs), subpart II of part C (relating to Special Emphasis Prevention and Treatment Programs), part D (relating to Gang-

\$286,403,000

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

Free Schools and Communities and Community-Based Gang Intervention), part E (relating to State Challenge Activities), and part G (relating to Mentoring) of title II of the Juvenile Justice and Delinquency Prevention Act of 1974, and to carry out the At-Risk Children's Program under title V of that Act, not more than 10 percent of each such amount may be used for research, evaluation, and statistics activities designed to benefit the programs or activities authorized under the appropriate part or title, and not more than 2 percent of each such amount may be used for training and technical assistance activities designed to benefit the programs or activities authorized under that part or title.

\$10,976,000 In addition, for grants, contracts, cooperative agreements, and other assistance, \$10,976,000 to remain available until expended, for developing, testing, and demonstrating programs designed to reduce drug use among juveniles.

8,481,000 In addition, for grants, contracts, cooperative agreements, and other assistance authorized by the Victims of Child Abuse Act of 1990, as amended, \$8,481,000, to remain available until expended, as authorized by section 214B of the Act.

[Total, \$305,860,000.]

PUBLIC SAFETY OFFICERS BENEFITS

33,224,000
(indefinite) To remain available until expended, for payments authorized by part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796), as amended, such sums as are necessary, as authorized by section 6093 of Public Law 100-690 (102 Stat. 4339-4340); and \$4,500,000, to remain available until expended for payments as authorized by section 1201(b) of said Act.

4,500,000

[Total, \$37,724,000.]

[Total, Office of Justice Programs, \$4,293,311,000.]

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 101. In addition to amounts otherwise made available in this title for official reception and representation expenses, a total of not to exceed \$45,000 from funds appropriated to the Department of Justice in this title shall be available to the Attorney General for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 102. Authorities contained in the Department of Justice Appropriation Authorization Act, Fiscal Year 1980 (Public Law 96-132; 93 Stat. 1040 (1979)), as amended, shall remain in effect until the effective date of a subsequent Department of Justice Appropriation Authorization Act.

Abortion.

SEC. 103. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape: *Provided*, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

Abortion.

SEC. 104. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

SEC. 105. Nothing in the preceding section shall remove the obligation of the Director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: *Provided*, That nothing in this section in any way diminishes the effect of section 104 intended to address

the philosophical beliefs of individual employees of the Bureau of Prisons.

SEC. 106. Notwithstanding any other provision of law, not to exceed \$10,000,000 of the funds made available in this Act may be used to establish and publicize a program under which publicly advertised, extraordinary rewards may be paid, which shall not be subject to spending limitations contained in sections 3059 and 3072 of title 18, United States Code: *Provided*, That any reward of \$100,000 or more, up to a maximum of \$2,000,000, may not be made without the personal approval of the President or the Attorney General and such approval may not be delegated: *Provided further*, That rewards made pursuant to section 501 of Public Law 107-56 shall not be subject to this section. 18 USC 3059 note.

SEC. 107. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Justice in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation except in compliance with the procedures set forth in that section.

SEC. 108. Notwithstanding any other provision of law, \$1,000,000 shall be available for technical assistance from the funds appropriated for part G of title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

SEC. 109. Section 286 of the Immigration and Nationality Act (8 U.S.C. 1356), as amended, is further amended as follows:

(1) by striking in subsection (d) “\$6”, and inserting “\$7”;

(2) by amending subsection (e)(1), by replacing “No” with “Except as provided in paragraph (3), no”; and

(3) by adding a new paragraph (e)(3) as follows:

“(3) The Attorney General is authorized to charge and collect \$3 per individual for the immigration inspection or pre-inspection of each commercial vessel passenger whose journey originated in the United States or in any place set forth in paragraph (1): *Provided*, That this authorization shall not apply to immigration inspection at designated ports of entry of passengers arriving by the following vessels, when operating on a regular schedule: Great Lakes international ferries, or Great Lakes Vessels on the Great Lakes and connecting waterways.”.

SEC. 110. Section 286(q)(1)(A) of the Immigration and Nationality Act of 1953, as amended, is further amended by striking “6” and inserting “96”. 8 USC 1356.

SEC. 111. (a) Section 1402(d)(3) of the Victims of Crime Act of 1984, is amended by striking the period at the end and inserting “, and for a Victim Notification System.”. 42 USC 10601.

(b) Section 1402(c) of the Victims of Crime Act of 1984 is amended to read as it did on October 25, 2001.

SEC. 112. Section 6 of the Hmong Veterans’ Naturalization Act of 2000 (Public Law 106-207; 8 U.S.C. 1423 note) (as amended by Public Law 106-415) is amended by striking “18 months” each place such term appears and inserting “36 months”.

SEC. 113. No provision of section 614 of Public Law 107-56 shall incorporate the organization that administers title I of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103-322) (Community Oriented Policing Services), its programs

Posthumous
citizenship.

and functions, into the Office of Justice Programs, for fiscal year 2002 and thereafter.

SEC. 114. (a) Notwithstanding any provision of title III of the Immigration and Nationality Act (8 U.S.C. 1401 et seq.), the Attorney General shall provide, in accordance with this section, for the granting of posthumous citizenship, as of September 10, 2001, to a person described in subsection (b), if the Attorney General approves an application for such citizenship filed under subsection (e).

(b) A person referred to in subsection (a) is a person who—

(1) while an alien or a noncitizen national of the United States, died as a result of an injury incurred in one or more of the events described in subsection (c);

(2) was not culpable for any of such events; and

(3) on September 11, 2001, had pending an application for naturalization filed with the Attorney General by the person.

(c)(1) The events described in this subsection are the following:

(A) The hijacking of American Airlines Flight 11 on September 11, 2001, the crash of that aircraft into the World Trade Center in New York, New York, and the subsequent destruction that resulted.

(B) The hijacking of United Airlines Flight 175 on such date, the crash of that aircraft into the World Trade Center in New York, New York, and the subsequent destruction that resulted.

(C) The hijacking of American Airlines Flight 77 on such date, the crash of that aircraft into the Pentagon in Arlington, Virginia, and the subsequent destruction that resulted.

(D) The hijacking of United Airlines Flight 93 on such date, and the crash of that aircraft in Stony Creek Township, Pennsylvania.

(2) Any person who died as a result of an injury incurred while assisting in the emergency response to an event described in paragraph (1) (such as military personnel, law enforcement officers, firefighters, emergency management personnel, search and rescue personnel, medical personnel, engineers and other personnel providing technical assistance, and volunteers) shall be considered to have died as a result of an injury incurred in such event.

(d)(1) Unless otherwise provided by this section, no person may be granted posthumous citizenship under this section who would not otherwise have been eligible for naturalization on the date of the person's death. Unless otherwise provided by this section, any provision of law that specifically bars or prohibits a person from being naturalized as a citizen of the United States shall be applied to the granting of posthumous citizenship under this section.

(2) Notwithstanding section 312 of the Immigration and Nationality Act (8 U.S.C. 1423), or any similar provision of law requiring that a person demonstrate an understanding of the English language or a knowledge and understanding of the fundamentals of the history, and of the principles and form of government, of the United States in order to be naturalized, no such demonstration shall be required for the granting of posthumous citizenship under this section.

(3) No oath of renunciation or allegiance shall be required for the granting of posthumous citizenship under this section.

(4) To the maximum extent practicable, the investigation and examination described in section 335 of the Immigration and Nationality Act (8 U.S.C. 1446) shall be conducted with respect to an application described in subsection (b)(3) in the same manner as they otherwise would have been conducted if the subject of the application had not died.

(e) A request for the granting of posthumous citizenship to a person described in subsection (b) may be filed on behalf of the person only by the next of kin (as defined by the Attorney General) or another representative (as defined by the Attorney General), and must be filed not later than 2 years after the later of—

Deadline.

- (1) the date of the enactment of this section; or
- (2) the date of the person's death.

(f) If the Attorney General approves such a request to grant a person posthumous citizenship, the Attorney General shall send to the individual who filed the request a suitable document which states that the United States considers the person to have been a citizen of the United States as of September 10, 2001.

(g) Nothing in this section shall be construed as providing for any benefits under the Immigration and Nationality Act for any spouse, son, daughter, or other relative of a person granted posthumous citizenship under this section.

(h)(1) Notwithstanding section 341 of the Immigration and Nationality Act (8 U.S.C. 1452), the Attorney General shall provide, in accordance with this subsection, for the furnishing of a certificate of citizenship to a person described in paragraph (4), if the Attorney General approves under paragraph (3) an application for such certificate described in paragraph (2).

(2) An application described in this paragraph is an application for a certificate of citizenship that was—

- (A) filed with the Attorney General under such section 341 by a person who subsequently died as a result of an injury incurred in one or more of the events described in section 114(c) and who was not culpable for any of such events; and
- (B) pending on September 11, 2001.

(3) The Attorney General shall consider an application described in paragraph (2) pursuant to the standards under such section 341 and shall approve the application if the applicant would have been eligible to receive a certificate of citizenship on September 11, 2001, if the applicant had not died, except that the requirements of such section relating to the oath of allegiance and presence within the United States shall not apply.

(4) A request for a certificate of citizenship under this subsection may be filed only by the next of kin (as defined by the Attorney General) or another representative (as defined by the Attorney General) of the applicant described in paragraph (2), and must be filed not later than 2 years after the later of—

- (A) the date of the enactment of this section; or
- (B) the date of the applicant's death.

(i)(1) Notwithstanding section 322 of the Immigration and Nationality Act (8 U.S.C. 1433), the Attorney General shall provide, in accordance with this subsection, for the furnishing of a certificate of citizenship to a parent described in paragraph (2), if, upon the request of the parent, the Attorney General approves under paragraph (3) an application for naturalization described in paragraph (2).

(2) An application described in this paragraph is an application for naturalization that was—

(A) filed with the Attorney General under such section 322 by a parent of a child who subsequently died as a result of an injury incurred in one or more of the events described in section 114(c) and who was not culpable for any of such events; and

(B) pending on September 11, 2001.

(3) The Attorney General shall consider an application described in paragraph (2) pursuant to the standards under such section 322 and shall approve the application if the child would have been eligible to receive a certificate of citizenship on September 11, 2001, if the child had not died, except that the requirements of such section relating to the oath of allegiance shall not apply.

SEC. 115. (a) Section 231(a) of the Immigration and Nationality Act, 8 U.S.C. 1221(a), is amended to read—

“(a) ARRIVAL MANIFEST; FORM AND CONTENTS.—With respect to the arrival of any person by water or by air at any port within the United States from any place outside the United States, it shall be the duty of the master or commanding officer, or authorized agent, owner, or consignee, of the vessel or aircraft transporting such person to deliver to the Service at the port of arrival a list or manifest of the persons transported on such vessel or aircraft. The Attorney General is authorized to extend, by regulation, the requirements of this subsection to any public or private carrier transporting persons by land to the United States. Such list or manifest shall be prepared and delivered at such time, be in such form, and shall contain such information as the Attorney General shall prescribe by regulation as being necessary for the identification of the persons transported and for the enforcement of the immigration laws. The Attorney General may require in such regulations that the list or manifest be delivered electronically prior to boarding the vessel, aircraft, train or bus at the place of departure, or at such other time reasonably in advance of the arrival of the vessel, aircraft, train or bus in the United States as the Attorney General may direct.”

Regulations.

(b) Section 231(b) of the Immigration and Nationality Act is amended to read—

“(b) DEPARTURE MANIFEST; FORM AND CONTENTS.—It shall be the duty of the master or commanding officer or authorized agent of every vessel or aircraft taking passengers on board at any port of the United States, who are destined to any place outside the United States, to file with the immigration officers before departure from such port a list or manifest of all such persons transported. The Attorney General is authorized to extend, by regulation, the requirements of this subsection to any public or private carrier transporting persons by land from the United States. Such list or manifest shall be prepared and delivered at such time, be in such form, and shall contain such information as the Attorney General shall prescribe by regulation as being necessary for the identification of the persons transported and for the enforcement of the immigration laws. The Attorney General may require in such regulations that the list or manifest be delivered electronically prior to boarding the vessel, aircraft, train or bus at the place of departure, or at such other time reasonably in advance of the departure of the vessel, aircraft, train or bus from the United

Regulations.

States as the Attorney General may direct. No master or commanding officer of any such vessel or aircraft, or operator of any private or public carrier, shall be granted clearance papers until he or the authorized agent has complied with the requirements of this subsection, except that in the case of vessels, aircraft, trains or buses which the Attorney General determines are making regular trips to the United States, the Attorney General may, when expedient, arrange for the delivery of lists of outgoing persons at a later date.”.

(c) Section 231(d) of the Immigration and Nationality Act is amended by— 8 USC 1221.

(1) In the heading, striking “Shipments or Aircraft” and inserting in lieu thereof, “Shipments, Aircraft or Carriers”;

(2) In the first sentence, inserting “, any public or private carrier,” after “or aircraft,”; and

(3) In the second sentence, striking “vessel or aircraft” and inserting in lieu thereof, “vessel, aircraft, train or bus”.

This title may be cited as the “Department of Justice Appropriations Act, 2002”.

[*Total, title I, Department of Justice, \$21,661,850,000.*]

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

Department of Commerce and Related Agencies Appropriations Act, 2002.

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, \$30,097,000, of which \$1,000,000 shall remain available until expended: *Provided*, That not to exceed \$98,000 shall be available for official reception and representation expenses.

\$30,097,000

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, and not to exceed \$2,500 for official reception and representation expenses, \$51,440,000, to remain available until expended.

51,440,000

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce provided for by law, and for engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting exports of United States firms, without regard to 44 U.S.C. 3702 and

3703; full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas; travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 1517; employment of Americans and aliens by contract for services; rental of space abroad for periods not exceeding 10 years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed \$327,000 for official representation expenses abroad; purchase of passenger motor vehicles for official use abroad, not to exceed \$30,000 per vehicle; obtaining insurance on official motor vehicles; and rental of tie lines, \$347,547,000, to remain available until expended, of which \$3,000,000 is to be derived from fees to be retained and used by the International Trade Administration, notwithstanding 31 U.S.C. 3302: *Provided*, That \$67,669,000 shall be for Trade Development, \$27,741,000 shall be for Market Access and Compliance, \$43,346,000 shall be for the Import Administration, \$195,791,000 shall be for the United States and Foreign Commercial Service, and \$13,000,000 shall be for Executive Direction and Administration: *Provided further*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912); and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act shall include payment for assessments for services provided as part of these activities.

\$347,547,000
- 3,000,000
(fees)

[Total, \$344,547,000.]

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed \$15,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law, \$68,893,000, to remain available until expended, of which \$7,250,000 shall be for inspections and other activities related to national security: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities: *Provided further*, That payments and contributions collected and accepted for materials or services provided as part of

68,893,000
7,250,000

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

such activities may be retained for use in covering the cost of such activities, and for providing information to the public with respect to the export administration and national security activities of the Department of Commerce and other export control programs of the United States and other governments.

[Total, \$68,893,000.]

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and for trade adjustment assistance, \$335,000,000, to remain available until expended. \$335,000,000

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, \$30,557,000: *Provided*, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. 30,557,000

[Total, EDA, \$365,557,000.]

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, \$28,381,000. 28,381,000

[Total, Trade and Infrastructure Development, \$888,915,000.]

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, \$62,515,000, to remain available until September 30, 2003. 62,515,000

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, \$169,424,000. 169,424,000

PERIODIC CENSUSES AND PROGRAMS

For necessary expenses related to the 2000 decennial census, \$85,238,000, to remain available until expended: *Provided*, That, of the total amount available related to the 2000 decennial census (\$85,238,000 in new appropriations and \$54,000,000 in deobligated balances from prior years), \$8,606,000 is for Program Development and Management; \$68,330,000 is for Data Content and Products; \$9,455,000 is for Field Data Collection and Support Systems; 85,238,000

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

\$24,462,000 is for Automated Data Processing and Telecommunications Support; \$22,844,000 is for Testing and Evaluation; \$3,105,000 is for activities related to Puerto Rico, the Virgin Islands and Pacific Areas; and \$2,436,000 is for Marketing, Communications and Partnership activities.

\$65,000,000 In addition, for expenses related to planning, testing, and implementing the 2010 decennial census, \$65,000,000.

171,138,000 In addition, for expenses to collect and publish statistics for other periodic censuses and programs provided for by law, \$171,138,000, to remain available until expended: *Provided*, That regarding engineering and design of a facility at the Suitland Federal Center, quarterly reports regarding the expenditure of funds and project planning, design and cost decisions shall be provided by the Bureau, in cooperation with the General Services Administration, to the Committees on Appropriations of the Senate and the House of Representatives: *Provided further*, That none of the funds provided in this Act or any other Act under the heading “Bureau of the Census, Periodic Censuses and Programs” shall be used to fund the construction and tenant build-out costs of a facility at the Suitland Federal Center.

[Total, \$321,376,000.]

[Total, Bureau of the Census, \$490,800,000.]

NATIONAL TELECOMMUNICATIONS AND INFORMATION
ADMINISTRATION

SALARIES AND EXPENSES

14,054,000 For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration (NTIA), \$14,054,000, to remain available until expended: *Provided*, That, notwithstanding 31 U.S.C. 1535(d), the Secretary of Commerce shall charge Federal agencies for costs incurred in spectrum management, analysis, and operations, and related services and such fees shall be retained and used as offsetting collections for costs of such spectrum services, to remain available until expended: *Provided further*, That hereafter, notwithstanding any other provision of law, NTIA shall not authorize spectrum use or provide any spectrum functions pursuant to the National Telecommunications and Information Administration Organization Act, 47 U.S.C. 902-903, to any Federal entity without reimbursement as required by NTIA for such spectrum management costs, and Federal entities withholding payment of such cost shall not use spectrum: *Provided further*, That the Secretary of Commerce is authorized to retain and use as offsetting collections all funds transferred, or previously transferred, from other Government agencies for all costs incurred in telecommunications research, engineering, and related activities by the Institute for Telecommunication Sciences of NTIA, in furtherance of its assigned functions under this paragraph, and such funds received from other Government agencies shall remain available until expended.

47 USC 903 note.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND
CONSTRUCTION

43,466,000 For grants authorized by section 392 of the Communications Act of 1934, as amended, \$43,466,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed \$2,358,000 shall be available for program administration as authorized by section 391 of the Act:

Provided further, That, notwithstanding the provisions of section 391 of the Act, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year.

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, as amended, \$15,503,000, to remain available until expended as authorized by section 391 of the Act, as amended: *Provided*, That not to exceed \$3,097,000 shall be available for program administration and other support activities as authorized by section 391: *Provided further*, That, of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of a national information infrastructure: *Provided further*, That, notwithstanding the requirements of sections 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, cultural, health care, public information, public safety, or other social services: *Provided further*, That, notwithstanding any other provision of law, no entity that receives telecommunications services at preferential rates under section 254(h) of the Act (47 U.S.C. 254(h)) or receives assistance under the regional information sharing systems grant program of the Department of Justice under part M of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796h) may use funds under a grant under this heading to cover any costs of the entity that would otherwise be covered by such preferential rates or such assistance, as the case may be.
 [Total, NTIA, \$73,023,000.]

UNITED STATES PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the United States Patent and Trademark Office provided for by law, including defense of suits instituted against the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, \$843,701,000, to remain available until expended, which amount shall be derived from offsetting collections assessed and collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, and shall be retained and used for necessary expenses in this appropriation: *Provided*, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2002, so as to result in a fiscal year 2002 appropriation from the general fund estimated at \$0: *Provided further*, That during fiscal year 2002, should the total amount of offsetting fee collections be less than \$843,701,000, the total amounts available to the United States Patent and Trademark Office shall be reduced accordingly: *Provided further*, That an additional amount not to exceed \$282,300,000 from fees collected in prior fiscal years shall be available for obligation in fiscal year 2002, to remain available until expended: *Provided further*, That from amounts provided herein, not to exceed \$1,000 shall be made available in fiscal year 2002 for official reception and representation expenses.
 [Total, Economic and Information Infrastructure, \$626,338,000.]

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

SCIENCE AND TECHNOLOGY

TECHNOLOGY ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Under Secretary for Technology/
Office of Technology Policy, \$8,238,000.

\$8,238,000

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards
and Technology, \$321,111,000, to remain available until expended,
of which not to exceed \$282,000 may be transferred to the “Working
Capital Fund”.

321,111,000

INDUSTRIAL TECHNOLOGY SERVICES

For necessary expenses of the Manufacturing Extension Part-
nership of the National Institute of Standards and Technology,
\$106,522,000, to remain available until expended: *Provided*, That
the Secretary of Commerce is authorized to enter into agreements
with one or more nonprofit organizations for the purpose of carrying
out collective research and development initiatives pertaining to
15 U.S.C. 278k paragraph (a), and is authorized to seek and accept
contributions from public and private sources to support these
efforts as necessary.

106,522,000

In addition, for necessary expenses of the Advanced Technology
Program of the National Institute of Standards and Technology,
\$184,500,000, to remain available until expended, of which not
to exceed \$60,700,000 shall be available for the award of new
grants.

184,500,000

[Total, \$291,022,000.]

CONSTRUCTION OF RESEARCH FACILITIES

For construction of new research facilities, including architec-
tural and engineering design, and for renovation of existing facili-
ties, not otherwise provided for the National Institute of Standards
and Technology, as authorized by 15 U.S.C. 278c–278e, \$62,393,000,
to remain available until expended.

62,393,000

[Total, NIST, \$674,526,000.]

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of activities authorized by law for the
National Oceanic and Atmospheric Administration, including
maintenance, operation, and hire of aircraft; grants, contracts, or
other payments to nonprofit organizations for the purposes of con-
ducting activities pursuant to cooperative agreements; and reloca-
tion of facilities as authorized by 33 U.S.C. 883i, \$2,253,697,000,
to remain available until expended: *Provided*, That fees and dona-
tions received by the National Ocean Service for the management
of the national marine sanctuaries may be retained and used for
the salaries and expenses associated with those activities, notwith-
standing 31 U.S.C. 3302: *Provided further*, That, in addition,

2,253,697,000

\$68,000,000 shall be derived by transfer from the fund entitled “Promote and Develop Fishery Products and Research Pertaining to American Fisheries”: *Provided further*, That grants to States pursuant to sections 306 and 306A of the Coastal Zone Management Act of 1972, as amended, shall not exceed \$2,000,000: *Provided further*, That, of the \$2,341,697,000 provided for in direct obligations under this heading (of which \$2,253,697,000 is appropriated from the General Fund, \$71,000,000 is provided by transfer, and \$17,000,000 is derived from deobligations from prior years), \$413,911,000 shall be for the National Ocean Service, \$579,196,000 shall be for the National Marine Fisheries Service, \$356,062,000 shall be for Oceanic and Atmospheric Research, \$672,355,000 shall be for the National Weather Service, \$139,627,000 shall be for the National Environmental Satellite, Data, and Information Service, and \$180,546,000 shall be for Program Support: *Provided further*, That, hereafter, habitat conservation activities under this heading shall be considered to be within the “Coastal Assistance sub-category” in section 250(c)(4)(K) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That, of the amount provided under this heading, \$223,273,000 shall be for the conservation activities defined in section 250(c)(4)(K) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That no general administrative charge shall be applied against an assigned activity included in this Act and, further, that any direct administrative expenses applied against an assigned activity shall be limited to 5 percent of the funds provided for that assigned activity so that total National Oceanic and Atmospheric Administration administrative expenses shall not exceed \$265,025,000: *Provided further*, That any use of deobligated balances of funds provided under this heading in previous years shall be subject to the procedures set forth in section 605 of this Act: *Provided further*, That of the amounts provided, \$3,000,000 shall be derived by transfer from the fund entitled “Coastal Zone Management”: *Provided further*, That the Secretary may proceed as he deems necessary to have the National Oceanic and Atmospheric Administration occupy and operate its research facilities which are located at Lafayette, Louisiana: *Provided further*, That the R/V FAIRWEATHER shall be homeported in Ketchikan, Alaska.

2 USC 900 note.

In addition, for necessary retired pay expenses under the Retired Serviceman’s Family Protection and Survivor Benefits Plan, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55), such sums as may be necessary.

PROCUREMENT, ACQUISITION AND CONSTRUCTION

(INCLUDING TRANSFERS OF FUNDS)

For procurement, acquisition and construction of capital assets, including alteration and modification costs, of the National Oceanic and Atmospheric Administration, \$836,552,000, to remain available until expended: *Provided*, That unexpended balances of amounts previously made available in the “Operations, Research, and Facilities” account for activities funded under this heading may be transferred to and merged with this account, to remain available until expended for the purposes for which the funds were originally appropriated: *Provided further*, That of the amounts provided for

\$836,552,000

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

the National Polar-orbiting Operational Environmental Satellite System, funds shall only be made available on a dollar for dollar matching basis with funds provided for the same purpose by the Department of Defense: *Provided further*, That of the amount provided under this heading for expenses necessary to carry out conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, including funds for the Coastal and Estuarine Land Conservation Program, \$58,487,000 to remain available until expended: *Provided further*, That the Secretary shall establish a Coastal and Estuarine Land Conservation Program, for the purpose of protecting important coastal and estuarine areas that have significant conservation, recreation, ecological, historical, or aesthetic values, or that are threatened by conversion from their natural or recreational state to other uses: *Provided further*, That by September 30, 2002, the Secretary shall issue guidelines for this program delineating the criteria for grant awards: *Provided further*, That the Secretary shall distribute these funds in consultation with the States' Coastal Zone Managers' or Governors' designated representatives based on demonstrated need and ability to successfully leverage funds, and shall give priority to lands which can be effectively managed and protected and which have significant ecological value: *Provided further*, That grants funded under this program shall require a 100 percent match from other sources: *Provided further*, That none of the funds provided in this Act or any other Act under the heading "National Oceanic and Atmospheric Administration, Procurement, Acquisition and Construction" shall be used to fund the General Services Administration's standard construction and tenant build-out costs of a facility at the Suitland Federal Center.

16 USC 1456d.

Deadline.

PACIFIC COASTAL SALMON RECOVERY

For necessary expenses associated with the restoration of Pacific salmon populations and the implementation of the 1999 Pacific Salmon Treaty Agreement between the United States and Canada, \$110,000,000: *Provided*, That this amount shall be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

In addition, for implementation of the 1999 Pacific Salmon Treaty Agreement, \$47,419,000, of which \$20,000,000 shall be deposited in the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund, of which \$20,000,000 shall be deposited in the Southern Boundary Restoration and Enhancement Fund, of which \$5,419,000 shall be for a final direct payment to the State of Washington for obligations under the 1999 Pacific Salmon Treaty Agreement, and of which \$2,000,000 is for the Pacific Salmon Commission: *Provided*, That this amount shall be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[Total, \$157,419,000.]

COASTAL ZONE MANAGEMENT FUND

Of amounts collected pursuant to section 308 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456a), not to exceed \$3,000,000 shall be transferred to the "Operations, Research, and Facilities" account to offset the costs of implementing such Act.

¹ - 3,000,000

¹ Transfer.

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95-372, not to exceed \$952,000, to be derived from receipts collected pursuant to that Act, to remain available until expended. \$952,000

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96-339), the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended (Public Law 100-627), and the American Fisheries Promotion Act (Public Law 96-561), to be derived from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed \$191,000, to remain available until expended. 191,000

FISHERIES FINANCE PROGRAM ACCOUNT

For the cost of direct loans, \$287,000, as authorized by the Merchant Marine Act of 1936, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That none of the funds made available under this heading may be used for direct loans for any new fishing vessel that will increase the harvesting capacity in any United States fishery. 287,000
 [Total, NOAA, \$3,256,098,000.]
 [Total, Science and Technology, \$3,938,862,000.]
 1 - 10,000,000

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For expenses necessary for the departmental management of the Department of Commerce provided for by law, including not to exceed \$5,000 for official entertainment, \$37,652,000. 37,652,000

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1-11, as amended by Public Law 100-504), \$20,176,000. 20,176,000
 [Total, \$57,828,000.]

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 201. During the current fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by the Act, and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary of Commerce that such payments are in the public interest.

SEC. 202. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefore, as authorized by law (5 U.S.C. 5901-5902).

¹Environmental improvement and restoration fund is permanent, indefinite mandatory funding provided in P.L. 105-83, the Interior Appropriations Act, 1998.

SEC. 203. None of the funds made available by this Act may be used to support the hurricane reconnaissance aircraft and activities that are under the control of the United States Air Force or the United States Air Force Reserve.

SEC. 204. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Commerce in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 205. Any costs incurred by a department or agency funded under this title resulting from personnel actions taken in response to funding reductions included in this title or from actions taken for the care and protection of loan collateral or grant property shall be absorbed within the total budgetary resources available to such department or agency: *Provided*, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: *Provided further*, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 206. The Secretary of Commerce may award contracts for hydrographic, geodetic, and photogrammetric surveying and mapping services in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.).

SEC. 207. The Secretary of Commerce may use the Commerce franchise fund for expenses and equipment necessary for the maintenance and operation of such administrative services as the Secretary determines may be performed more advantageously as central services, pursuant to section 403 of Public Law 103-356: *Provided*, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made for the purpose of providing capital shall be used to capitalize such fund: *Provided further*, That such fund shall be paid in advance from funds available to the Department and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automated data processing (ADP) software and systems (either acquired or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: *Provided further*, That such fund shall provide services on a competitive basis: *Provided further*, That an amount not to exceed 4 percent of the total annual income to such fund may be retained in the fund for fiscal year 2002 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment, and for the improvement and implementation of department financial management, ADP, and other support systems: *Provided further*, That such amounts retained in the fund for fiscal year 2002 and each

31 USC 501 note.

fiscal year thereafter shall be available for obligation and expenditure only in accordance with section 605 of this Act: *Provided further*, That no later than 30 days after the end of each fiscal year, amounts in excess of this reserve limitation shall be deposited as miscellaneous receipts in the Treasury: *Provided further*, That such franchise fund pilot program shall terminate pursuant to section 403(f) of Public Law 103-356.

SEC. 208. Notwithstanding any other provision of law, of the amounts made available elsewhere in this title to the “National Institute of Standards and Technology, Construction of Research Facilities”, \$8,000,000 is appropriated to fund a cooperative agreement with the Medical University of South Carolina, \$6,000,000 is appropriated to the Thayer School of Engineering for the nanocrystalline materials and biomass research initiative, \$3,000,000 is appropriated to the Institute for Information Infrastructure Protection at the Institute for Security Technology Studies, \$3,350,000 is appropriated for the Institute for Politics, \$650,000 is appropriated to the Mount Washington Technology Village, \$6,500,000 is appropriated for a critical infrastructure project at the George Mason University School of Law, \$3,700,000 is appropriated for the Conservation Institute of the Bronx Zoo, \$2,000,000 is appropriated for the Adolescent Mental Health Residential Treatment program at Bronx-Lebanon Hospital Center, \$1,300,000 is appropriated for the Puerto Rican Historical, Cultural and Activities Center, \$5,000,000 is appropriated for the National Infrastructure Institute, and \$2,000,000 is appropriated for the University of South Carolina School of Public Health.

SEC. 209. (a) The Secretary of Commerce shall present with the fiscal year 2003 budget request a detailed description of all projects, programs, and activities to be funded from the “Working Capital Fund” and the “Advances and Reimbursements” account.

(b) The “Working Capital Fund” and “Advances and Reimbursements” account shall be subject to section 605 of this Act beginning in fiscal year 2003.

SEC. 210. (a) Notwithstanding section 102 of the Marine Mammal Protection Act of 1972, as amended, or section 9 of the Endangered Species Act of 1973, the Anchorage Sister Cities Commission of Anchorage, Alaska, may export, on a one-time basis, to the Town of Whitby, in the care of the Scarborough Borough Council, Whitby, North Yorkshire, United Kingdom, two bowhead whale jawbones taken as part of a legal subsistence hunt by Native Alaskans and identified in U.S. Fish and Wildlife Service, Convention on International Trade of Endangered Species, permit 01US037393/9.

(b) The Anchorage Sister Cities Commission shall notify the National Marine Fisheries Service Office of Enforcement 15 days prior to shipment to ensure compliance with all applicable export requirements.

SEC. 211. Section 213(a) of title II of division C of Public Law 105-277 is amended by striking the second sentence and inserting in lieu thereof: “There are authorized to be appropriated \$6,700,000 per year to carry out the provisions of this Act through fiscal year 2004.”

16 USC 1851
note.

This title may be cited as the “Department of Commerce and Related Agencies Appropriations Act, 2002”.

[*Total, Department of Commerce, \$5,430,406,000.*]

[*Total, title II, Department of Commerce and related agencies, \$5,511,943,000.*]

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

Judiciary
Appropriations
Act, 2002.

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase or hire, driving, maintenance, and operation of an automobile for the Chief Justice, not to exceed \$10,000 for the purpose of transporting Associate Justices, and hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; not to exceed \$10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve, \$39,988,000.

\$39,988,000

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon the Architect by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), \$37,530,000, which shall remain available until expended. [Total, \$77,518,000.]

37,530,000

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for necessary expenses of the court, as authorized by law, \$19,287,000.

19,287,000

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges, salaries of the officers and employees of the court, services as authorized by 5 U.S.C. 3109, and necessary expenses of the court, as authorized by law, \$13,064,000.

13,064,000

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the United States Court of Federal Claims, bankruptcy judges, magistrate judges, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and necessary expenses of the courts, as authorized by law, \$3,591,116,000 (including the purchase of firearms and ammunition); of which not to exceed \$27,817,000 shall remain available until expended for space alteration projects and for furniture and furnishings related to new space alteration and construction projects.

3,591,116,000

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

In addition, for expenses of the United States Court of Federal Claims associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed \$2,692,000, to be appropriated from the Vaccine Injury Compensation Trust Fund. \$2,692,000

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations; the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended; the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act of 1964 (18 U.S.C. 3006A(e)); the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel; the compensation and reimbursement of travel expenses of guardians ad litem acting on behalf of financially eligible minor or incompetent offenders in connection with transfers from the United States to foreign countries with which the United States has a treaty for the execution of penal sentences; the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by 28 U.S.C. 1875(d); and for necessary training and general administrative expenses, \$500,671,000, to remain available until expended as authorized by 18 U.S.C. 3006A(i). 500,671,000

FEES OF JURORS AND COMMISSIONERS

For fees and expenses of jurors as authorized by 28 U.S.C. 1871 and 1876; compensation of jury commissioners as authorized by 28 U.S.C. 1863; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure (28 U.S.C. Appendix Rule 71A(h)), \$48,131,000, to remain available until expended: *Provided*, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code. 48,131,000

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to providing protective guard services for United States courthouses and the procurement, installation, and maintenance of security equipment for United States courthouses and other facilities housing Federal court operations, including building ingress-egress control, inspection of mail and packages, directed security patrols, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100-702), \$220,677,000, of which not to exceed \$10,000,000 shall remain available until expended for security systems or contract costs for court security officers, to be expended directly or transferred to the United States Marshals Service, which shall be responsible for administering the Judicial Facility Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General. 220,677,000

[*Total, Court of Appeals, District Courts, and other Judicial Services, \$4,363,287,000.*]

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

\$61,664,000 For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, \$61,664,000, of which not to exceed \$8,500 is authorized for official reception and representation expenses.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

19,735,000 For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, \$19,735,000; of which \$1,800,000 shall remain available through September 30, 2003, to provide education and training to Federal court personnel; and of which not to exceed \$1,000 is authorized for official reception and representation expenses.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

26,700,000 For payment to the Judicial Officers' Retirement Fund, as authorized by 28 U.S.C. 377(o), \$26,700,000; to the Judicial Survivors' Annuities Fund, as authorized by 28 U.S.C. 376(c), \$8,400,000; and to the United States Court of Federal Claims Judges' Retirement Fund, as authorized by 28 U.S.C. 178(1), \$1,900,000.
 8,400,000
 1,900,000
 [Total, \$37,000,000.]

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

11,575,000 For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, \$11,575,000, of which not to exceed \$1,000 is authorized for official reception and representation expenses.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 301. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 302. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Judiciary in this Act may be transferred between such appropriations, but no such appropriation, except "Courts of Appeals, District Courts, and Other Judicial Services, Defender Services" and "Courts of Appeals, District Courts, and Other Judicial Services, Fees of Jurors and Commissioners", shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section

605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 303. Notwithstanding any other provision of law, the salaries and expenses appropriation for district courts, courts of appeals, and other judicial services shall be available for official reception and representation expenses of the Judicial Conference of the United States: *Provided*, That such available funds shall not exceed \$11,000 and shall be administered by the Director of the Administrative Office of the United States Courts in the capacity as Secretary of the Judicial Conference.

SEC. 304. Of the unexpended balances transferred to the Commission on Structural Alternatives in Federal Appellate Courts, \$400,000 shall be transferred to, and merged with, funds in the “Federal Judicial Center, Salaries and Expenses” appropriations account to be available only for distance learning.

SEC. 305. Pursuant to section 140 of Public Law 97-92, Justices and judges of the United States are authorized during fiscal year 2002, to receive a salary adjustment in accordance with 28 U.S.C. 461: *Provided*, That \$8,625,000 is appropriated for salary adjustments pursuant to this section and such funds shall be transferred to and merged with appropriations in title III of this Act.

28 USC 461 note.

\$8,625,000

This title may be cited as the “Judiciary Appropriations Act, 2002”.

[*Total, title III, the Judiciary, \$4,611,755,000.*]

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCY

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

Department of State and Related Agency Appropriations Act, 2002.

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed \$700,000 of this appropriation), as authorized by section 801 of the United States Information and Educational Exchange Act of 1948, as amended; representation to certain international organizations in which the United States participates pursuant to treaties ratified pursuant to the advice and consent of the Senate or specific Acts of Congress; arms control, nonproliferation and disarmament activities as authorized; acquisition by exchange or purchase of passenger motor vehicles as authorized by law; and for expenses of general administration, \$3,142,277,000: *Provided*, That, of the amount made available under this heading, not to exceed \$4,000,000 may be transferred to, and merged with, funds in the “Emergencies in the Diplomatic and Consular Service” appropriations account, to be available only for emergency evacuations and terrorism rewards: *Provided further*, That, of the amount made available under this heading, \$270,259,000 shall be available only for public diplomacy international information programs: *Provided further*, That of the amount made available under this heading, \$694,190,000 shall be available only for information resource management: *Provided further*, That notwithstanding section 140(a)(5), and the second sentence of section 140(a)(3), of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, fees may be collected during

3,142,277,000

8 USC 1351 note.

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

fiscal years 2002 and 2003, under the authority of section 140(a)(1) of that Act: *Provided further*, That all fees collected under the preceding proviso shall be deposited in fiscal years 2002 and 2003 as an offsetting collection to appropriations made under this heading to recover costs as set forth under section 140(a)(2) of that Act and shall remain available until expended: *Provided further*, That, of the amount made available under this heading, \$1,800,000 shall be available for a grant to conduct an international conference on combating sex trafficking: *Provided further*, That no funds may be obligated or expended for processing licenses for the export of satellites of United States origin (including commercial satellites and satellite components) to the People's Republic of China unless, at least 15 days in advance, the Committees on Appropriations of the House of Representatives and the Senate are notified of such proposed action.

China.
Notification.

In addition, not to exceed \$1,343,000 shall be derived from fees collected from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act, as amended; in addition, as authorized by section 5 of such Act, \$490,000, to be derived from the reserve authorized by that section, to be used for the purposes set out in that section; in addition, as authorized by section 810 of the United States Information and Educational Exchange Act, not to exceed \$6,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from English teaching, library, motion pictures, and publication programs and from fees from educational advising and counseling and exchange visitor programs; and, in addition, not to exceed \$15,000, which shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities.

\$487,735,000 In addition, for the costs of worldwide security upgrades, \$487,735,000, to remain available until expended.
[Total, \$3,630,012,000.]

CAPITAL INVESTMENT FUND

203,000,000 For necessary expenses of the Capital Investment Fund, \$203,000,000, to remain available until expended, as authorized: *Provided*, That section 135(e) of Public Law 103-236 shall not apply to funds available under this heading.

OFFICE OF INSPECTOR GENERAL

29,000,000 For necessary expenses of the Office of Inspector General, \$29,000,000, notwithstanding section 209(a)(1) of the Foreign Service Act of 1980, as amended (Public Law 96-465), as it relates to post inspections.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

237,000,000 For expenses of educational and cultural exchange programs, as authorized, \$237,000,000, to remain available until expended: *Provided*, That not to exceed \$2,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching, educational advising and counseling programs, and exchange visitor programs as authorized.

PUBLIC LAW 107-77—NOV. 28, 2001 115 STAT.

REPRESENTATION ALLOWANCES

For representation allowances as authorized, \$6,485,000. \$6,485,000

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services, as authorized, \$9,400,000, to remain available until September 30, 2003. 9,400,000

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), preserving, maintaining, repairing, and planning for buildings that are owned or directly leased by the Department of State, renovating, in addition to funds otherwise available, the Harry S Truman Building, and carrying out the Diplomatic Security Construction Program as authorized, \$458,000,000, to remain available until expended as authorized, of which not to exceed \$25,000 may be used for domestic and overseas representation as authorized: *Provided*, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture, furnishings, or generators for other departments and agencies. 458,000,000

In addition, for the costs of worldwide security upgrades, acquisition, and construction as authorized, \$815,960,000, to remain available until expended. 815,960,000

[*Total, \$1,273,960,000.*]

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service, \$6,500,000, to remain available until expended as authorized, of which not to exceed \$1,000,000 may be transferred to and merged with the Repatriation Loans Program Account, subject to the same terms and conditions. 6,500,000

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, \$612,000, as authorized: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for administrative expenses necessary to carry out the direct loan program, \$607,000, which may be transferred to and merged with the Diplomatic and Consular Programs account under Administration of Foreign Affairs. 612,000

[*Total, \$1,219,000.*]

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8, \$17,044,000. 17,044,000

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, \$135,629,000. 135,629,000

[*Total, Administration of Foreign Affairs, \$5,549,249,000.*]

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

INTERNATIONAL ORGANIZATIONS AND CONFERENCES
CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS22 USC 269a
note.

\$850,000,000

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, \$850,000,000: *Provided*, That any payment of arrearages under this title shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization: *Provided further*, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings: *Provided further*, That, of the funds appropriated in this paragraph, \$100,000,000 may be made available only pursuant to a certification by the Secretary of State that the United Nations has taken no action in calendar year 2001 prior to the date of enactment of this Act to increase funding for any United Nations program without identifying an offsetting decrease elsewhere in the United Nations budget and cause the United Nations to exceed the budget for the biennium 2000-2001 of \$2,535,700,000: *Provided further*, That if the Secretary of State is unable to make the aforementioned certification, the \$100,000,000 is to be applied to paying the current year assessment for other international organizations for which the assessment has not been paid in full or to paying the assessment due in the next fiscal year for such organizations, subject to the reprogramming procedures contained in section 605 of this Act: *Provided further*, That funds appropriated under this paragraph may be obligated and expended to pay the full United States assessment to the civil budget of the North Atlantic Treaty Organization.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

844,139,000

For necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security, \$844,139,000, of which 15 percent shall remain available until September 30, 2003: *Provided*, That none of the funds made available under this Act shall be obligated or expended for any new or expanded United Nations peacekeeping mission unless, at least 15 days in advance of voting for the new or expanded mission in the United Nations Security Council (or in an emergency as far in advance as is practicable): (1) the Committees on Appropriations of the House of Representatives and the Senate and other appropriate committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and (2) a reprogramming of funds pursuant to section 605 of this Act is submitted, and the procedures therein followed, setting forth the source of funds that will be used to pay for the cost of the new or expanded mission: *Provided further*, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being given opportunities to provide equipment, services,

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

and material for United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers: *Provided further*, That none of the funds made available under this heading are available to pay the United States share of the cost of court monitoring that is part of any United Nations peacekeeping mission. [Total, International Organizations and Conferences, \$1,694,139,000.]

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, or specific Acts of Congress, as follows: 2 USC 269a note.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, including not to exceed \$6,000 for representation; as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, \$24,705,000. \$24,705,000

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, \$5,450,000, to remain available until expended, as authorized. 5,450,000

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided, for the International Joint Commission and the International Boundary Commission, United States and Canada, as authorized by treaties between the United States and Canada or Great Britain, and for the Border Environment Cooperation Commission as authorized by Public Law 103-182, \$9,911,000, of which not to exceed \$9,000 shall be available for representation expenses incurred by the International Joint Commission. 9,911,000

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, \$20,480,000: *Provided*, That the United States' share of such expenses may be advanced to the respective commissions pursuant to 31 U.S.C. 3324. [Total, International Commissions, \$60,546,000.] 20,480,000

OTHER

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, as authorized by the Asia Foundation Act (22 U.S.C. 4402), as amended, \$9,250,000, to remain available until expended, as authorized. 9,250,000

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

\$500,000
(indefinite)

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated, as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204–5205), all interest and earnings accruing to the Eisenhower Exchange Fellowship Program Trust Fund on or before September 30, 2002, to remain available until expended: *Provided*, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A–110 (Uniform Administrative Requirements) and A–122 (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

ISRAELI ARAB SCHOLARSHIP PROGRAM

375,000
(indefinite)

For necessary expenses of the Israeli Arab Scholarship Program as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, 2002, to remain available until expended.

EAST-WEST CENTER

14,000,000

To enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, \$14,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376.

NATIONAL ENDOWMENT FOR DEMOCRACY

33,500,000

For grants made by the Department of State to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, \$33,500,000, to remain available until expended.

[*Total, Department of State, \$7,361,559,000.*]

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

428,234,000

For expenses necessary to enable the Broadcasting Board of Governors, as authorized, to carry out international communication activities, \$428,234,000, of which not to exceed \$16,000 may be used for official receptions within the United States as authorized, not to exceed \$35,000 may be used for representation abroad as authorized, and not to exceed \$39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, notwithstanding any other provision of law, not to exceed \$2,000,000 in receipts from advertising and revenue from business ventures, not to exceed \$500,000 in receipts from cooperating international organizations, and not to exceed

\$1,000,000 in receipts from privatization efforts of the Voice of America and the International Broadcasting Bureau, to remain available until expended for carrying out authorized purposes.

BROADCASTING TO CUBA

For necessary expenses to enable the Broadcasting Board of Governors to carry out broadcasting to Cuba, including the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception, \$24,872,000, to remain available until expended.

\$24,872,000

BROADCASTING CAPITAL IMPROVEMENTS

For the purchase, rent, construction, and improvement of facilities for radio transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception as authorized, \$25,900,000, to remain available until expended, as authorized.

25,900,000

[*Total, Broadcasting Board of Governors, \$479,006,000.*]

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCY

SEC. 401. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of title 5, United States Code; for services as authorized by 5 U.S.C. 3109; and for hire of passenger transportation pursuant to 31 U.S.C. 1343(b).

SEC. 402. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of State in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided*, That not to exceed 5 percent of any appropriation made available for the current fiscal year for the Broadcasting Board of Governors in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: *Provided further*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 403. None of the funds made available in this Act may be used by the Department of State or the Broadcasting Board of Governors to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

SEC. 404. Hereafter, none of the funds appropriated or otherwise made available for the United Nations may be used by the United Nations for the promulgation or enforcement of any treaty, resolution, or regulation authorizing the United Nations, or any of its specialized agencies or affiliated organizations, to tax any aspect of the Internet or international currency transactions.

22 USC 287e
note.

SEC. 405. Funds appropriated by this Act for the Broadcasting Board of Governors and the Department of State may be obligated

115 STAT.

PUBLIC LAW 107-77—NOV. 28, 2001

and expended notwithstanding section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, and section 15 of the State Department Basic Authorities Act of 1956, as amended.

SEC. 406. The Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2451 et seq.) is amended by adding at the end the following new section:

22 USC 2463. **“SEC. 114. ALLOCATION OF FUNDS TRANSFERRED TO THE BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS.**

“Of each amount transferred to the Bureau of Educational and Cultural Affairs out of appropriations other than appropriations under the heading ‘Educational and Cultural Exchange Programs’ for support of an educational or cultural exchange program, notwithstanding any other provision of law, not more than 7.5 percent shall be made available to cover administrative expenses incurred in connection with support of the program. Amounts made available to cover administrative expenses shall be credited to the appropriations under the heading ‘Educational and Cultural Exchange Programs’ and shall remain available until expended.”.

22 USC 6553. SEC. 407. (a) Section 1334 of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted in division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105-277 and amended by section 404(a) of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001) is amended by striking “October 1, 2001” and inserting “October 1, 2005”.

22 USC 6553 note. (b) The amendment made by subsection (a) shall take effect as if included in the enactment of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001.

22 USC 1461 note, 1469; 5 USC app. (c) The provisions of law repealed by section 404(c) of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (section 404(c) of division A of H.R. 3427, as enacted into law by section 1000(a)(7) of Public Law 106-113; appendix G; 113 Stat. 1501A-446) are hereby reenacted into law.

22 USC 1469 note. (d) Notwithstanding any other provision of law, any period of discontinuity of the United States Advisory Commission on Public Diplomacy shall not affect the appointment or terms of service of members of the commission.

22 USC 276e note. SEC. 408. (a) Section 303 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1988 (as enacted into law by section 101(a) of Public Law 100-202) is amended in the first sentence by striking “\$440,000” and inserting “\$620,000”.

(b)(1) Section 2(2) of the joint resolution entitled “Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization”, approved July 11, 1956 (22 U.S.C. 1928b) is amended—

(A) by striking “\$100,000” and inserting “\$200,000”; and

(B) by striking “\$50,000” each of the two places it appears and inserting “\$100,000”.

(2) Section 2 of the joint resolution entitled “Joint resolution to authorize participation by the United States in parliamentary conferences with Mexico”, approved April 9, 1960 (22 U.S.C. 276i) is amended—

(A) by striking “\$80,000” and inserting “\$120,000”; and

(B) by striking “\$40,000” each of the two places it appears and inserting “\$60,000”.

(3) Section 2 of the joint resolution entitled “Joint resolution to authorize participation by the United States in parliamentary conferences with Canada”, approved June 11, 1959 (22 U.S.C. 276e) is amended—

(A) by striking “\$70,000” and inserting “\$150,000”; and
 (B) by striking “\$35,000” each of the two places it appears and inserting “\$75,000”.

(4) Section 109(b) of the Department of State Authorization Act, Fiscal Years 1984 and 1985 (22 U.S.C. 276 note) is amended by striking “\$50,000” and inserting “\$100,000”.

22 USC 276l
 note.

(c) Notwithstanding any other provision of law, whenever either the House of Representatives or the Senate does not appoint its allotment of members as part of the American delegation or group to a conference or assembly of the British-American Interparliamentary Group, the Conference on Security and Cooperation in Europe (CSCE), the Mexico-United States Interparliamentary Group, the North Atlantic Assembly, or any similar interparliamentary group of which the United States is a member or participates and so notifies the other body of Congress, the other body may make appointments to complete the membership of the American delegation. Any appointment pursuant to this section shall be for the period of such conference or assembly and the body of Congress making such an appointment shall be responsible for the expenses of any member so appointed. Any such appointment shall be made in the same manner in which other appointments to the delegation by such body of Congress are made.

This title may be cited as the “Department of State and Related Agency Appropriations Act, 2002”.

[Total, title IV, Department of State and related agency, \$7,840,565,000.]

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

MARITIME SECURITY PROGRAM

For necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, \$98,700,000, to remain available until expended. \$98,700,000

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, \$89,054,000, of which \$13,000,000 shall remain available until expended for capital improvements at the United States Merchant Marine Academy. 89,054,000

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, \$33,000,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended. 33,000,000

In addition, for administrative expenses to carry out the guaranteed loan program, not to exceed \$3,978,000, which shall 3,978,000

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

be transferred to and merged with the appropriation for Operations and Training.

[*Subtotal, \$36,978,000.*]

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration, and payments received therefore shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy for items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act or in any prior Appropriations Act. [*Total, Maritime Administration, \$224,732,000.*]

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE
ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, \$489,000, as authorized by section 1303 of Public Law 99-83.

\$489,000

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, \$9,096,000: *Provided*, That not to exceed \$50,000 may be used to employ consultants: *Provided further*, That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service exclusive of one special assistant for each Commissioner: *Provided further*, That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the chairperson, who is permitted 125 billable days.

9,096,000

COMMISSION ON INTERNATIONAL RELIGIOUS FREEDOM

SALARIES AND EXPENSES

For necessary expenses for the United States Commission on International Religious Freedom, as authorized by title II of the International Religious Freedom Act of 1998 (Public Law 105-292), \$3,000,000, to remain available until expended.

3,000,000

COMMISSION ON OCEAN POLICY

SALARIES AND EXPENSES

For the necessary expenses of the Commission on Ocean Policy, pursuant to Public Law 106-256, \$3,000,000, to remain available until expended: *Provided*, That the Commission shall present to

3,000,000

33 USC 857-19
note.

the Congress within 18 months of appointment its recommendations for a national ocean policy.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, \$1,499,000, to remain available until expended as authorized by section 3 of Public Law 99-7. \$1,499,000

CONGRESSIONAL-EXECUTIVE COMMISSION ON THE PEOPLE'S
REPUBLIC OF CHINA

SALARIES AND EXPENSES

For necessary expenses of the Congressional-Executive Commission on the People's Republic of China, as authorized, \$1,000,000, to remain available until expended. 1,000,000

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); non-monetary awards to private citizens; and not to exceed \$30,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act of 1964, as amended, sections 6 and 14 of the Age Discrimination in Employment Act, the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, \$310,406,000: *Provided*, That the Commission is authorized to make available for official reception and representation expenses not to exceed \$2,500 from available funds. 310,406,000

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901-5902; not to exceed \$600,000 for land and structure; not to exceed \$500,000 for improvement and care of grounds and repair to buildings; not to exceed \$4,000 for official reception and representation expenses; purchase (not to exceed 16) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109, \$245,071,000, of which not to exceed \$300,000 shall remain available until September 30, 2003, for research and policy studies: *Provided*, That \$218,757,000 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, as amended, and shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall 245,071,000
-218,757,000
(fees)

be reduced as such offsetting collections are received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation estimated at \$26,314,000: *Provided further*, That any offsetting collections received in excess of \$218,757,000 in fiscal year 2002 shall remain available until expended, but shall not be available for obligation until October 1, 2002.

[Total, \$26,314,000.]

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act, 1936, as amended (46 U.S.C. App. 1111), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902, \$16,458,000: *Provided*, That not to exceed \$2,000 shall be available for official reception and representation expenses.

\$16,458,000

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed \$2,000 for official reception and representation expenses, \$155,982,000: *Provided*, That not to exceed \$300,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718, as amended: *Provided further*, That, notwithstanding any other provision of law, not to exceed \$155,982,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection, shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2002, so as to result in a final fiscal year 2002 appropriation from the general fund estimated at not more than \$0, to remain available until expended: *Provided further*, That none of the funds made available to the Federal Trade Commission shall be available for obligation for expenses authorized by section 151 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102-242; 105 Stat. 2282-2285).

155,982,000

- 155,982,000
(fees)

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, \$329,300,000, of which \$310,000,000 is for basic field programs and required independent audits; \$2,500,000 is for the Office of Inspector General, of which such amounts as may be necessary may be used to conduct additional audits of recipients;

329,300,000

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

\$12,400,000 is for management and administration; and \$4,400,000 is for client self-help and information technology.

ADMINISTRATIVE PROVISIONS—LEGAL SERVICES CORPORATION

None of the funds appropriated in this Act to the Legal Services Corporation shall be expended for any purpose prohibited or limited by, or contrary to any of the provisions of, sections 501, 502, 503, 504, 505, and 506 of Public Law 105-119, and all funds appropriated in this Act to the Legal Services Corporation shall be subject to the same terms and conditions set forth in such sections, except that all references in sections 502 and 503 to 1997 and 1998 shall be deemed to refer instead to 2001 and 2002, respectively.

Section 504(a)(16) of Public Law 104-134 is hereafter amended by striking “if such relief does not involve” and all that follows through “representation”.

110 Stat.
1321-55.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, \$1,957,000.

\$1,957,000

NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION

For necessary expenses of the National Veterans Business Development Corporation as authorized under section 33(a) of the Small Business Act, as amended, \$4,000,000.

4,000,000

PACIFIC CHARTER COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Pacific Charter Commission, as authorized by the Pacific Charter Commission Act of 2000 (Public Law 106-570), \$1,500,000, to remain available until expended.

1,500,000

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed \$3,000 for official reception and representation expenses, \$109,500,000 from fees collected in fiscal year 2002 to remain available until expended, and from fees collected in previous fiscal years, \$328,400,000, to remain available until expended; of which not to exceed \$10,000 may be used toward funding a permanent secretariat for the International Organization of Securities Commissions; and of which not to exceed \$100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives and staff to exchange views concerning developments relating to securities matters, development and

109,500,000

328,400,000

implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings including: (1) such incidental expenses as meals taken in the course of such attendance; (2) any travel and transportation to or from such meetings; and (3) any other related lodging or subsistence: *Provided*, That fees and charges authorized by sections 6(b)(4) of the Securities Act of 1933 (15 U.S.C. 77f(b)(4)) and 31(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78ee(d)) shall be credited to this account as offsetting collections: *Provided further*, That in the event that H.R. 1088, the Investor and Capital Markets Fee Relief Act, or other legislation to amend section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)), and sections 13(e), 14(g), and 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e), 78n(g) and 78ee), is enacted into law prior to the date on which a regular appropriation to the Commission for fiscal year 2003 is enacted, the fees, charges, and assessments authorized by such sections, as amended, shall be deposited and credited to this account as offsetting collections: *Provided further*, That fees collected as authorized by section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) for sales transacted on, and with respect to securities registered solely on, an exchange that is initially granted registration as a national securities exchange after February 24, 2000 shall be credited to this account as offsetting collections: *Provided further*, That for purposes of collections under section 31, a security shall not be deemed registered on a national securities exchange solely because that national securities exchange continues or extends unlisted trading privileges to that security.

[Total, \$437,900,000.]

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 105-135, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed \$3,500 for official reception and representation expenses, \$308,476,000: *Provided*, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan servicing activities: *Provided further*, That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations: *Provided further*, That \$88,000,000 shall be available to fund grants for performance in fiscal year 2002 or fiscal year 2003 as authorized by section 21 of the Small Business Act, as amended.

\$308,476,000

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App.), \$11,464,000.

11,464,000

PUBLIC LAW 107-77—NOV. 28, 2001

115 STAT.

BUSINESS LOANS PROGRAM ACCOUNT

For the cost of direct loans, \$1,860,000, to be available until expended; and for the cost of guaranteed loans, \$78,000,000, as authorized by 15 U.S.C. 631 note, of which \$45,000,000 shall remain available until September 30, 2003: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That during fiscal year 2002 commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958, as amended, shall not exceed \$4,500,000,000, as provided under section 20(h)(1)(B)(ii) of the Small Business Act: *Provided further*, That during fiscal year 2002 commitments for general business loans authorized under section 7(a) of the Small Business Act, as amended, shall not exceed \$10,000,000,000 without prior notification of the Committees on Appropriations of the House of Representatives and Senate in accordance with section 605 of this Act: *Provided further*, That during fiscal year 2002 commitments to guarantee loans for debentures and participating securities under section 303(b) of the Small Business Investment Act of 1958, as amended, shall not exceed the levels established by section 20(h)(1)(C) of the Small Business Act.

\$1,860,000
78,000,000

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, \$129,000,000, which may be transferred to and merged with the appropriations for Salaries and Expenses.

129,000,000

[Total, \$208,860,000.]

DISASTER LOANS PROGRAM ACCOUNT

For the cost of direct loans authorized by section 7(b) of the Small Business Act, as amended, \$87,360,000, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

87,360,000

In addition, for administrative expenses to carry out the direct loan program, \$122,354,000, which may be transferred to and merged with appropriations for Salaries and Expenses, of which \$500,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be transferred to and merged with appropriations for the Office of Inspector General; of which \$112,000,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program; and of which \$9,854,000 is for indirect administrative expenses: *Provided*, That any amount in excess of \$9,854,000 to be transferred to and merged with appropriations for Salaries and Expenses for indirect administrative expenses shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

122,354,000

[Total, \$209,714,000.]

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

[Total, Small Business Administration, \$738,514,000.]

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

\$3,000,000 For necessary expenses of the State Justice Institute, as authorized by the State Justice Institute Authorization Act of 1992 (Public Law 102-572; 106 Stat. 4515-4516), \$3,000,000: *Provided*, That not to exceed \$2,500 shall be available for official reception and representation expenses.

UNITED STATES-CANADA ALASKA RAIL COMMISSION

SALARIES AND EXPENSES

2,000,000 For necessary expenses of the "United States-Canada Alaska Rail Commission", as authorized by title III of Public Law 106-520, \$2,000,000, to remain available until expended.

[Total, title V, Related agencies, \$2,114,165,000.]

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Contracts.
Public
information.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of each provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. (a) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2002, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

Notification.

(b) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2002, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

Notification.

SEC. 606. None of the funds made available in this Act may be used for the construction, repair (other than emergency repair), overhaul, conversion, or modernization of vessels for the National Oceanic and Atmospheric Administration in shipyards located outside of the United States.

SEC. 607. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a “Made in America” inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 608. None of the funds made available in this Act may be used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion, when it is made known to the Federal entity or official to which such funds are made available that such guidelines do not differ in any respect from the proposed guidelines published by the Commission on October 1, 1993 (58 Fed. Reg. 51266).

SEC. 609. None of the funds made available by this Act may be used for any United Nations undertaking when it is made known to the Federal official having authority to obligate or expend such funds: (1) that the United Nations undertaking is a peace-keeping mission; (2) that such undertaking will involve United States Armed Forces under the command or operational control of a foreign national; and (3) that the President’s military advisors have not submitted to the President a recommendation that such

involvement is in the national security interests of the United States and the President has not submitted to the Congress such a recommendation.

SEC. 610. (a) None of the funds appropriated or otherwise made available by this Act shall be expended for any purpose for which appropriations are prohibited by section 609 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999.

(b) The requirements in subparagraphs (A) and (B) of section 609 of that Act shall continue to apply during fiscal year 2002.

18 USC 4042
note.

SEC. 611. Hereafter, none of the funds appropriated or otherwise made available to the Bureau of Prisons shall be used to provide the following amenities or personal comforts in the Federal prison system—

(1) in-cell television viewing except for prisoners who are segregated from the general prison population for their own safety;

(2) the viewing of R, X, and NC-17 rated movies, through whatever medium presented;

(3) any instruction (live or through broadcasts) or training equipment for boxing, wrestling, judo, karate, or other martial art, or any bodybuilding or weightlifting equipment of any sort;

(4) possession of in-cell coffee pots, hot plates or heating elements; or

(5) the use or possession of any electric or electronic musical instrument.

President.
28 USC 504 note.

SEC. 612. (a) The President shall submit as part of the fiscal year 2003 budget to Congress a proposal to restructure the Department of Justice to include a coordinator of Department of Justice activities relating to combating domestic terrorism, including State and local grant programs subject to the authority of the Attorney General, and who will serve as the Department of Justice representative at interagency meetings on combating terrorism below the Cabinet level.

(b) If the President does not submit a proposal as described in subsection (a), or if Congress fails to enact legislation establishing a new position described in subsection (a), by June 30, 2002, then effective on such date subsections (c) through (f) shall take effect.

(c)(1) Section 504 of title 28, United States Code, is amended by inserting after “General” the following: “and a Deputy Attorney General for Combating Domestic Terrorism”.

(2) the Section heading for section 504 of title 28, United States Code, is amended by striking “Attorney” and inserting “Attorneys”.

(d) The Deputy Attorney General for Combating Domestic Terrorism (appointed under section 504 of title 28, United States Code, as amended by subsection (c)) shall—

(1) serve as the principal adviser to the Attorney General for combating terrorism, counterterrorism, and antiterrorism policy;

(2) have responsibility for coordinating all functions within the Department of Justice relating to combating domestic terrorism including—

(A) policies, plans, and oversight, as they relate to combating terrorism, counterterrorism, and antiterrorism activities;

- (B) State and local preparedness for terrorist events;
- (C) security classifications and clearances within the Department of Justice;
- (D) contingency operations within the Department of Justice; and
- (E) critical infrastructure.

(3) coordinate—

(A) all inter-agency interface between the Department of Justice and other departments, agencies, and entities of the United States, including State and local organizations, engaged in combating terrorism, counterterrorism, and antiterrorism activities; and

(B) the implementation of the national strategy for combating terrorism by State and local entities with responsibilities for combating domestic terrorism; and

(4) recommend changes in the organization and management of the Department of Justice and State and local entities engaged in combating domestic terrorism to the Attorney General.

(e) There is appropriated, out of any money in the Treasury of the United States not otherwise appropriated, for necessary expenses of the Office of the Deputy Attorney General for Combating Domestic Terrorism of the Department of Justice, \$1,000,000, to remain available until expended.

¹(\$1,000,000)

(f) Effective September 30, 2002, there is transferred to the Deputy Attorney General for Combating Domestic Terrorism all authorities, liabilities, funding, personnel, equipment, and real property employed or used by, or associated with, the Office of Domestic Preparedness, the National Domestic Preparedness Office, the Executive Office of National Security, and such appropriate components of the Office of Intelligence Policy and Review as relate to combating terrorism, counterterrorism, and antiterrorism activities.

Effective date.

SEC. 613. Any costs incurred by a department or agency funded under this Act resulting from personnel actions taken in response to funding reductions included in this Act shall be absorbed within the total budgetary resources available to such department or agency: *Provided*, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: *Provided further*, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 614. Hereafter, none of the funds appropriated or otherwise made available to the Federal Bureau of Prisons may be used to distribute or make available any commercially published information or material to a prisoner when it is made known to the Federal official having authority to obligate or expend such funds that such information or material is sexually explicit or features nudity.

Pornography.
18 USC 4042
note.

SEC. 615. Of the funds appropriated in this Act under the heading “Office of Justice Programs—State and Local Law Enforcement Assistance”, not more than 90 percent of the amount to be awarded to an entity under the Local Law Enforcement Block Grant shall be made available to such an entity when it is made

¹Included in Title I total.

known to the Federal official having authority to obligate or expend such funds that the entity that employs a public safety officer (as such term is defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968) does not provide such a public safety officer who retires or is separated from service due to injury suffered as the direct and proximate result of a personal injury sustained in the line of duty while responding to an emergency situation or a hot pursuit (as such terms are defined by State law) with the same or better level of health insurance benefits at the time of retirement or separation as they received while on duty.

SEC. 616. None of the funds provided by this Act shall be available to promote the sale or export of tobacco or tobacco products, or to seek the reduction or removal by any foreign country of restrictions on the marketing of tobacco or tobacco products, except for restrictions which are not applied equally to all tobacco or tobacco products of the same type.

SEC. 617. (a) None of the funds appropriated or otherwise made available by this Act shall be expended for any purpose for which appropriations are prohibited by section 616 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999, as amended.

(b) Subsection (a)(1) of section 616 of that Act, as amended, is further amended by striking “Claudy Myrthil,”.

(c) The requirements in subsections (b) and (c) of section 616 of that Act shall continue to apply during fiscal year 2002.

SEC. 618. None of the funds appropriated pursuant to this Act or any other provision of law may be used for: (1) the implementation of any tax or fee in connection with the implementation of 18 U.S.C. 922(t); and (2) any system to implement 18 U.S.C. 922(t) that does not require and result in the destruction of any identifying information submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm.

42 USC 10601
note.

SEC. 619. Notwithstanding any other provision of law, amounts deposited or available in the Fund established under 42 U.S.C. 10601 in any fiscal year in excess of \$550,000,000 shall not be available for obligation until the following fiscal year, with the exception of emergency appropriations made available by Public Law 107-38 and transferred to the Fund.

SEC. 620. None of the funds made available to the Department of Justice in this Act may be used to discriminate against or denigrate the religious or moral beliefs of students who participate in programs for which financial assistance is provided from those funds, or of the parents or legal guardians of such students.

SEC. 621. None of the funds appropriated or otherwise made available to the Department of State and the Department of Justice shall be available for the purpose of granting either immigrant or nonimmigrant visas, or both, consistent with the Secretary’s determination under section 243(d) of the Immigration and Nationality Act, to citizens, subjects, nationals, or residents of countries that the Attorney General has determined deny or unreasonably delay accepting the return of citizens, subjects, nationals, or residents under that section.

SEC. 622. None of the funds made available to the Department of Justice in this Act may be used for the purpose of transporting an individual who is a prisoner pursuant to conviction for crime

under State or Federal law and is classified as a maximum or high security prisoner, other than to a prison or other facility certified by the Federal Bureau of Prisons as appropriately secure for housing such a prisoner.

SEC. 623. The requirements of section 312(a)(3) of the Magnuson-Stevens Fishery Conservation and Management Act shall not apply to funds made available by section 2201 of Public Law 106-246.

SEC. 624. (a) Section 203(i) of the Act entitled “An Act to approve a governing international agreement between the United States and the Republic of Poland, and for other purposes”, approved November 13, 1998, is amended by striking “2001” and inserting “2006”.

16 USC 1856
note.

(b) Section 203 of such Act, as amended by subsection (a), is further amended by adding at the end the following:

16 USC 1856
note.

“(j) Not later than December 31, 2001, and every 2 years thereafter, the Pacific State Marine Fisheries Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Resources of the House of Representatives a report on the health and management of the Dungeness Crab fishery located off the coasts of the States of Washington, Oregon, and California.”

Deadline.
Reports.

SEC. 625. Section 140 of Public Law 97-92 (28 U.S.C. 461 note; 95 Stat. 1200) is amended by adding at the end the following: “This section shall apply to fiscal year 1981 and each fiscal year thereafter.”

SEC. 626. (a) The President shall submit, by not later than the time of submission of the Budget of the United States Government for Fiscal Year 2003, a legislative proposal to establish a comprehensive program to ensure fair, equitable, and prompt compensation for all United States victims of international terrorism (or relatives of deceased United States victims of international terrorism) that occurred or occurs on or after November 1, 1979.

President.
Deadline.

(b) The legislative proposal shall include, among other things, which types of events should be covered; which categories of individuals should be covered by a compensation program; the means by which United States victims of prior or future acts of international terrorism, including those with hostage claims against foreign states, will be covered; the establishment of a Special Master to administer the program; the categories of injuries for which there should be compensation; the process by which any collateral source of compensation to a victim (or a relative of a deceased victim) for an act of international terrorism shall be offset from any compensation that may be paid to that victim (or that relative) under the program established by this section; and identifiable sources of funds including assets of any state sponsor of terrorism to make payments under the program.

(c) Amend 28 U.S.C. Section 1605(a)(7)(A) by inserting at the end, before the semicolon, the following: “or the act is related to Case Number 1:00CV03110(ESG) in the United States District Court for the District of Columbia”.

SEC. 627. No funds appropriated by this Act may be used by Federal prisons to purchase cable television services, to rent or purchase videocassettes, videocassette recorders, or other audiovisual or electronic equipment used primarily for recreational purposes. The preceding sentence does not preclude the renting,

maintenance, or purchase of audiovisual or electronic equipment for inmate training, religious, or educational programs.

SEC. 628. Clause (ii) of section 621(5)(A) of the Communications Satellite Act of 1962 (47 U.S.C. 763(5)(A)) is amended by striking “on or about October 1, 2000,” and all that follows through the end and inserting “not later than December 31, 2002, except that the Commission may extend this deadline to not later than June 30, 2003.

SEC. 629. For an additional amount for “Small Business Administration, Salaries and Expenses”, \$30,000,000, of which \$1,000,000 shall be available for a grant to Green Thumb, Inc., to expand activities serving small businesses and older entrepreneurs; \$500,000 shall be available for a grant to the New York Small Business Development Center to establish veterans business outreach programs; \$1,000,000 shall be for a grant to the University of West Florida for a virtual business accelerator program; \$1,000,000 shall be for a grant to Hamilton County, Tennessee, to establish a high-tech small business incubator; \$500,000 shall be available for a grant to the Oklahoma Department of Career and Technology Education for a technology-based program for vocational training for economic and job development; \$200,000 shall be available for a grant to Rural Enterprises, Inc., in Durant, Oklahoma, to continue support for a resource center for rural businesses; \$100,000 shall be available for a grant to Oklahoma State University for a center for international trade development; \$300,000 shall be for a grant to the University of Montana to establish an economic development resource center; \$1,000,000 shall be for a grant to George Mason University to conduct an information technology business development program; \$1,500,000 shall be for a grant to Shenandoah University to develop a historical and tourism development facility; \$1,000,000 shall be for a grant to the Software Productivity Consortium to develop a facility to support demonstration programs on information technology and telework; \$1,000,000 shall be for a grant to the Southern Kentucky Tourism Development Association for continuation of a regional tourism promotion initiative; \$1,500,000 shall be for a grant to the Southern Kentucky Economic Development Corporation for regional infrastructure and economic development initiatives; \$450,000 shall be for a grant to Southern Kentucky Rehabilitation Industries for financial assistance and small business development; \$350,000 shall be available for a grant to the Catskill Mountain Foundation to develop facilities and small business assistance programs; \$500,000 shall be for a grant to the East Los Angeles Community Union to redevelop small business assistance facilities; \$300,000 shall be for a grant to the Rockford, Illinois, Health Council for a pilot program on small business health care insurance issues; \$2,000,000 shall be for a grant for the Illinois Coalition for a national demonstration project providing one-stop assistance for technology startup businesses; \$1,000,000 shall be for a grant to James Madison University for library programs and facilities to assist small businesses; \$300,000 shall be for a grant to Lewis and Clark College in Lewiston, Idaho, to develop a virtual business incubator; \$300,000 shall be for a grant to the City of Chesapeake, Virginia, to develop a community and microenterprise development facility; \$700,000 shall be for a grant to Social Compact for the “Realizing the Dream” initiative; \$1,000,000 shall be for a grant to Soundview Community in Action for a technology access and

business improvement project; \$500,000 shall be for a grant to the Urban Justice Center in New York City for a community development project; \$1,000,000 shall be for a grant to the Bronx Child Study Center at the Bronx-Lebanon Hospital Center; \$2,000,000 shall be for a grant to the Los Angeles Conservancy for rebuilding and revitalization; \$2,000,000 shall be to the Rhode Island School of Design for the modernization of a building to establish a small business incubator; \$500,000 shall be for a grant to Johnstown Area Regional Industries for a High Technology Initiative and a Wireless/Digital Technology Program; \$400,000 shall be for a grant to Purdue University for the purposes of constructing the Purdue Regional Technology Center in Lake County, Indiana; \$500,000 shall be for a grant to the NTTC at Wheeling Jesuit University to continue the outreach program to assist small business development; \$400,000 shall be for a grant to the Infotonics Center of Excellence in Rochester, New York, for photonics incubation and business development; \$1,100,000 shall be for a grant to the MountainMade Foundation to fulfill its charter purposes and to continue the initiative developed by the NTTC for promotion, business and sites development, and education of artists and craftspeople; \$500,000 shall be for a grant to the West Virginia High Technology Consortium Foundation to develop a small business commercialization grant program; \$400,000 shall be for a grant to the National Corrections and Law Enforcement Training and Technology Center, Inc., to work in conjunction with the Office of Law Enforcement Technology Commercialization and the Moundsville Economic Development Council for continued operations of the National Corrections and Law Enforcement Training and Technology Center, and for infrastructure improvements associated with this initiative; \$500,000 shall be for a grant to the Chippewa Falls Industrial Development Corporation in Chippewa Falls, Wisconsin, for a business development assistance program; \$400,000 shall be for a grant to the National Center for e-Commerce at Polytechnic University in Brooklyn, New York; \$150,000 shall be for a grant to Portage County, Wisconsin, for the establishment of a revolving loan fund; \$1,000,000 shall be for a grant to the Upper Manhattan Empowerment Zone to develop a community accessible recreational area and economic development site along the Hudson River between 125th and 135th Streets; \$150,000 is for a grant to the Long Island Bay Shore Aquarium to develop a facility; \$500,000 is for a grant to Yonkers, New York, for the Nepperhan Valley Technology Center; and \$500,000 shall be for a grant for Greenpoint Manufacturing and Design Center to acquire certain properties to develop a small business incubator facility: *Provided*, That Section 633 of Public Law 106-553 is amended with respect to a grant of \$1,000,000 for the City of Oak Ridge, Tennessee, by inserting the words “through a subaward to the Oak Ridge Associated University for renovation and expansion of a facility owned by the Oak Ridge Associated University” after “to support technology and economic development initiatives”.

SEC. 630. None of the funds appropriated or otherwise made available by this Act shall be available for cooperation with, or assistance or other support to, the International Criminal Court or the Preparatory Commission. This subsection shall not be construed to apply to any other entity outside the Rome treaty.

115 STAT. PUBLIC LAW 107-77—NOV. 28, 2001

TITLE VII—RESCISSIONS
DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES
ASSETS FORFEITURE FUND
(RESCISSION)

Of the unobligated balances available under this heading,
-\$40,000,000 \$40,000,000 are rescinded.

DEPARTMENT OF COMMERCE

DEPARTMENTAL MANAGEMENT
EMERGENCY OIL AND GAS GUARANTEED LOAN PROGRAM ACCOUNT
(RESCISSION)

Of the unobligated balances available under this heading from
-5,200,000 prior year appropriations, \$5,200,000 are rescinded.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION
SHIP CONSTRUCTION
(RESCISSION)

Of the unobligated balances available under this heading,
-4,400,000 \$4,400,000 are rescinded.

SECURITIES AND EXCHANGE COMMISSION
SALARIES AND EXPENSES
(RESCISSION)

Of the unobligated balances available under this heading,
-50,000,000 \$50,000,000 are rescinded.

SMALL BUSINESS ADMINISTRATION
BUSINESS LOANS PROGRAM ACCOUNT
(RESCISSION)

Of the unobligated balances available under this heading,
-5,500,000 \$5,500,000 are rescinded.

[Total, title VII, Rescissions, -\$105,100,000.]

This Act may be cited as the “Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002”.

Approved November 28, 2001.

LEGISLATIVE HISTORY—H.R. 2500 (S. 1215):

HOUSE REPORTS: Nos. 107-139 (Comm. on Appropriations) and 107-278 (Comm. of Conference).

SENATE REPORTS: No. 107-42 accompanying S. 1215 (Comm. on Appropriations).
CONGRESSIONAL RECORD, Vol. 147 (2001):

July 17, 18, considered and passed House.
Sept. 10, 13, considered and passed Senate, amended.
Sept. 21, Senate amended its amendment.
Nov. 14, House agreed to conference report.
Nov. 15, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):
Nov. 28, Presidential statement.

[In thousands of dollars]

| | |
|--|--------------|
| Net grand total, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 | \$39,278,452 |
| Appropriations | (38,944,373) |
| Conservation | (439,179) |
| Rescissions | (- 105,100) |
| Consisting of: | |
| Department of Commerce (net) | 5,425,206 |
| General Government—Independent Agencies (net) | 1,661,462 |
| The Judiciary | 4,611,755 |
| Department of Justice (net) | 21,621,850 |
| Small Business Administration (net) | 733,014 |
| Department of State | 7,361,559 |
| Department of Transportation: | |
| Maritime Administration (net) | 220,332 |
| Other budget adjustments | - 2,356,726 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**DEPARTMENT OF DEFENSE
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-117

DEPARTMENT OF DEFENSE APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

Public Law 107-117
107th Congress

An Act

Jan. 10, 2002
[H.R. 3338]Making appropriations for the Department of Defense for the fiscal year ending
September 30, 2002, and for other purposes.Department of
Defense and
Emergency
Supplemental
Appropriations
for Recovery from
and Response to
Terrorist Attacks
on the United
States Act, 2002.
Department of
Defense
Appropriations
Act, 2002.*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2002, for military functions administered by the Department of Defense, and for other purposes, namely:DIVISION A—DEPARTMENT OF DEFENSE APPROPRIATIONS,
2002

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, \$23,752,384,000.

\$23,752,384,000

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, \$19,551,484,000.

19,551,484,000

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

(including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, \$7,345,340,000.

\$7,345,340,000

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, \$19,724,014,000.

19,724,014,000

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, \$2,670,197,000.

2,670,197,000

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, \$1,654,523,000.

1,654,523,000

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class,

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, \$471,200,000.

\$471,200,000

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, \$1,061,160,000.

1,061,160,000

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, \$4,041,695,000.

4,041,695,000

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, \$1,784,654,000.

1,784,654,000

[Total, title I, Military Personnel, \$82,056,651,000.]

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed \$10,794,000 can be used for emergencies and

extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, \$22,335,074,000: *Provided*, That of the funds made available under this heading, \$1,000,000, to remain available until expended, shall be transferred to “National Park Service—Construction” within 30 days of the enactment of this Act, only for necessary infrastructure repair improvements at Fort Baker, under the management of the Golden Gate Recreation Area: *Provided further*, That of the funds appropriated in this paragraph, not less than \$355,000,000 shall be made available only for conventional ammunition care and maintenance.

\$22,335,074,000

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed \$6,000,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes, \$26,876,636,000.

26,876,636,000

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law, \$2,931,934,000.

2,931,934,000

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed \$7,998,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes, \$26,026,789,000: *Provided*, That notwithstanding any other provision of law, that of the funds available under this heading, \$750,000 shall only be available to the Secretary of the Air Force for a grant to Florida Memorial College for the purpose of funding minority aviation training.

26,026,789,000

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law, \$12,773,270,000, of which not to exceed \$25,000,000 may be available for the CINC initiative fund account; and of which not to exceed \$33,500,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: *Provided*, That notwithstanding any other provision of law, of the funds provided in this Act for Civil Military programs under this heading, \$750,000 shall be available for a grant for Outdoor Odyssey, Roaring

12,773,270,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

Run, Pennsylvania, to support the Youth Development and Leadership program and Department of Defense STARBASE program: *Provided further*, That of the funds made available in this paragraph, \$1,000,000 shall be available only for continuation of the Middle East Regional Security Issues program: *Provided further*, That none of the funds appropriated or otherwise made available by this Act may be used to plan or implement the consolidation of a budget or appropriations liaison office of the Office of the Secretary of Defense, the office of the Secretary of a military department, or the service headquarters of one of the Armed Forces into a legislative affairs or legislative liaison office.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, \$1,771,246,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, \$1,003,690,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, \$144,023,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, \$2,024,866,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in

compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft), \$3,768,058,000.

\$3,768,058,000

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things, hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau, \$3,988,961,000.

\$3,988,961,000

OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

(INCLUDING TRANSFER OF FUNDS)

For expenses directly relating to Overseas Contingency Operations by United States military forces, \$50,000,000, to remain available until expended: *Provided*, That the Secretary of Defense may transfer these funds only to military personnel accounts; operation and maintenance accounts within this title; the Defense Health Program appropriation; procurement accounts; research, development, test and evaluation accounts; and to working capital funds: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That the transfer authority provided in this paragraph is in addition to any other transfer authority contained elsewhere in this Act.

50,000,000

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces, \$9,096,000, of which not to exceed \$2,500 can be used for official representation purposes.

9,096,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

ENVIRONMENTAL RESTORATION, ARMY

(INCLUDING TRANSFER OF FUNDS)

\$389,800,000

For the Department of the Army, \$389,800,000, to remain available until transferred: *Provided*, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Army, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, NAVY

(INCLUDING TRANSFER OF FUNDS)

257,517,000

For the Department of the Navy, \$257,517,000, to remain available until transferred: *Provided*, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

385,437,000

For the Department of the Air Force, \$385,437,000, to remain available until transferred: *Provided*, That the Secretary of the Air Force shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Air Force, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense, \$23,492,000, to remain available until transferred: *Provided*, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation. \$23,492,000

ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, \$222,255,000, to remain available until transferred: *Provided*, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris at sites formerly used by the Department of Defense, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation. 222,255,000

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2547, and 2551 of title 10, United States Code), \$49,700,000, to remain available until September 30, 2003. 49,700,000

SUPPORT FOR INTERNATIONAL SPORTING COMPETITIONS, DEFENSE

For logistical and security support for international sporting competitions (including pay and non-travel related allowances only for members of the Reserve Components of the Armed Forces of the United States called or ordered to active duty in connection with providing such support), \$15,800,000, to remain available until expended. 15,800,000

[*Total, title II, Operation and maintenance, \$105,047,644,000.*]

TITLE III

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, \$1,984,391,000, to remain available for obligation until September 30, 2004.

\$1,984,391,000

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, \$1,079,330,000, to remain available for obligation until September 30, 2004.

1,079,330,000

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES,
ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, \$2,193,746,000, to remain available for obligation until September 30, 2004.

2,193,746,000

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired,

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, \$1,200,465,000, to remain available for obligation until September 30, 2004. \$1,200,465,000

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and non-tracked combat vehicles; the purchase of not to exceed 29 passenger motor vehicles for replacement only; and the purchase of 3 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed \$200,000 per vehicle; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, \$4,183,736,000, to remain available for obligation until September 30, 2004. 4,183,736,000

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, \$7,938,143,000, to remain available for obligation until September 30, 2004. 7,938,143,000

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, \$1,429,592,000, to remain available for obligation until September 30, 2004. 1,429,592,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, \$461,399,000, to remain available for obligation until September 30, 2004.

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

Carrier Replacement Program (AP), \$138,890,000;

SSGN (AP), \$365,440,000;

NSSN, \$1,578,914,000;

NSSN (AP), \$684,288,000;

CVN Refuelings, \$1,148,124,000;

CVN Refuelings (AP), \$73,707,000;

Submarine Refuelings, \$382,265,000;

Submarine Refuelings (AP), \$77,750,000;

DDG-51 destroyer program, \$2,966,036,000;

DDG-51 (AP), \$125,000,000;

Cruiser conversion (AP), \$75,000,000;

LPD-17 (AP), \$155,000,000;

T-AKE, \$370,818,000;

LHD-8, \$267,238,000;

LCAC landing craft air cushion program, \$46,091,000;

Prior year shipbuilding costs, \$729,248,000;

Mine Hunter SWATH, \$1,000,000;

Yard Oilers, \$3,000,000; and

For craft, outfitting, post delivery, conversions, and first destination transformation transportation, \$302,230,000;

9,490,039,000 In all: \$9,490,039,000, to remain available for obligation until September 30, 2006: *Provided*, That additional obligations may be incurred after September 30, 2006, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: *Provided further*, That none of the funds provided under this heading for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: *Provided further*, That none of the funds provided under this heading shall be used for the construction of any naval vessel in foreign shipyards.

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed 152 passenger motor vehicles for replacement only, and the purchase of five vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed \$200,000 per unit for two units and not to exceed \$115,000 per unit for the remaining three units; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, \$4,270,976,000, to remain available for obligation until September 30, 2004.

\$4,270,976,000

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of not to exceed 25 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, \$995,442,000, to remain available for obligation until September 30, 2004.

995,442,000

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, lease, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, \$10,567,038,000, to remain available for obligation until September 30, 2004.

10,567,038,000

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, \$2,989,524,000, to remain available for obligation until September 30, 2004.

PROCUREMENT OF AMMUNITION, AIR FORCE

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, \$866,644,000, to remain available for obligation until September 30, 2004.

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 216 passenger motor vehicles for replacement only, and the purchase of three vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed \$200,000 per vehicle; lease of passenger motor vehicles; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, \$8,085,863,000, to remain available for obligation until September 30, 2004.

PROCUREMENT, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 65 passenger motor vehicles for replacement only; the purchase of 4 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed \$250,000 per vehicle; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, \$2,389,490,000, to remain available for obligation until September 30, 2004: *Provided*, That funds provided

under this heading for Patriot Advanced Capability 3 (PAC-3) missiles may be used for procurement of critical parts for PAC-3 missiles to support production of such missiles in future fiscal years.

DEFENSE PRODUCTION ACT PURCHASES

For activities by the Department of Defense pursuant to sections 108, 301, 302, and 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2078, 2091, 2092, and 2093), \$40,000,000 to remain available until expended, of which, \$2,000,000 may be used for a Processible Rigid-Rod Polymeric Material Supplier Initiative under title III of the Defense Production Act of 1950 (50 U.S.C. App. 2091 et seq.) to develop affordable production methods and a domestic supplier for military and commercial processible rigid-rod materials. \$40,000,000

NATIONAL GUARD AND RESERVE EQUIPMENT

For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces, \$699,130,000, to remain available for obligation until September 30, 2004: *Provided*, That the Chiefs of the Reserve and National Guard components shall, not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees the modernization priority assessment for their respective Reserve or National Guard component: *Provided further*, That of the funds appropriated under this heading, \$148,430,000 shall be available only for the procurement of C-130J aircraft to be used solely for western states firefighting. [Total, title III, Procurement, \$60,864,948,000.] 699,130,000
Deadline.

TITLE IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, \$7,106,074,000, to remain available for obligation until September 30, 2003. 7,106,074,000

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, \$11,498,506,000, to remain available for obligation until September 30, 2003. 11,498,506,000

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, \$14,669,931,000, to remain available for obligation until September 30, 2003. 14,669,931,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, \$15,415,275,000, to remain available for obligation until September 30, 2003: *Provided*, That for funds provided under this heading for ballistic missile defense programs, the minimum amount applicable under section 9(f)(1)(C) of the Small Business Act (15 U.S.C. 638(f)(1)(C)) shall be \$75,000,000 (in lieu of the amount otherwise applicable for those programs under that section).

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith, \$231,855,000, to remain available for obligation until September 30, 2003.

[*Total, title IV, Research, Development, Test and Evaluation, \$48,921,641,000.*]

TITLE V

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For the Defense Working Capital Funds, \$1,312,986,000: *Provided*, That during fiscal year 2002, funds in the Defense Working Capital Funds may be used for the purchase of not to exceed 330 passenger carrying motor vehicles for replacement only for the Defense Security Service.

NATIONAL DEFENSE SEALIFT FUND

For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), and for the necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, \$432,408,000, to remain available until expended: *Provided*, That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all shipboard services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: *Provided further*, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: *Provided further*, That the Secretary of the military

department responsible for such procurement may waive the restrictions in the first proviso on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: *Provided further*, That, notwithstanding any other provision of law, \$25,000,000 of the funds available under this heading shall be available only to finance the cost of constructing additional sealift capacity.

[*Total, title V, Revolving and Management Funds, \$1,745,394,000.*]

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law, \$18,391,194,000, of which \$17,659,475,000 shall be for Operation and maintenance, of which not to exceed 2 percent shall remain available until September 30, 2003; of which \$267,915,000, to remain available for obligation until September 30, 2004, shall be for Procurement; of which \$463,804,000, to remain available for obligation until September 30, 2003, shall be for Research, development, test and evaluation, and of which \$14,000,000 shall be available for HIV prevention educational activities undertaken in connection with U.S. military training, exercises, and humanitarian assistance activities conducted in African nations.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, \$1,105,557,000, of which \$739,020,000 shall be for Operation and maintenance to remain available until September 30, 2003, \$164,158,000 shall be for Procurement to remain available until September 30, 2004, and \$202,379,000 shall be for Research, development, test and evaluation to remain available until September 30, 2003.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation, \$842,581,000: *Provided*, That the funds appropriated under this heading shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: *Provided further*,

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

That the transfer authority provided under this heading is in addition to any other transfer authority contained elsewhere in this Act.

OFFICE OF THE INSPECTOR GENERAL

\$152,021,000 For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$152,021,000, of which \$150,221,000 shall be for Operation and maintenance, of which not to exceed \$700,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on the Inspector General's certificate of necessity for confidential military purposes; and of which \$1,800,000 to remain available until September 30, 2004, shall be for Procurement.

[Total, title VI, Other Department of Defense Programs, \$20,491,353,000.]

TITLE VII

RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

212,000,000 For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain the proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System, \$212,000,000.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

160,429,000 For necessary expenses of the Intelligence Community Management Account, \$160,429,000, of which \$28,003,000 for the Advanced Research and Development Committee shall remain available until September 30, 2003: *Provided*, That of the funds appropriated under this heading, \$42,752,000 shall be transferred to the Department of Justice for the National Drug Intelligence Center to support the Department of Defense's counter-drug intelligence responsibilities, and of the said amount, \$1,500,000 for Procurement shall remain available until September 30, 2004, and \$1,000,000 for Research, development, test and evaluation shall remain available until September 30, 2003: *Provided further*, That the National Drug Intelligence Center shall maintain the personnel and technical resources to provide timely support to law enforcement authorities to conduct document exploitation of materials collected in Federal, State, and local law enforcement activity.

¹ 42,752,000

PAYMENT TO KAHŌ'OLAWĒ ISLAND CONVEYANCE, REMEDIATION, AND ENVIRONMENTAL RESTORATION FUND

67,500,000 For payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund, as authorized by law, \$67,500,000, to remain available until expended.

¹ Transfer to Department of Justice.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

NATIONAL SECURITY EDUCATION TRUST FUND

For the purposes of title VIII of Public Law 102-183, \$8,000,000, to be derived from the National Security Education Trust Fund, to remain available until expended. \$8,000,000

[Total, title VII, Related agencies, \$447,929,000.]

TITLE VIII

GENERAL PROVISIONS—DEPARTMENT OF DEFENSE

SEC. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: *Provided*, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: *Provided further*, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: *Provided further*, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey. 10 USC 1584 note.

SEC. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8004. No more than 20 percent of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

(TRANSFER OF FUNDS)

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed \$2,000,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by the Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers 2,000,000,000 Notification.

made pursuant to this authority or any other authority in this Act: *Provided further*, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress: *Provided further*, That a request for multiple reprogrammings of funds using authority provided in this section must be made prior to May 1, 2002.

(TRANSFER OF FUNDS)

SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds: *Provided further*, That transfers may be made between working capital funds and the “Foreign Currency Fluctuations, Defense” appropriation and the “Operation and Maintenance” appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

Notification.

SEC. 8007. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the congressional defense committees.

10 USC 2306b
note.

SEC. 8008. None of the funds provided in this Act shall be available to initiate: (1) a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any 1 year of the contract or that includes an unfunded contingent liability in excess of \$20,000,000; or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any 1 year, unless the congressional defense committees have been notified at least 30 days in advance of the proposed contract award: *Provided*, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government’s liability: *Provided further*, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed \$500,000,000 unless specifically provided in this Act: *Provided further*, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: *Provided further*, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.

Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:

UH-60/CH-60 aircraft;
C-17; and
F/A-18E and F engine.

SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to the Congress as of September 30 of each year: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99-239: *Provided further*, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

Reports.
Deadline.
10 USC 401 note.

SEC. 8010. (a) During fiscal year 2002, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

(b) The fiscal year 2003 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2003 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 2003.

(c) Nothing in this section shall be construed to apply to military (civilian) technicians.

SEC. 8011. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the 50 United States, its territories, and the District of Columbia, 125,000 civilian workyears: *Provided*, That workyears shall be applied as defined in the Federal Personnel Manual: *Provided further*, That workyears expended in dependent student hiring programs for disadvantaged youths shall not be included in this workyear limitation.

Applicability.

SEC. 8012. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

Lobbying.

SEC. 8013. None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits

paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: *Provided*, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: *Provided further*, That this subsection applies only to active components of the Army.

Applicability.

SEC. 8014. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of the enactment of this Act, is performed by more than 10 Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That this section and subsections (a), (b), and (c) of 10 U.S.C. 2461 shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Javits-Wagner-O'Day Act; (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or (3) is planned to be converted to performance by a qualified firm under 51 percent ownership by an Indian tribe, as defined in section 450b(e) of title 25, United States Code, or a Native Hawaiian organization, as defined in section 637(a)(15) of title 15, United States Code.

(TRANSFER OF FUNDS)

SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.

SEC. 8016. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: *Provided*, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): *Provided further*, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: *Provided further*, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service

responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8017. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) or TRICARE shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: *Provided*, That this limitation does not apply in the case of inpatient mental health services provided under the program for persons with disabilities under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 8018. Funds available in this Act and hereafter may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.

10 USC 2647
note.

SEC. 8019. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may, by executive agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: *Provided*, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: *Provided further*, That the Department of Defense's budget submission for fiscal year 2003 shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: *Provided further*, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: *Provided further*, That each such executive agreement with a NATO member host nation shall be reported to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate 30 days prior to the conclusion and endorsement of any such agreement established under this provision.

10 USC 2687
note.

Reports.
Deadline.

SEC. 8020. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M-1 Carbines, M-1 Garand rifles, M-14 rifles, .22 caliber rifles, .30 caliber rifles, or M-1911 pistols.

SEC. 8021. No more than \$500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.

SEC. 8022. In addition to the funds provided elsewhere in this Act, \$8,000,000 is appropriated only for incentive payments authorized by section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544): *Provided*, That a subcontractor at any tier shall be considered a contractor for the purposes of being allowed additional compensation under section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544).

5 USC 6323 note.

SEC. 8023. During the current fiscal year and hereafter, funds appropriated or otherwise available for any Federal agency, the Congress, the judicial branch, or the District of Columbia may be used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5, United States Code, or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—

(1) is a member of a Reserve component of the Armed Forces, as described in section 10101 of title 10, United States Code, or the National Guard, as described in section 101 of title 32, United States Code;

(2) performs, for the purpose of providing military aid to enforce the law or providing assistance to civil authorities in the protection or saving of life or property or prevention of injury—

(A) Federal service under sections 331, 332, 333, or 12406 of title 10, United States Code, or other provision of law, as applicable; or

(B) full-time military service for his or her State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; and

(3) requests and is granted—

(A) leave under the authority of this section; or

(B) annual leave, which may be granted without regard to the provisions of sections 5519 and 6323(b) of title 5, United States Code, if such employee is otherwise entitled to such annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to such leave, subject to the provisions of this section and of the last sentence of section 6323(b) of title 5, United States Code, and such leave shall be considered leave under section 6323(b) of title 5, United States Code.

SEC. 8024. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A-76 if the study being performed exceeds a period of 24 months after initiation of such study with respect to a single function activity or 48 months after initiation of such study for a multi-function activity.

SEC. 8025. Funds appropriated by this Act for the American Forces Information Service shall not be used for any national or international political or psychological activities.

SEC. 8026. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.

SEC. 8027. Of the funds made available in this Act, not less than \$55,000,000 shall be available to maintain an attrition reserve force of 18 B-52 aircraft, of which \$3,300,000 shall be available from "Military Personnel, Air Force", \$37,400,000 shall be available from "Operation and Maintenance, Air Force", and \$14,300,000 shall be available from "Aircraft Procurement, Air Force": *Provided*, That the Secretary of the Air Force shall maintain a total force of 94 B-52 aircraft, including 18 attrition reserve aircraft, during fiscal year 2002: *Provided further*, That the Secretary of Defense shall include in the Air Force budget request for fiscal year 2003 amounts sufficient to maintain a B-52 force totaling 94 aircraft.

SEC. 8028. (a) Of the funds for the procurement of supplies or services appropriated by this Act, qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to participate as subcontractors and suppliers in the performance of contracts let by the Department of Defense.

(b) During the current fiscal year, a business concern which has negotiated with a military service or defense agency a subcontracting plan for the participation by small business concerns pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) shall be given credit toward meeting that subcontracting goal for any purchases made from qualified nonprofit agencies for the blind or other severely handicapped.

(c) For the purpose of this section, the phrase "qualified nonprofit agency for the blind or other severely handicapped" means a nonprofit agency for the blind or other severely handicapped that has been approved by the Committee for the Purchase from the Blind and Other Severely Handicapped under the Javits-Wagner-O'Day Act (41 U.S.C. 46-48).

SEC. 8029. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility's direct budget amount.

SEC. 8030. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed \$350,000,000 for purposes specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: *Provided*, That upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriations or fund which incurred such obligations.

SEC. 8031. Of the funds made available in this Act, not less than \$23,003,000 shall be available for the Civil Air Patrol Corporation, of which \$21,503,000 shall be available for Civil Air Patrol Corporation operation and maintenance to support readiness activities which includes \$1,500,000 for the Civil Air Patrol counterdrug program: *Provided*, That funds identified for "Civil Air Patrol" under this section are intended for and shall be for the exclusive use of the Civil Air Patrol Corporation and not for the Air Force or any unit thereof.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

SEC. 8032. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.

(b) No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, except when acting in a technical advisory capacity, may be compensated for his or her services as a member of such entity, or as a paid consultant by more than one FFRDC in a fiscal year: *Provided*, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.

(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 2002 may be used by a defense FFRDC, through a fee or other payment mechanism, for construction of new buildings, for payment of cost sharing for projects funded by Government grants, for absorption of contract overruns, or for certain charitable contributions, not to include employee participation in community service and/or development.

(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 2002, not more than 6,227 staff years of technical effort (staff years) may be funded for defense FFRDCs: *Provided*, That of the specific amount referred to previously in this subsection, not more than 1,029 staff years may be funded for the defense studies and analysis FFRDCs.

Reports.

(e) The Secretary of Defense shall, with the submission of the department's fiscal year 2003 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.

(f) Notwithstanding any other provision of this Act, the total amount appropriated in this Act for FFRDCs is hereby reduced by \$40,000,000.

-\$40,000,000

Applicability.

SEC. 8033. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: *Provided*, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: *Provided further*, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: *Provided further*, That these restrictions shall not apply to contracts which are in being as of the date of the enactment of this Act.

SEC. 8034. For the purposes of this Act, the term “congressional defense committees” means the Armed Services Committee of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives.

SEC. 8035. During the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: *Provided*, That the Senior Acquisition Executive of the military department or defense agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: *Provided further*, That Office of Management and Budget Circular A-76 shall not apply to competitions conducted under this section.

Certification.

SEC. 8036. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary’s blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

41 USC 10b-2.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to the Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 2002. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

Reports.

(c) For purposes of this section, the term “Buy American Act” means title III of the Act entitled “An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes”, approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 8037. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8038. Amounts deposited during the current fiscal year to the special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1) are

\$19,000,000

appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(2)(A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

President.
10 USC 221 note.

SEC. 8039. The President shall include with each budget for a fiscal year submitted to the Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and separately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the defense agencies.

SEC. 8040. Notwithstanding any other provision of law, funds available for “Drug Interdiction and Counter-Drug Activities, Defense” may be obligated for the Young Marines program.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8041. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101-510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act.

\$3,362,000

SEC. 8042. (a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Air Force may convey at no cost to the Air Force, without consideration, to Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota relocatable military housing units located at Grand Forks Air Force Base and Minot Air Force Base that are excess to the needs of the Air Force.

(b) PROCESSING OF REQUESTS.—The Secretary of the Air Force shall convey, at no cost to the Air Force, military housing units under subsection (a) in accordance with the request for such units that are submitted to the Secretary by the Operation Walking Shield Program on behalf of Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota.

(c) RESOLUTION OF HOUSING UNIT CONFLICTS.—The Operation Walking Shield program shall resolve any conflicts among requests of Indian tribes for housing units under subsection (a) before submitting requests to the Secretary of the Air Force under subsection (b).

(d) INDIAN TRIBE DEFINED.—In this section, the term “Indian tribe” means any recognized Indian tribe included on the current list published by the Secretary of the Interior under section 104 of the Federally Recognized Indian Tribe Act of 1994 (Public Law 103-454; 108 Stat. 4792; 25 U.S.C. 479a-1).

SEC. 8043. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than \$100,000: *Provided*, That the \$100,000 limitation shall not apply to amounts appropriated in this Act under the heading “Operation and Maintenance, Defense-Wide” for expenses related to certain classified activities.

SEC. 8044. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense

Working Capital Funds shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense Working Capital Funds if such an item would not have been chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 2003 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2003 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act shall be budgeted for in a proposed fiscal year 2003 procurement appropriation and not in the supply management business area or any other area or category of the Department of Defense Working Capital Funds.

SEC. 8045. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 2003: *Provided*, That funds appropriated, transferred, or otherwise credited to the Central Intelligence Agency Central Services Working Capital Fund during this or any prior or subsequent fiscal year shall remain available until expended: *Provided further*, That any funds appropriated or transferred to the Central Intelligence Agency for agent operations and for covert action programs authorized by the President under section 503 of the National Security Act of 1947, as amended, shall remain available until September 30, 2003.

50 USC 403u
note.

SEC. 8046. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8047. Of the funds appropriated to the Department of Defense under the heading "Operation and Maintenance, Defense-Wide", not less than \$10,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation and cost to complete estimates for mitigation, on Indian lands resulting from Department of Defense activities.

SEC. 8048. Amounts collected for the use of the facilities of the National Science Center for Communications and Electronics during the current fiscal year and hereafter pursuant to section 1459(g) of the Department of Defense Authorization Act, 1986, and deposited to the special account established under subsection 1459(g)(2) of that Act are appropriated and shall be available until expended for the operation and maintenance of the Center as provided for in subsection 1459(g)(2).

(TRANSFER OF FUNDS)

SEC. 8049. In addition to the amounts appropriated elsewhere in this Act, \$10,000,000 is hereby appropriated to the Department of Defense: *Provided*, That at the direction of the Assistant Secretary of Defense for Reserve Affairs, these funds shall be transferred to the Reserve component personnel accounts in title I of this Act: *Provided further*, That these funds shall be used for incentive and bonus programs that address the most pressing recruitment and retention issues in the Reserve components.

SEC. 8050. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term “Buy American Act” means title III of the Act entitled “An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes”, approved March 3, 1933 (41 U.S.C. 10a et seq.).

(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a “Made in America” inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

(c) In the case of any equipment or products purchased with appropriations provided under this Act, it is the sense of the Congress that any entity of the Department of Defense, in expending the appropriation, purchase only American-made equipment and products, provided that American-made equipment and products are cost-competitive, quality-competitive, and available in a timely fashion.

SEC. 8051. None of the funds appropriated by this Act shall be available for a contract for studies, analysis, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work;

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source; or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

Provided, That this limitation shall not apply to contracts in an amount of less than \$25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8052. (a) Except as provided in subsections (b) and (c), none of the funds made available by this Act may be used—

(1) to establish a field operating agency; or

(2) to pay the basic pay of a member of the Armed Forces or civilian employee of the department who is transferred or reassigned from a headquarters activity if the member or employee's place of duty remains at the location of that headquarters.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on a case-by-case basis, if the Secretary determines, and certifies to the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to field operating agencies funded within the National Foreign Intelligence Program.

SEC. 8053. Notwithstanding section 303 of Public Law 96-487 or any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C. 2667(f), for commercial, industrial or other purposes: *Provided*, That notwithstanding any other provision of law, the Secretary of the Navy may remove hazardous materials from facilities, buildings, and structures at Adak, Alaska, and may demolish or otherwise dispose of such facilities, buildings, and structures.

(RESCISSIONS)

SEC. 8054. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:

“Former Soviet Union Threat Reduction, 2000/2002”, \$32,000,000;
 “Other Procurement, Navy, 2000/2002”, \$15,300,000;
 “Aircraft Procurement, Air Force, 2000/2002”, \$8,500,000;
 “Other Procurement, Air Force, 2000/2002”, \$20,000,000;
 “Aircraft Procurement, Army, 2001/2003”, \$16,000,000;
 “Procurement of Ammunition, Army, 2001/2003”, \$27,400,000;
 “Other Procurement, Army, 2001/2003”, \$28,745,000;
 “Aircraft Procurement, Navy, 2001/2003”, \$8,600,000;
 “Weapons Procurement, Navy, 2001/2003”, \$20,000,000;
 “Other Procurement, Navy, 2001/2003”, \$7,600,000;
 “Procurement, Marine Corps, 2001/2003”, \$1,000,000;
 “Aircraft Procurement, Air Force, 2001/2003”, \$63,283,000;
 “Missile Procurement, Air Force, 2001/2003”, \$58,450,000;
 “Procurement of Ammunition, Air Force, 2001/2003”, \$5,800,000;
 “Other Procurement, Air Force, 2001/2003”, \$10,200,000;
 “Procurement, Defense-Wide, 2001/2003”, \$113,434,000;
 “Research, Development, Test and Evaluation, Army, 2001/2002”, \$6,300,000;
 “Research, Development, Test and Evaluation, Navy, 2001/2002”, \$18,800,000;
 “Research, Development, Test and Evaluation, Air Force, 2001/2002”, \$69,283,000; and
 “Research, Development, Test and Evaluation, Defense-Wide, 2001/2002”, \$780,000.

¹ - \$531,475,000

SEC. 8055. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army

¹ Total rescissions.

Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8056. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8057. During the current fiscal year, funds appropriated in this Act are available to compensate members of the National Guard for duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: *Provided*, That during the performance of such duty, the members of the National Guard shall be under State command and control: *Provided further*, That such duty shall be treated as full-time National Guard duty for purposes of sections 12602(a)(2) and (b)(2) of title 10, United States Code.

SEC. 8058. Funds appropriated in this Act for operation and maintenance of the Military Departments, Combatant Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence or counterintelligence support to Combatant Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the National Foreign Intelligence Program (NFIP), the Joint Military Intelligence Program (JMIP), and the Tactical Intelligence and Related Activities (TIARA) aggregate: *Provided*, That nothing in this section authorizes deviation from established Reserve and National Guard personnel and training procedures.

SEC. 8059. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 2001 level: *Provided*, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary population is declining in some catchment areas and civilian strength reductions may be consistent with responsible resource stewardship and capitation-based budgeting.

Deadline.
Certification.
10 USC 2674
note.

SEC. 8060. (a) LIMITATION ON PENTAGON RENOVATION COSTS.—Not later than the date each year on which the President submits to Congress the budget under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress a certification that the total cost for the planning, design, construction, and installation of equipment for the renovation of wedges 2 through 5 of the Pentagon Reservation, cumulatively, will not exceed four times the total cost for the planning, design, construction, and installation of equipment for the renovation of wedge 1.

(b) ANNUAL ADJUSTMENT.—For purposes of applying the limitation in subsection (a), the Secretary shall adjust the cost for the renovation of wedge 1 by any increase or decrease in costs attributable to economic inflation, based on the most recent economic assumptions issued by the Office of Management and Budget for

use in preparation of the budget of the United States under section 1104 of title 31, United States Code.

(c) EXCLUSION OF CERTAIN COSTS.—For purposes of calculating the limitation in subsection (a), the total cost for wedges 2 through 5 shall not include—

(1) any repair or reconstruction cost incurred as a result of the terrorist attack on the Pentagon that occurred on September 11, 2001;

(2) any increase in costs for wedges 2 through 5 attributable to compliance with new requirements of Federal, State, or local laws; and

(3) any increase in costs attributable to additional security requirements that the Secretary of Defense considers essential to provide a safe and secure working environment.

(d) CERTIFICATION COST REPORTS.—As part of the annual certification under subsection (a), the Secretary shall report the projected cost (as of the time of the certification) for—

(1) the renovation of each wedge, including the amount adjusted or otherwise excluded for such wedge under the authority of paragraphs (2) and (3) of subsection (c) for the period covered by the certification; and

(2) the repair and reconstruction of wedges 1 and 2 in response to the terrorist attack on the Pentagon that occurred on September 11, 2001.

(e) DURATION OF CERTIFICATION REQUIREMENT.—The requirement to make an annual certification under subsection (a) shall apply until the Secretary certifies to Congress that the renovation of the Pentagon Reservation is completed.

Applicability.

SEC. 8061. Notwithstanding any other provision of law, that not more than 35 percent of funds provided in this Act, for environmental remediation may be obligated under indefinite delivery/indefinite quantity contracts with a total contract value of \$130,000,000 or higher.

SEC. 8062. Of the funds made available under the heading “Operation and Maintenance, Air Force”, \$10,200,000 shall be available to realign railroad track on Elmendorf Air Force Base and Fort Richardson.

SEC. 8063. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

10 USC 374 note.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

50 USC 403f note.

(TRANSFER OF FUNDS)

SEC. 8064. Appropriations available in this Act under the heading “Operation and Maintenance, Defense-Wide” for increasing energy and water efficiency in Federal buildings may, during their period of availability, be transferred to other appropriations or funds of the Department of Defense for projects related to increasing energy and water efficiency, to be merged with and to be available for the same general purposes, and for the same time period, as the appropriation or fund to which transferred.

Applicability.

SEC. 8065. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: *Provided*, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: *Provided further*, That this restriction shall not apply to the purchase of “commercial items”, as defined by section 4(12) of the Office of Federal Procurement Policy Act, except that the restriction shall apply to ball or roller bearings purchased as end items.

SEC. 8066. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa, and funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8067. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8068. Notwithstanding any other provision of law, the Naval shipyards of the United States shall be eligible to participate in any manufacturing extension program financed by funds appropriated in this or any other Act.

SEC. 8069. Notwithstanding any other provision of law, each contract awarded by the Department of Defense during the current fiscal year for construction or service performed in whole or in part in a State (as defined in section 381(d) of title 10, United States Code) which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: *Provided*, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, in the interest of national security.

SEC. 8070. None of the funds made available in this or any other Act may be used to pay the salary of any officer or employee of the Department of Defense who approves or implements the transfer of administrative responsibilities or budgetary resources of any program, project, or activity financed by this Act to the jurisdiction of another Federal agency not financed by this Act without the express authorization of Congress: *Provided*, That this limitation shall not apply to transfers of funds expressly provided

for in Defense Appropriations Acts, or provisions of Acts providing supplemental appropriations for the Department of Defense.

SEC. 8071. Of the funds made available in this Act under the heading "Operation and Maintenance, Defense-Wide", up to \$5,000,000 shall be available to provide assistance, by grant or otherwise, to public school systems that have unusually high concentrations of special needs military dependents enrolled: *Provided*, That in selecting school systems to receive such assistance, special consideration shall be given to school systems in States that are considered overseas assignments: *Provided further*, That up to \$2,000,000 shall be available for the Department of Defense to establish a non-profit trust fund to assist in the public-private funding of public school repair and maintenance projects, or provide directly to non-profit organizations who in return will use these monies to provide assistance in the form of repair, maintenance, or renovation to public school systems that have high concentrations of special needs military dependents and are located in States that are considered overseas assignments: *Provided further*, That to the extent a Federal agency provides this assistance, by contract, grant or otherwise, it may accept and expend non-Federal funds in combination with these Federal funds to provide assistance for the authorized purpose, if the non-Federal entity requests such assistance and the non-Federal funds are provided on a reimbursable basis.

SEC. 8072. (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

Notice.

(b) COVERED ACTIVITIES.—This section applies to—

Applicability.

(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

Reports.

SEC. 8073. To the extent authorized by subchapter VI of chapter 148 of title 10, United States Code, the Secretary of Defense may issue loan guarantees in support of United States defense exports not otherwise provided for: *Provided*, That the total contingent liability of the United States for guarantees issued under the authority of this section may not exceed \$15,000,000,000: *Provided further*, That the exposure fees charged and collected by the Secretary for each guarantee shall be paid by the country involved and shall not be financed as part of a loan guaranteed by the United States: *Provided further*, That the Secretary shall provide quarterly reports to the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate and the Committees on Appropriations, Armed Services, and International Relations in the House of Representatives on the implementation of this program: *Provided further*, That amounts charged for administrative fees and deposited to the special account provided for under section 2540c(d) of title 10, shall be available for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under subchapter VI of chapter 148 of title 10, United States Code.

SEC. 8074. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and

(2) such bonus is part of restructuring costs associated with a business combination.

SEC. 8075. (a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions or agents to the Johnston Atoll for the purpose of storing or demilitarizing such munitions or agents.

(b) The prohibition in subsection (a) shall not apply to any obsolete World War II chemical munition or agent of the United States found in the World War II Pacific Theater of Operations.

(c) The President may suspend the application of subsection (a) during a period of war in which the United States is a party.

SEC. 8076. Up to \$3,000,000 of the funds appropriated under the heading “Operation and Maintenance, Navy” in this Act for the Pacific Missile Range Facility may be made available to contract for the repair, maintenance, and operation of adjacent off-base water, drainage, and flood control systems critical to base operations.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8077. During the current fiscal year, no more than \$30,000,000 of appropriations made in this Act under the heading “Operation and Maintenance, Defense-Wide” may be transferred to appropriations available for the pay of military personnel, to be merged with, and to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.

SEC. 8078. For purposes of section 1553(b) of title 31, United States Code, any subdivision of appropriations made in this Act under the heading “Shipbuilding and Conversion, Navy” shall be considered to be for the same purpose as any subdivision under the heading “Shipbuilding and Conversion, Navy” appropriations in any prior year, and the 1 percent limitation shall apply to the total amount of the appropriation.

Applicability.

SEC. 8079. During the current fiscal year, in the case of an appropriation account of the Department of Defense for which the period of availability for obligation has expired or which has closed under the provisions of section 1552 of title 31, United States Code, and which has a negative unliquidated or unexpended balance, an obligation or an adjustment of an obligation may be charged to any current appropriation account for the same purpose as the expired or closed account if—

(1) the obligation would have been properly chargeable (except as to amount) to the expired or closed account before the end of the period of availability or closing of that account;

(2) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense; and

(3) in the case of an expired account, the obligation is not chargeable to a current appropriation of the Department of Defense under the provisions of section 1405(b)(8) of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101-510, as amended (31 U.S.C. 1551 note): *Provided*, That in the case of an expired account, if subsequent review or investigation discloses that there was not in fact a negative unliquidated or unexpended balance in the account, any charge to a current account under the authority of this section shall be reversed and recorded against the expired account: *Provided further*, That the total amount charged to a current appropriation under this section may not exceed an amount equal to 1 percent of the total appropriation for that account.

SEC. 8080. Funds appropriated in title II of this Act and for the Defense Health Program in title VI of this Act for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects may be obligated at the time the reimbursable order is accepted by the performing activity: *Provided*, That for the purpose of this section, supervision and administration costs includes all in-house Government cost.

SEC. 8081. During the current fiscal year, the Secretary of Defense may waive reimbursement of the cost of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for Security Studies for military officers and civilian officials of foreign nations if the Secretary determines that attendance by such personnel, without reimbursement, is in the national security interest of the United States: *Provided*, That costs for which reimbursement is waived pursuant to this section shall be paid from appropriations available for the Asia-Pacific Center.

SEC. 8082. (a) Notwithstanding any other provision of law, the Chief of the National Guard Bureau may permit the use of equipment of the National Guard Distance Learning Project by any person or entity on a space-available, reimbursable basis. The Chief of the National Guard Bureau shall establish the amount of reimbursement for such use on a case-by-case basis.

(b) Amounts collected under subsection (a) shall be credited to funds available for the National Guard Distance Learning Project and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.

SEC. 8083. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: *Provided*, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: *Provided further*, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source.

31 USC 3902
note.

SEC. 8084. Notwithstanding 31 U.S.C. 3902, during the current fiscal year and hereafter, interest penalties may be paid by the Department of Defense from funds financing the operation of the military department or defense agency with which the invoice or contract payment is associated.

SEC. 8085. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: *Provided*, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: *Provided further*, That this restriction does not apply to programs funded within the National Foreign Intelligence Program: *Provided further*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

SEC. 8086. Of the funds made available under the heading "Operation and Maintenance, Air Force", not less than \$1,500,000 shall be made available by grant or otherwise, to the Council of Athabascan Tribal Governments, to provide assistance for health care, monitoring and related issues associated with research conducted from 1955 to 1957 by the former Arctic Aeromedical Laboratory.

SEC. 8087. In addition to the amounts appropriated or otherwise made available in this Act, \$3,500,000, to remain available until September 30, 2002, is hereby appropriated to the Department of Defense: *Provided*, That the Secretary of Defense shall make a grant in the amount of \$3,500,000 to the American Red Cross for Armed Forces Emergency Services.

SEC. 8088. None of the funds made available in this Act may be used to approve or license the sale of the F-22 advanced tactical fighter to any foreign government.

SEC. 8089. (a) The Secretary of Defense may, on a case-by-case basis, waive with respect to a foreign country each limitation on the procurement of defense items from foreign sources provided in law if the Secretary determines that the application of the limitation with respect to that country would invalidate cooperative programs entered into between the Department of Defense and

the foreign country, or would invalidate reciprocal trade agreements for the procurement of defense items entered into under section 2531 of title 10, United States Code, and the country does not discriminate against the same or similar defense items produced in the United States for that country.

(b) Subsection (a) applies with respect to—

(1) contracts and subcontracts entered into on or after the date of the enactment of this Act; and

(2) options for the procurement of items that are exercised after such date under contracts that are entered into before such date if the option prices are adjusted for any reason other than the application of a waiver granted under subsection (a).

(c) Subsection (a) does not apply to a limitation regarding construction of public vessels, ball and roller bearings, food, and clothing or textile materials as defined by section 11 (chapters 50-65) of the Harmonized Tariff Schedule and products classified under headings 4010, 4202, 4203, 6401 through 6406, 6505, 7019, 7218 through 7229, 7304.41 through 7304.49, 7306.40, 7502 through 7508, 8105, 8108, 8109, 8211, 8215, and 9404.

SEC. 8090. Funds made available to the Civil Air Patrol in this Act under the heading “Drug Interdiction and Counter-Drug Activities, Defense” may be used for the Civil Air Patrol Corporation’s counterdrug program, including its demand reduction program involving youth programs, as well as operational and training drug reconnaissance missions for Federal, State, and local government agencies; and for equipment needed for mission support or performance: *Provided*, That the Department of the Air Force should waive reimbursement from the Federal, State, and local government agencies for the use of these funds.

SEC. 8091. Section 8125 of the Department of Defense Appropriations Act, 2001 (Public Law 106-259), is hereby repealed.

114 Stat. 702.

SEC. 8092. Of the funds appropriated in this Act under the heading “Research, Development, Test and Evaluation, Navy”, up to \$2,600,000 may be made available for a Maritime Fire Training Center at Barbers Point, including provision for laboratories, construction, and other efforts associated with research, development, and other programs of major importance to the Department of Defense.

SEC. 8093. (a) PROHIBITION.—None of the funds made available by this Act may be used to support any training program involving a unit of the security forces of a foreign country if the Secretary of Defense has received credible information from the Department of State that the unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.

(b) MONITORING.—The Secretary of Defense, in consultation with the Secretary of State, shall ensure that prior to a decision to conduct any training program referred to in subsection (a), full consideration is given to all credible information available to the Department of State relating to human rights violations by foreign security forces.

(c) WAIVER.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in subsection (a) if he determines that such waiver is required by extraordinary circumstances.

(d) REPORT.—Not more than 15 days after the exercise of any waiver under subsection (c), the Secretary of Defense shall submit

Deadline.

a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, the United States forces and the foreign security forces involved in the training program, and the information relating to human rights violations that necessitates the waiver.

SEC. 8094. The Secretary of Defense, in coordination with the Secretary of Health and Human Services, may carry out a program to distribute surplus dental equipment of the Department of Defense, at no cost to the Department of Defense, to Indian health service facilities and to federally-qualified health centers (within the meaning of section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B))).

SEC. 8095. The total amount appropriated in this Act is hereby reduced by \$240,000,000 to reflect savings from favorable foreign currency fluctuations, to be derived as follows:

“Military Personnel, Army”, \$39,400,000;

“Military Personnel, Navy”, \$800,000;

“Military Personnel, Marine Corps”, \$9,900,000;

“Military Personnel, Air Force”, \$19,500,000;

“Operation and Maintenance, Army”, \$87,600,000;

“Operation and Maintenance, Navy”, \$18,300,000;

“Operation and Maintenance, Marine Corps”, \$1,300,000;

“Operation and Maintenance, Air Force”, \$33,800,000; and

“Operation and Maintenance, Defense-Wide”, \$29,400,000.

SEC. 8096. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop, lease or procure the T-AKE class of ships unless the main propulsion diesel engines and propulsors are manufactured in the United States by a domestically operated entity: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.

10 USC 221 note.

SEC. 8097. The budget of the President for fiscal year 2003 submitted to the Congress pursuant to section 1105 of title 31, United States Code, and each annual budget request thereafter, shall include separate budget justification documents for costs of United States Armed Forces' participation in contingency operations for the Military Personnel accounts, the Overseas Contingency Operations Transfer Fund, the Operation and Maintenance accounts, and the Procurement accounts: *Provided*, That these budget justification documents shall include a description of the funding requested for each anticipated contingency operation, for each military service, to include active duty and Guard and Reserve components, and for each appropriation account: *Provided further*, That these documents shall include estimated costs for each element of expense or object class, a reconciliation of increases and decreases for ongoing contingency operations, and programmatic data including, but not limited to troop strength for each active duty and Guard and Reserve component, and estimates of the major weapons systems deployed in support of each contingency: *Provided further*, That these documents shall include budget exhibits OP-5 and OP-32, as defined in the Department of Defense Financial

Management Regulation, for the Overseas Contingency Operations Transfer Fund for fiscal years 2001 and 2002.

SEC. 8098. Notwithstanding any other provision of law, the total amount appropriated in this Act under title I and title II is hereby reduced by \$50,000,000: *Provided*, That during the current fiscal year, not more than 250 military and civilian personnel of the Department of Defense shall be assigned to legislative affairs or legislative liaison functions: *Provided further*, That of the 250 personnel assigned to legislative liaison or legislative affairs functions, 20 percent shall be assigned to the Office of the Secretary of Defense and the Office of the Chairman of the Joint Chiefs of Staff, 20 percent shall be assigned to the Department of the Army, 20 percent shall be assigned to the Department of the Navy, 20 percent shall be assigned to the Department of the Air Force, and 20 percent shall be assigned to the combatant commands: *Provided further*, That of the personnel assigned to legislative liaison and legislative affairs functions, no fewer than 20 percent shall be assigned to the Under Secretary of Defense (Comptroller), the Assistant Secretary of the Army (Financial Management and Comptroller), the Assistant Secretary of the Navy (Financial Management and Comptroller), and the Assistant Secretary of the Air Force (Financial Management and Comptroller).

-\$50,000,000

SEC. 8099. None of the funds appropriated or otherwise made available by this or other Department of Defense Appropriations Acts may be obligated or expended for the purpose of performing repairs or maintenance to military family housing units of the Department of Defense, including areas in such military family housing units that may be used for the purpose of conducting official Department of Defense business.

SEC. 8100. Notwithstanding any other provision of law, funds appropriated in this Act under the heading "Research, Development, Test and Evaluation, Defense-Wide" for any advanced concept technology demonstration project may only be obligated 30 days after a report, including a description of the project and its estimated annual and total cost, has been provided in writing to the congressional defense committees: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying to the congressional defense committees that it is in the national interest to do so.

SEC. 8101. Notwithstanding any other provision of law, for the purpose of establishing all Department of Defense policies governing the provision of care provided by and financed under the military health care system's case management program under 10 U.S.C. 1079(a)(17), the term "custodial care" shall be defined as care designed essentially to assist an individual in meeting the activities of daily living and which does not require the supervision of trained medical, nursing, paramedical or other specially trained individuals: *Provided*, That the case management program shall provide that members and retired members of the military services, and their dependents and survivors, have access to all medically necessary health care through the health care delivery system of the military services regardless of the health care status of the person seeking the health care: *Provided further*, That the case management program shall be the primary obligor for payment of medically necessary services and shall not be considered as secondarily liable to title XIX of the Social Security Act, other welfare programs or charity based care.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

SEC. 8102. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by \$262,000,000, to reduce cost growth in travel, to be distributed as follows:

-\$262,000,000

“Operation and Maintenance, Army”, \$21,000,000;
 “Operation and Maintenance, Navy”, \$14,000,000;
 “Operation and Maintenance, Marine Corps”, \$4,000,000;
 “Operation and Maintenance, Air Force”, \$180,000,000;
 “Operation and Maintenance, Defense-wide”, \$20,000,000;
 “Operation and Maintenance, Army Reserve”, \$4,000,000;
 “Operation and Maintenance, Navy Reserve”, \$2,000,000;
 “Operation and Maintenance, Air Force Reserve”,
 \$5,000,000;
 “Operation and Maintenance, Army National Guard”,
 \$6,000,000; and
 “Operation and Maintenance, Air National Guard”,
 \$6,000,000.

SEC. 8103. During the current fiscal year, refunds attributable to the use of the Government travel card, refunds attributable to the use of the Government Purchase Card and refunds attributable to official Government travel arranged by Government Contracted Travel Management Centers may be credited to operation and maintenance accounts of the Department of Defense which are current when the refunds are received.

8,000,000

SEC. 8104. (a) REGISTERING FINANCIAL MANAGEMENT INFORMATION TECHNOLOGY SYSTEMS WITH DOD CHIEF INFORMATION OFFICER.—None of the funds appropriated in this Act may be used for a mission critical or mission essential financial management information technology system (including a system funded by the defense working capital fund) that is not registered with the Chief Information Officer of the Department of Defense. A system shall be considered to be registered with that officer upon the furnishing to that officer of notice of the system, together with such information concerning the system as the Secretary of Defense may prescribe. A financial management information technology system shall be considered a mission critical or mission essential information technology system as defined by the Under Secretary of Defense (Comptroller).

(b) CERTIFICATIONS AS TO COMPLIANCE WITH FINANCIAL MANAGEMENT MODERNIZATION PLAN.—(1) During the current fiscal year, a financial management major automated information system may not receive Milestone I approval, Milestone II approval, or Milestone III approval, or their equivalent, within the Department of Defense until the Under Secretary of Defense (Comptroller) certifies, with respect to that milestone, that the system is being developed in accordance with the Department’s Financial Management Modernization Plan. The Under Secretary of Defense (Comptroller) may require additional certifications, as appropriate, with respect to any such system.

Notification.

(2) The Chief Information Officer shall provide the congressional defense committees timely notification of certifications under paragraph (1).

(c) DEFINITIONS.—For purposes of this section:

(1) The term “Chief Information Officer” means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.

(2) The term “information technology system” has the meaning given the term “information technology” in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

(3) The term “major automated information system” has the meaning given that term in Department of Defense Directive 5000.1.

SEC. 8105. During the current fiscal year, none of the funds available to the Department of Defense may be used to provide support to another department or agency of the United States if such department or agency is more than 90 days in arrears in making payment to the Department of Defense for goods or services previously provided to such department or agency on a reimbursable basis: *Provided*, That this restriction shall not apply if the department is authorized by law to provide support to such department or agency on a nonreimbursable basis, and is providing the requested support pursuant to such authority: *Provided further*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

SEC. 8106. None of the funds provided in this Act may be used to transfer to any nongovernmental entity ammunition held by the Department of Defense that has a center-fire cartridge and a United States military nomenclature designation of “armor penetrator”, “armor piercing (AP)”, “armor piercing incendiary (API)”, or “armor-piercing incendiary-tracer (API-T)”, except to an entity performing demilitarization services for the Department of Defense under a contract that requires the entity to demonstrate to the satisfaction of the Department of Defense that armor piercing projectiles are either: (1) rendered incapable of reuse by the demilitarization process; or (2) used to manufacture ammunition pursuant to a contract with the Department of Defense or the manufacture of ammunition for export pursuant to a License for Permanent Export of Unclassified Military Articles issued by the Department of State.

SEC. 8107. Notwithstanding any other provision of law, the Chief of the National Guard Bureau, or his designee, may waive payment of all or part of the consideration that otherwise would be required under 10 U.S.C. 2667, in the case of a lease of personal property for a period not in excess of 1 year to any organization specified in 32 U.S.C. 508(d), or any other youth, social, or fraternal non-profit organization as may be approved by the Chief of the National Guard Bureau, or his designee, on a case-by-case basis.

SEC. 8108. None of the funds appropriated by this Act shall be used for the support of any nonappropriated funds activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States unless such malt beverages and wine are procured within that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: *Provided*, That in a case in which the military installation is located in more than one State, purchases may be made in any State in which the installation is located: *Provided further*, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages only for military installations in States which are not contiguous with

Alcohol and alcoholic beverages. 10 USC 2488 note.

Applicability.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

another State: *Provided further*, That alcoholic beverages other than wine and malt beverages, in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.

Regulations.

SEC. 8109. During the current fiscal year, under regulations prescribed by the Secretary of Defense, the Center of Excellence for Disaster Management and Humanitarian Assistance may also pay, or authorize payment for, the expenses of providing or facilitating education and training for appropriate military and civilian personnel of foreign countries in disaster management, peace operations, and humanitarian assistance.

Contracts.

SEC. 8110. (a) The Department of Defense is authorized to enter into agreements with the Veterans Administration and federally-funded health agencies providing services to Native Hawaiians for the purpose of establishing a partnership similar to the Alaska Federal Health Care Partnership, in order to maximize Federal resources in the provision of health care services by federally-funded health agencies, applying telemedicine technologies. For the purpose of this partnership, Native Hawaiians shall have the same status as other Native Americans who are eligible for the health care services provided by the Indian Health Service.

(b) The Department of Defense is authorized to develop a consultation policy, consistent with Executive Order No. 13084 (issued May 14, 1998), with Native Hawaiians for the purpose of assuring maximum Native Hawaiian participation in the direction and administration of governmental services so as to render those services more responsive to the needs of the Native Hawaiian community.

(c) For purposes of this section, the term “Native Hawaiian” means any individual who is a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii.

SEC. 8111. In addition to the amounts provided elsewhere in this Act, the amount of \$8,500,000 is hereby appropriated for “Operation and Maintenance, Defense-Wide”, to be available, notwithstanding any other provision of law, only for a grant to the United Service Organizations Incorporated, a federally chartered corporation under chapter 2201 of title 36, United States Code. The grant provided under authority of this section is in addition to any grant provided for under any other provision of law.

SEC. 8112. Of the amounts appropriated in this Act under the heading “Research, Development, Test and Evaluation, Defense-Wide”, \$131,700,000 shall be made available for the Arrow missile defense program: *Provided*, That of this amount, \$97,700,000 shall be made available for the purpose of continuing the Arrow System Improvement Program (ASIP), continuing ballistic missile defense interoperability with Israel, and establishing an Arrow production capability in the United States: *Provided further*, That the remainder, \$34,000,000, shall be available for the purpose of adjusting the cost-share of the parties under the Agreement between the Department of Defense and the Ministry of Defense of Israel for the Arrow Deployability Program.

SEC. 8113. Funds available to the Department of Defense for the Global Positioning System during the current fiscal year may be used to fund civil requirements associated with the satellite and ground control segments of such system’s modernization program.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8114. Of the amounts appropriated in this Act under the heading, “Operation and Maintenance, Defense-Wide”, \$115,000,000 shall remain available until expended: *Provided*, That notwithstanding any other provision of law, the Secretary of Defense is authorized to transfer such funds to other activities of the Federal Government.

SEC. 8115. None of the funds appropriated in this Act under the heading “Overseas Contingency Operations Transfer Fund” may be transferred or obligated for Department of Defense expenses not directly related to the conduct of overseas contingencies: *Provided*, That the Secretary of Defense shall submit a report no later than 30 days after the end of each fiscal quarter to the Committees on Appropriations of the Senate and House of Representatives that details any transfer of funds from the “Overseas Contingency Operations Transfer Fund”: *Provided further*, That the report shall explain any transfer for the maintenance of real property, pay of civilian personnel, base operations support, and weapon, vehicle or equipment maintenance.

Reports.
Deadline.

SEC. 8116. In addition to amounts appropriated elsewhere in this Act, \$4,500,000 is hereby appropriated to the Department of Defense: *Provided*, That the Secretary of the Army shall make a grant in the amount of \$4,500,000 to the Fort Des Moines Memorial Park and Education Center.

\$4,500,000

SEC. 8117. In addition to amounts appropriated elsewhere in this Act, \$4,250,000 is hereby appropriated to the Department of Defense: *Provided*, That the Secretary of Defense shall make a grant in the amount of \$4,250,000 to the National D-Day Museum.

4,250,000

SEC. 8118. Section 8106 of the Department of Defense Appropriations Act, 1997 (titles I through VIII of the matter under subsection 101(b) of Public Law 104-208; 110 Stat. 3009-111; 10 U.S.C. 113 note) shall continue in effect to apply to disbursements that are made by the Department of Defense in fiscal year 2002.

Applicability.
10 USC 113 note.

SEC. 8119. In addition to amounts provided in this Act, \$1,700,000 is hereby appropriated for “Defense Health Program”, to remain available for obligation until expended: *Provided*, That notwithstanding any other provision of law, these funds shall be available only for a grant to the Fisher House Foundation, Inc., only for the construction and furnishing of additional Fisher Houses to meet the needs of military family members when confronted with the illness or hospitalization of an eligible military beneficiary.

1,700,000

SEC. 8120. (a) Section 8162 of the Department of Defense Appropriations Act, 2000 (16 U.S.C. 431 note; Public Law 106-79) is amended—

(1) by redesignating subsection (m) as subsection (o); and

(2) by adding after subsection (l) the following:

“(m) AUTHORITY TO ESTABLISH MEMORIAL.—

“(1) IN GENERAL.—The Commission may establish a permanent memorial to Dwight D. Eisenhower on land under the jurisdiction of the Secretary of the Interior in the District of Columbia or its environs.

“(2) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Commemorative Works Act (40 U.S.C. 1001 et seq.).”

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

(b) Section 8162 of the Department of Defense Appropriations Act, 2000 (16 U.S.C. 431 note; Public Law 106-79) is amended—

(1) in subsection (j)(2), by striking “accept gifts” and inserting “solicit and accept contributions”; and

(2) by inserting after subsection (m) (as added by subsection (a)(2)) the following:

“(n) MEMORIAL FUND.—

“(1) ESTABLISHMENT.—There is created in the Treasury a fund for the memorial to Dwight D. Eisenhower that includes amounts contributed under subsection (j)(2).

“(2) USE OF FUND.—The fund shall be used for the expenses of establishing the memorial.

“(3) INTEREST.—The Secretary of the Treasury shall credit to the fund the interest on obligations held in the fund.”.

(c) In addition to the amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense, \$2,600,000, to remain available until expended is hereby appropriated to the Department of Defense: *Provided*, That the Secretary of Defense shall make a grant in the amount of \$2,600,000 to the Dwight D. Eisenhower Memorial Commission for direct administrative support.

\$2,600,000

(INCLUDING TRANSFER OF FUNDS)

SEC. 8121. In addition to the amounts appropriated elsewhere in this Act, \$1,700,000, to remain available until expended, is hereby appropriated to the Department of Defense: *Provided*, That not later than 30 days after the enactment of this Act, the Secretary of Defense shall transfer these funds to the Department of Energy appropriation account “Fossil Energy Research and Development”, only for a proposed conceptual design study to examine the feasibility of a zero emissions, steam injection process with possible applications for increased power generation efficiency, enhanced oil recovery and carbon sequestration.

1,700,000

Deadline.

SEC. 8122. In addition to amounts appropriated elsewhere in this Act, \$8,000,000 shall be available only for the settlement of subcontractor claims for payment associated with the Air Force contract F19628-97-C-0105, Clear Radar Upgrade, at Clear AFS, Alaska: *Provided*, That all affected subcontractors shall mutually resolve the amounts claimed for payment by cooperative negotiation, third-party mediation or other form of alternative dispute resolution and shall present such claims to the Secretary of the Air Force: *Provided further*, That the Secretary of the Air Force shall evaluate claims as may be submitted by subcontractors, engaged under the contract, and, notwithstanding any other provision of law shall pay such amounts from the funds provided in this paragraph which the Secretary deems appropriate to settle completely any claims which the Secretary determines to have merit, with no right of appeal in any forum: *Provided further*, That subcontractors are to be paid interest, calculated in accordance with the Contract Disputes Act of 1978, 41 U.S.C. 601-613, on any claims which the Secretary determines to have merit: *Provided further*, That the Secretary of the Air Force may delegate evaluation and payment as above to the U.S. Army Corps of Engineers, Alaska District on a reimbursable basis.

Contracts.
Claims.

8,000,000

SEC. 8123. Notwithstanding any other provision of this Act, the total amount appropriated in this Act is hereby reduced by \$1,650,000,000, to reflect savings to be achieved from business

-1,650,000,000

process reforms, management efficiencies, and procurement of administrative and management support: *Provided*, That none of the funds provided in this Act may be used for consulting and advisory services for legislative affairs and legislative liaison functions.

SEC. 8124. Funds appropriated for Operation and Maintenance in title II of this Act may be used to complete certain projects for which funds have been provided from—

(1) amounts appropriated for “Operation and Maintenance, Navy” in section 110 of the Emergency Supplemental Act, 2000 (division B of Public Law 106-246; 114 Stat. 530); or

(2) amounts appropriated for “Operation and Maintenance, Navy” in section 9001(a)(2)(i) of the Department of Defense Appropriations Act, 2001 (Public Law 106-259; 114 Stat. 709).

SEC. 8125. In addition to amounts provided elsewhere in this Act, \$17,900,000 is hereby appropriated for the Secretary of Defense, to remain available until expended, to establish a Regional Defense Counter-terrorism Fellowship Program: *Provided*, That funding provided herein may be used by the Secretary to fund foreign military officers to attend U.S. military educational institutions and selected regional centers for non-lethal training: *Provided further*, That United States Regional Commanders in Chief will be the nominative authority for candidates and schools for attendance with joint staff review and approval by the Secretary of Defense: *Provided further*, That the Secretary of Defense shall establish rules to govern the administration of this program.

10 USC note
prec. 2161.
\$17,900,000

Rules.

SEC. 8126. Notwithstanding any other provision of law, from funds appropriated in this or any other Act under the heading, “Aircraft Procurement, Air Force”, that remain available for obligation, not to exceed \$26,700,000 shall be available for recording, adjusting, and liquidating obligations for the C-17 aircraft properly chargeable to the fiscal year 1998 and 1999 “Aircraft Procurement, Air Force” account: *Provided*, That the Secretary of the Air Force shall notify the congressional defense committees 30 days prior to obligation of all of the specific sources of funds to be used for such purpose.

Notification.

SEC. 8127. Notwithstanding any other provision of law, from funds appropriated in this or any other Act under the heading, “Missile Procurement, Air Force”, that remain available for obligation, not to exceed \$50,000,000 shall be available for recording, adjusting, and liquidating obligations properly chargeable to fiscal year 1997 and 1998 “Missile Procurement, Air Force” accounts: *Provided*, That the Secretary of the Air Force shall notify the congressional defense committees 30 days prior to obligation of all of the specific sources of funds to be used for such purpose.

Notification.

SEC. 8128. Notwithstanding any provisions of the Southern Nevada Public Land Management Act of 1998, Public Law 105-263, or the land use planning provision of section 202 of the Federal Land Policy and Management Act of 1976, Public Law 94-579, or of any other law to the contrary, the Secretary of the Interior may acquire non-Federal lands adjacent to Nellis Air Force Base, through a land exchange in Nevada, to ensure the continued safe operation of live ordnance departure areas at Nellis Air Force Base, Las Vegas, Nevada. The Secretary of the Air Force shall identify up to 220 acres of non-Federal lands needed to ensure the continued safe operation of the live ordnance departure areas at Nellis Air Force Base. Any such identified property acquired

by exchange by the Secretary of the Interior shall be transferred by the Secretary of the Interior to the jurisdiction, custody, and control of the Secretary of the Air Force to be managed as a part of Nellis Air Force Base. To the extent the Secretary of the Interior is unable to acquire non-Federal lands by exchange, the Secretary of the Air Force is authorized to purchase those lands at fair market value subject to available appropriations.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8129. Of the amounts appropriated in this Act under the heading, "Shipbuilding and Conversion, Navy", \$729,248,000 shall be available until September 30, 2002, to fund prior year shipbuilding cost increases: *Provided*, That upon enactment of this Act, the Secretary of the Navy shall transfer such funds to the following appropriations in the amounts specified: *Provided further*, That the amounts transferred shall be merged with and be available for the same purposes as the appropriations to which transferred:

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1995/2002":

Carrier Replacement Program, \$169,364,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1996/2002":

LPD-17 Amphibious Transport Dock Ship Program, \$172,989,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1997/2002":

DDG-51 Destroyer Program, \$35,200,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1998/2002":

NSSN Program, \$166,561,000;

DDG-51 Destroyer Program, \$108,457,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1999/2002":

NSSN Program, \$60,429,000.

Under the heading, "Shipbuilding and Conversion, Navy, 2001/2005":

Submarine Refuelings, \$16,248,000.

(TRANSFER OF FUNDS)

SEC. 8130. Upon enactment of this Act, the Secretary of the Navy shall make the following transfers of funds: *Provided*, That the amounts transferred shall be available for the same purpose as the appropriations to which transferred, and for the same time period as the appropriation from which transferred: *Provided further*, That the amounts shall be transferred between the following appropriations in the amount specified:

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1990/2002":

TRIDENT ballistic missile submarine program, \$78,000;

SSN-21 attack submarine program, \$66,000;

DDG-51 destroyer program, \$6,100,000;

ENTERPRISE refueling/modernization program, \$964,000;

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

LSD-41 dock landing ship cargo variant ship program, \$237,000;
 MCM mine countermeasures program, \$118,000;
 Oceanographic ship program, \$2,317,000;
 AOE combat support ship program, \$164,000;
 AO conversion program, \$56,000;
 Coast Guard icebreaker ship program, \$863,000;
 Craft, outfitting, post delivery, and ship special support equipment, \$529,000;

To: Under the heading, "Shipbuilding and Conversion, Navy, 1998/2002": DDG-51 destroyer program, \$11,492,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1993/2002":

DDG-51 destroyer program, \$3,986,000;
 LHD-1 amphibious assault ship program, \$85,000;
 LSD-41 dock landing ship cargo variant program, \$428,000;
 AOE combat support ship program, \$516,000;
 Craft, outfitting, post delivery, and first destination transportation, and inflation adjustments, \$1,034,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1998/2002": DDG-51 destroyer program, \$6,049,000.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8131. Of the funds appropriated by this Act under the heading, "Operation and Maintenance, Navy", \$56,000,000 shall remain available until expended, only for costs associated with the stabilization, return, refitting, necessary force protection upgrades, and repair of the U.S.S. COLE: *Provided*, That the Secretary of Defense may transfer these funds to appropriations accounts for procurement and that the funds transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided further*, That the transfer authority provided in this section is in addition to any other transfer authority available to the Department of Defense.

SEC. 8132. (a) The Secretary of Defense shall convey to Gwitchyaa Zhee Corporation the lands withdrawn by Public Land Order No. 1996, Lot 1 of United States Survey 7008, Public Land Order No. 1396, a portion of Lot 3 of United States Survey 7161, lands reserved pursuant to the instructions set forth at page 513 of volume 44 of the Interior Land Decisions issued January 13, 1916, Lot 13 of United States Survey 7161, Lot 1 of United States Survey 7008 described in Public Land Order No. 1996, and Lot 13 of the United States Survey 7161 reserved pursuant to the instructions set forth at page 513 of volume 44 of the Interior Land Decisions issued January 13, 1916.

Gwitchyaa Zhee Corporation.

(b) Following site restoration and survey by the Department of the Air Force that portion of Lot 3 of United States Survey 7161 withdrawn by Public Land Order No. 1396 and no longer needed by the Air Force shall be conveyed to Gwitchyaa Zhee Corporation.

SEC. 8133. The Secretary of the Navy may settle, or compromise, and pay any and all admiralty claims under 10 U.S.C.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

7622 arising out of the collision involving the U.S.S. GREENEVILLE and the EHIME MARU, in any amount and without regard to the monetary limitations in subsections (a) and (b) of that section: *Provided*, That such payments shall be made from funds available to the Department of the Navy for operation and maintenance.

42 USC 429 note.

SEC. 8134. Notwithstanding section 229(a) of the Social Security Act, no wages shall be deemed to have been paid to any individual pursuant to that section in any calendar year after 2001.

- \$105,000,000

SEC. 8135. The total amount appropriated in this Act is hereby reduced by \$105,000,000 to reflect fact-of-life changes in utilities costs, to be derived as follows:

“Operation and Maintenance, Army”, \$34,700,000;
 “Operation and Maintenance, Navy”, \$8,800,000;
 “Operation and Maintenance, Marine Corps”, \$7,200,000;
 “Operation and Maintenance, Air Force”, \$28,800,000;
 “Operation and Maintenance, Defense-Wide”, \$4,500,000;
 “Operation and Maintenance, Army Reserve”, \$2,700,000;
 “Operation and Maintenance, Army National Guard”,
 \$2,700,000;
 “Operation and Maintenance, Air National Guard”,
 \$3,400,000;
 “Defense Working Capital Funds”, \$7,100,000; and
 “Defense Health Program”, \$5,100,000.

SEC. 8136. (a) Of the total amount appropriated for “Operation and Maintenance, Air Force”, \$2,100,000, to remain available until expended, shall be available to the Secretary of the Air Force only for the purpose of making a grant in the amount of \$2,100,000 to the Lafayette Escadrille Memorial Foundation, Inc., to be used to perform the repair, restoration, and preservation of the structure, plaza, and surrounding grounds of the Lafayette Escadrille Memorial in Marnes la-Coguette, France.

(b) The Secretary shall require as a condition of the grant—

(1) that the funds provided through the grant be used only for costs associated with such repair, restoration, and preservation; and

(2) that none of those funds may be used for remuneration of any entity or individual associated with fund raising for the project to carry out such repair, restoration, and preservation.

California.
16 USC 431 note.

SEC. 8137. (a) DESIGNATION OF NATIONAL MEMORIAL.—The five-foot-tall white cross first erected by the Veterans of Foreign Wars of the United States in 1934 along Cima Road in San Bernardino County, California, and now located within the boundary of the Mojave National Preserve, as well as a limited amount of adjoining Preserve property to be designated by the Secretary of the Interior, is hereby designated as a national memorial commemorating United States participation in World War I and honoring the American veterans of that war.

(b) LEGAL DESCRIPTION.—The memorial cross referred to in subsection (a) is located at latitude 35.316 North and longitude 115.548 West. The exact acreage and legal description of the property to be included by the Secretary of the Interior in the national World War I memorial shall be determined by a survey prepared by the Secretary.

(c) REINSTALLATION OF MEMORIAL PLAQUE.—The Secretary of the Interior shall use not more than \$10,000 of funds available

for the administration of the Mojave National Preserve to acquire a replica of the original memorial plaque and cross placed at the national World War I memorial designated by subsection (a) and to install the plaque in a suitable location on the grounds of the memorial.

SEC. 8138. In addition to the amounts provided elsewhere in this Act, the amount of \$4,200,000 is hereby appropriated to the Department of Defense for “Operation and Maintenance, Navy”. Such amount shall be used by the Secretary of the Navy only to make a grant in the amount of \$4,200,000 to the U.S.S. Alabama Battleship Foundation, a nonprofit organization established under the laws of the State of Alabama, to be available only for the preservation of the former U.S.S. ALABAMA (ex BB-60) as a museum and memorial. \$4,200,000

SEC. 8139. In addition to the amounts provided elsewhere in this Act, the amount of \$4,250,000 is hereby appropriated to the Department of Defense for “Operation and Maintenance, Navy”. Such amount shall be used by the Secretary of the Navy only to make a grant in the amount of \$4,250,000 to the Intrepid Sea-Air-Space Foundation only for the preservation of the former U.S.S. INTREPID (CV 11) as a museum and memorial. 4,250,000

SEC. 8140. In addition to the amounts provided elsewhere in this Act, the amount of \$6,000,000 is hereby appropriated to the Department of Defense for “Operation and Maintenance, Air Force”. Such amount shall be used by the Secretary of the Air Force only to make a grant in the amount of \$6,000,000 to the Medical Lake School District, Washington State school district number 326, for relocation of the Fairchild Air Force Base Elementary School within the boundary of Fairchild Air Force Base, Washington. 6,000,000

SEC. 8141. In addition to the amounts provided elsewhere in this Act, the amount of \$3,500,000 is hereby appropriated to the Department of Defense for “Operation and Maintenance, Navy”. Such amount shall be used by the Secretary of the Navy only to make a grant in the amount of \$3,500,000 to the Central Kitsap School District, Washington State school district number 401, for the purchase and installation of equipment for a special needs learning center to meet the needs of Department of Defense special needs students at Submarine Base Bangor, Washington. 3,500,000

SEC. 8142. (a) In addition to amounts provided elsewhere in this Act, the amount of \$8,500,000 is hereby appropriated for “Operation and Maintenance, Defense-Wide”, to be available to the Secretary of Defense only for the purpose of making a grant for the purpose specified in section 8156 of the Department of Defense Appropriations Act, 2001 (Public Law 106-259; 114 Stat. 707), as amended by subsection (b). Such grant shall be made not later than 90 days after the date of the enactment of this Act. 8,500,000

(b) Section 8156 of the Department of Defense Appropriations Act, 2001 (Public Law 106-259; 114 Stat. 707), is amended by striking the comma after “California” the first place it appears and all that follows through “96-8867”).

SEC. 8143. (a) ACTIVITIES UNDER FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM.—Subject to subsections (b) through (e) of section 611 of Public Law 106-60 (113 Stat. 502; 10 U.S.C. 2701 note), the Secretary of the Army, acting through the Chief of Engineers, under the Formerly Utilized Sites Remedial Action Program shall undertake the functions and activities specified in subsection (a) of such section in order to—

Deadline.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

(1) clean up radioactive contamination at the Shpack Land-fill site located in Norton and Attleboro, Massachusetts; and

(2) clean up radioactive waste at the Shallow Land Disposal Area located in Parks Township, Armstrong County, Pennsylvania, consistent with the Memorandum of Understanding Between the United States Nuclear Regulatory Commission and the United States Army Corps of Engineers for Coordination on Cleanup and Decommissioning of the Formerly Utilized Sites Remedial Action Program (FUSRAP) Sites with NRC-Licensed Facilities, dated July 5, 2001.

(b) SPECIAL RULES REGARDING SHALLOW LAND DISPOSAL AREA.—The Secretary of the Army shall seek to recover response costs incurred by the Army Corps of Engineers for cleanup of the Shallow Land Disposal Area from appropriate responsible parties in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.). The Secretary of the Army and the Corps of Engineers shall not, by virtue of this cleanup, become liable for the actions or omissions of past, current, or future licensees, owners, or operators of the Shallow Land Disposal Area.

(c) FUNDING SOURCES.—Amounts appropriated to the Army Corps of Engineers for fiscal year 2001 and subsequent fiscal years and available for the Formerly Utilized Sites Remedial Action Program shall be available to carry out this section.

SEC. 8144. In addition to amounts otherwise appropriated or made available by this Act, \$3,000,000 is appropriated to the Secretary of the Air Force and shall be used by the Secretary to reestablish the Tethered Aerostat Radar System at Morgan City, Louisiana, previously used by the Air Force in maritime, air, and land counter-drug detection and monitoring. Of the amounts appropriated or otherwise made available for operation and maintenance for the Air Force, the Secretary shall use \$3,000,000 to operate such Tethered Aerostat Radar System upon its reestablishment.

SEC. 8145. The \$100,000 limitation established by section 8046 in Public Law 106-79 and section 8043 of Public Law 106-259, shall not apply to amounts appropriated in that Act under the heading “Operation and Maintenance, Defense-Wide” for expenses related to certain classified activities associated with foreign material.

SEC. 8146. The total amount appropriated in this Act for Operation and Maintenance is hereby reduced by \$100,000,000, to reflect savings attributable to improved supervision in determining appropriate purchases to be made using the Government purchase card, to be derived as follows:

“Operation and Maintenance, Army”, \$37,000,000;

“Operation and Maintenance, Navy”, \$29,000,000;

“Operation and Maintenance, Marine Corps”, \$3,000,000;

“Operation and Maintenance, Air Force”, \$24,000,000; and

“Operation and Maintenance, Defense-Wide”, \$7,000,000.

SEC. 8147. The Secretary of Defense and the Secretary of Veterans Affairs shall jointly conduct a comprehensive assessment that identifies and evaluates changes to Department of Defense and Department of Veterans Affairs health care delivery policies, methods, practices, and procedures in order to provide improved health care services at reduced costs to the taxpayer. This assessment shall include a detailed independent review, based on a statement of work authored by the Secretaries of both departments,

of options to collocate or share facilities and care providers in areas where duplication and excess capacity may exist, optimize economies of scale through joint procurement of supplies and services, institute cooperative service agreements, and partially or fully integrate DOD and VA systems providing telehealth services, computerized patient records, provider credentialing, surgical quality assessment, rehabilitation services, administrative services, and centers of excellence for specialized health care services. The Secretaries shall jointly transmit a report to Congress by no later than March 1, 2002, explaining the findings and conclusions of this assessment, including detailed estimates of the costs, cost savings, and service benefits of each recommendation, and making legislative and administrative recommendations to implement the results of this effort: *Provided*, That of the funds provided under the heading "Defense Health Program" \$2,500,000 shall be made available only for the purpose of conducting the assessment described in this section.

Reports.
Deadline.

SEC. 8148. (a) Notwithstanding any other provision of law, operation and maintenance funds provided in this Act may be used for the purchase of ultralightweight camouflage net systems as unit spares in order to modernize the current inventory of camouflage screens to state-of-the-art protection standards more quickly than would otherwise be the case.

(b) The authority provided by subsection (a) may not be used until the Secretary of the Army submits to the congressional defense committees a report certifying that, compared to the current system that can be purchased with Army Operation and Maintenance funds, the ultralightweight camouflage net system—

- (1) is technically superior against multi-spectral threat sensors;
- (2) is less costly per unit; and
- (3) provides improved overall force protection.

SEC. 8149. ARMY ACQUISITION MANAGEMENT. (a) FUNDING REDUCTION.—The amount appropriated in this Act for "Operation and Maintenance, Army" is hereby reduced by \$5,000,000 to reflect efficiencies in Army acquisition management practices.

-\$5,000,000

(b) REPORT TO CONGRESS ON ARMY REORGANIZATION.—The Secretary of the Army shall submit a report to the congressional defense committees no later than April 15, 2002 providing a detailed explanation of the final plans for realigning Army requirements generation, acquisition, resource management, and Departmental headquarters functions and systems. Such report shall include an independent assessment of the Army plan by the Center for Naval Analyses. Such report shall also include an analysis of the annual budget and personnel savings derived from this reorganization plan by major function compared to the fiscal year 2001 baseline for fiscal years 2002 through 2008.

Deadline.

SEC. 8150. (a) NON-PROFIT ARMY VENTURE CAPITAL CORPORATION.—Of the funds made available for "Research, Development, Test and Evaluation, Army", \$25,000,000 shall be available to the Secretary of the Army only for the purpose of funding a venture capital investment corporation established pursuant to section 2371 of title 10 United States Code, to be derived as specified in subsection (b).

(b) FUNDING.—The amount specified in subsection (a) shall be derived by reducing, on a pro rata basis, amounts made available to the Army for basic research and applied research, except for

amounts for research projects designated as congressional special interest items and amounts available to the Army for research, development, test, and evaluation relating to the Future Combat System.

SEC. 8151. Notwithstanding any other provision of law or regulation, the Secretary of Defense may exercise the provisions of 38 U.S.C. 7403(g) for occupations listed in 38 U.S.C. 7403(a)(2) as well as the following:

Pharmacists, Audiologists, and Dental Hygienists.

(A) The requirements of 38 U.S.C. 7403(g)(1)(A) shall apply.

(B) The limitations of 38 U.S.C. 7403(g)(1)(B) shall not apply.

SEC. 8152. (a) The Secretary of Defense may waive any requirement that the fiscal year 2001 Department of Defense financial statement include the accounts and associated activities of the Department of the Army and the Department of the Navy, to the extent that the Secretary determines necessary due to the effects of the terrorist attack on the Pentagon of September 11, 2001.

(b) If any accounts and associated activities of the Department of the Army or the Department of the Navy are excluded from the fiscal year 2001 Department of Defense financial statement pursuant to subsection (a), the Secretary of Defense shall, as soon as practicable after March 1, 2002, prepare and submit to the Director of the Office of Management and Budget, a revised audited financial statement for fiscal year 2001 that includes all such accounts and activities.

(c) For purposes of this section, the term “fiscal year 2001 Department of Defense financial statement” means the audited financial statement of the Department of Defense for fiscal year 2001 required by section 3515 of title 31, United States Code, to be submitted to the Director of the Office of Management and Budget not later than March 1, 2002.

SEC. 8153. Notwithstanding any other provision of this Act, the Secretary of the Air Force may enter into a multiyear contract, or extend an existing multiyear contract, for the C-17 aircraft: *Provided*, That the authority to enter into such a contract (or contract extension) may not be exercised until a period of not less than 30 days has elapsed after the date of the submission of a report under paragraph (4) of section 2306b(1) of title 10, United States Code: *Provided further*, That the authorities provided in this section shall not be available until the Secretary of Defense submits to the congressional defense committees a certification that the applicable requirements under section 2306b of title 10, United States Code, and section 8008 of this Act with respect to such a contract (or contract extension) have been met.

SEC. 8154. Notwithstanding any other provision of law, of the funds appropriated in this Act under the heading “Operation and Maintenance, Defense-Wide”, \$1,450,000, to remain available until expended, is provided only for payment of any expenses incurred after April 1, 2002 of the Commission on the Future of the United States Aerospace Industry pursuant to section 1092(e)(1) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398; 114 Stat. 165A-215).

SEC. 8155. Of the funds appropriated in this Act under the heading "Operation and Maintenance, Defense-Wide", \$1,000,000, to remain available until expended, shall be made available to the Secretary of Defense, notwithstanding any other provision of law, only for a grant or grants to the Somerset County Board of Commissioners (in the Commonwealth of Pennsylvania), to design and construct a memorial (including operating and maintenance expenses for appropriate security measures to protect the site) at the airplane crash site in Somerset County, Pennsylvania honoring the brave men, women, and children who perished following a valiant struggle with terrorists aboard United Airlines Flight 93 on September 11, 2001.

SEC. 8156. (a) FINDINGS.—The Congress finds that—

(1) in times when our national security is threatened by possible attacks from foreign and domestic enemies, it is necessary that the United States have a sufficient supply of certain products that are essential for defending this Nation; and

(2) it has been the consistent intent of Congress that the Department of Defense, when purchasing items to support the Armed Forces, choose items that are wholly of domestic content and manufacture, especially items identified as essential to our national defense.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is vital that the United States maintain a domestic manufacturing base for certain products necessary to national security, so that our Nation does not become reliant on foreign sources for such products and thereby vulnerable to disruptions in international trade; and

(2) in cases where such domestic manufacturing base is threatened, the United States should take action to preserve such manufacturing base.

SEC. 8157. (a) Not later than February 1, 2002, the Secretary of Defense shall report to the congressional defense committees on the status of the safety and security of munitions shipments that use commercial trucking carriers within the United States.

Deadline.
Reports.

(b) REPORT ELEMENTS.—The report under subsection (a) shall include the following:

(1) An assessment of the Department of Defense's policies and practices for conducting background investigations of current and prospective drivers of munitions shipments.

(2) A description of current requirements for periodic safety and security reviews of commercial trucking carriers that carry munitions.

(3) A review of the Department of Defense's efforts to establish uniform safety and security standards for cargo terminals not operated by the Department that store munitions shipments.

(4) An assessment of current capabilities to provide for escort security vehicles for shipments that contain dangerous munitions or sensitive technology, or pass through high-risk areas.

(5) A description of current requirements for depots and other defense facilities to remain open outside normal operating hours to receive munitions shipments.

(6) Legislative proposals, if any, to correct deficiencies identified by the Department of Defense in the report under subsection (a).

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

Deadline.
Reports.

(c) Not later than 6 months after enactment of this Act, the Secretary shall report to Congress on safety and security procedures used for U.S. munitions shipments in European NATO countries, and provide recommendations on what procedures or technologies used in those countries should be adopted for shipments in the United States.

\$15,000,000

SEC. 8158. In addition to the amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense, \$15,000,000, to remain available until September 30, 2002 is hereby appropriated to the Department of Defense: *Provided*, That the Secretary of Defense shall make a grant in the amount of \$15,000,000 to the Citadel for the Padgett Thomas Barracks in Charleston, South Carolina.

10 USC 2401a
note.

SEC. 8159. MULTI-YEAR AIRCRAFT LEASE PILOT PROGRAM. (a) The Secretary of the Air Force may, from funds provided in this Act or any future appropriations Act, establish and make payments on a multi-year pilot program for leasing general purpose Boeing 767 aircraft and Boeing 737 aircraft in commercial configuration.

(b) Sections 2401 and 2401a of title 10, United States Code, shall not apply to any aircraft lease authorized by this section.

(c) Under the aircraft lease Pilot Program authorized by this section:

(1) The Secretary may include terms and conditions in lease agreements that are customary in aircraft leases by a non-Government lessor to a non-Government lessee, but only those that are not inconsistent with any of the terms and conditions mandated herein.

(2) The term of any individual lease agreement into which the Secretary enters under this section shall not exceed 10 years, inclusive of any options to renew or extend the initial lease term.

(3) The Secretary may provide for special payments in a lessor if the Secretary terminates or cancels the lease prior to the expiration of its term. Such special payments shall not exceed an amount equal to the value of 1 year's lease payment under the lease.

(4) Subchapter IV of chapter 15 of title 31, United States Code shall apply to the lease transactions under this section, except that the limitation in section 1553(b)(2) shall not apply.

(5) The Secretary shall lease aircraft under terms and conditions consistent with this section and consistent with the criteria for an operating lease as defined in OMB Circular A-11, as in effect at the time of the lease.

(6) Lease arrangements authorized by this section may not commence until:

(A) The Secretary submits a report to the congressional defense committees outlining the plans for implementing the Pilot Program. The report shall describe the terms and conditions of proposed contracts and describe the expected savings, if any, comparing total costs, including operation, support, acquisition, and financing, of the lease, including modification, with the outright purchase of the aircraft as modified.

Deadline.

(B) A period of not less than 30 calendar days has elapsed after submitting the report.

Deadline.
Reports.

(7) Not later than 1 year after the date on which the first aircraft is delivered under this Pilot Program, and yearly

thereafter on the anniversary of the first delivery, the Secretary shall submit a report to the congressional defense committees describing the status of the Pilot Program. The Report will be based on at least 6 months of experience in operating the Pilot Program.

(8) The Air Force shall accept delivery of the aircraft in a general purpose configuration.

(9) At the conclusion of the lease term, each aircraft obtained under that lease may be returned to the contractor in the same configuration in which the aircraft was delivered.

(10) The present value of the total payments over the duration of each lease entered into under this authority shall not exceed 90 percent of the fair market value of the aircraft obtained under that lease.

(d) No lease entered into under this authority shall provide for—

(1) the modification of the general purpose aircraft from the commercial configuration, unless and until separate authority for such conversion is enacted and only to the extent budget authority is provided in advance in appropriations Acts for that purpose; or

(2) the purchase of the aircraft by, or the transfer of ownership to, the Air Force.

(e) The authority granted to the Secretary of the Air Force by this section is separate from and in addition to, and shall not be construed to impair or otherwise affect, the authority of the Secretary to procure transportation or enter into leases under a provision of law other than this section.

(f) The authority provided under this section may be used to lease not more than a total of 100 Boeing 767 aircraft and 4 Boeing 737 aircraft for the purposes specified herein.

SEC. 8160. From within amounts made available in the title II of this Act, under the heading "Operation and Maintenance, Army National Guard", and notwithstanding any other provision of law, \$2,200,000 shall be available only for repairs and safety improvements to the segment of Camp McCain Road which extends from Highway 8 south toward the boundary of Camp McCain, Mississippi and originating intersection of Camp McCain Road; and for repairs and safety improvements to the segment of Greensboro Road which connects the Administration Offices of Camp McCain to the Troutt Rifle Range: *Provided*, That these funds shall remain available until expended: *Provided further*, That the authorized scope of work includes, but is not limited to, environmental documentation and mitigation, engineering and design, improving safety, resurfacing, widening lanes, enhancing shoulders, and replacing signs and pavement markings.

SEC. 8161. From funds made available under title II of this Act, the Secretary of the Army may make available a grant of \$2,100,000 to the Chicago Park District for renovation of the Broadway Armory, a former National Guard facility in the Edgewater community in Chicago.

SEC. 8162. SENSE OF CONGRESS CONCERNING THE MILITARY INDUSTRIAL BASE. (a) IN GENERAL.— It is the sense of the Congress that the military aircraft industrial base of the United States be preserved. In order to ensure this we must retain—

(1) adequate competition in the design, engineering, production, sale and support of military aircraft;

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

(2) continued innovation in the development and manufacture of military aircraft;

(3) actual and future capability of more than one aircraft company to design, engineer, produce and support military aircraft.

(b) STUDY OF IMPACT ON THE INDUSTRIAL BASE.—In order to determine the current and future adequacy of the military aircraft industrial base a study shall be conducted. Of the funds made available under the heading “PROCUREMENT, DEFENSE-WIDE” in this Act, up to \$1,500,000 may be made available for a comprehensive analysis of and report on the risks to innovation and cost of limited or no competition in contracting for military aircraft and related weapon systems for the Department of Defense, including the cost of contracting where there is no more than one primary manufacturer with the capacity to bid for and build military aircraft and related weapon systems, the impact of any limited competition in primary contracting on innovation in the design, development, and construction of military aircraft and related weapon systems, the impact of limited competition in primary contracting on the current and future capacity of manufacturers to design, engineer and build military aircraft and weapon systems. The Secretary of Defense shall report to the House and Senate Committees on Appropriations on the design of this analysis, and shall submit a report to these committees no later than 6 months from the date of enactment of this Act.

Reports.
Deadline.

\$5,200,000

SEC. 8163. In addition to the amounts appropriated or otherwise made available in this Act, \$5,200,000, to remain available until September 30, 2002, is hereby appropriated to the Department of Defense: *Provided*, That the Secretary of Defense shall make a grant in the amount of \$5,200,000 to the Armed Forces Retirement Homes.

Deadline.
Reports.

SEC. 8164. (a) ASSESSMENT REQUIRED.—Not later than March 15, 2002, the Secretary of the Army shall submit to the Committees on Appropriations of the Senate and House of Representatives a report containing an assessment of current risks under, and various alternatives to, the current Army plan for the destruction of chemical weapons.

(b) ELEMENTS.—The report under subsection (a) shall include the following:

(1) A description and assessment of the current risks in the storage of chemical weapons arising from potential terrorist attacks.

(2) A description and assessment of the current risks in the storage of chemical weapons arising from storage of such weapons after April 2007, the required date for disposal of such weapons as stated in the Chemical Weapons Convention.

(3) A description and assessment of various options for eliminating or reducing the risks described in paragraphs (1) and (2).

(c) CONSIDERATIONS.—In preparing the report, the Secretary shall take into account the plan for the disassembly and neutralization of the agents in chemical weapons as described in Army engineering studies in 1985 and 1996, the 1991 Department of Defense Safety Contingency Plan, and the 1993 findings of the National Academy of Sciences on disassembly and neutralization of chemical weapons.

SEC. 8165. Of the amount appropriated by title II for operation and maintenance, Defense-wide, \$47,261,000 may be available for the Defense Leadership and Management Program.

SEC. 8166. SENSE OF THE CONGRESS REGARDING ENVIRONMENTAL CONTAMINATION IN THE PHILIPPINES. It is the sense of the Congress that—

(1) the Secretary of State, in cooperation with the Secretary of Defense, should continue to work with the Government of the Philippines and with appropriate non-governmental organizations in the United States and the Philippines to fully identify and share all relevant information concerning environmental contamination and health effects emanating from former United States military facilities in the Philippines following the departure of the United States military forces from the Philippines in 1992;

(2) the United States and the Government of the Philippines should continue to build upon the agreements outlined in the Joint Statement by the United States and the Republic of the Philippines on a Framework for Bilateral Cooperation in the Environment and Public Health, signed on July 27, 2000; and

(3) Congress should encourage an objective non-governmental study, which would examine environmental contamination and health effects emanating from former United States military facilities in the Philippines, following the departure of United States military forces from the Philippines in 1992.

SEC. 8167. (a) AUTHORITY FOR BURIAL OF CERTAIN INDIVIDUALS AT ARLINGTON NATIONAL CEMETERY.—The Secretary of the Army shall authorize the burial in a separate gravesite at Arlington National Cemetery, Virginia, of any individual who—

(1) died as a direct result of the terrorist attacks on the United States on September 11, 2001; and

(2) would have been eligible for burial in Arlington National Cemetery by reason of service in a reserve component of the Armed Forces but for the fact that such individual was less than 60 years of age at the time of death.

(b) ELIGIBILITY OF SURVIVING SPOUSE.—The surviving spouse of an individual buried in a gravesite in Arlington National Cemetery under the authority provided under subsection (a) shall be eligible for burial in the gravesite of the individual to the same extent as the surviving spouse of any other individual buried in Arlington National Cemetery is eligible for burial in the gravesite of such other individual.

SEC. 8168. In fiscal year 2002, the Department of the Interior National Business Center may continue to enter into grants, cooperative agreements, and other transactions, under the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992, and other related legislation.

SEC. 8169. Of the total amount appropriated by this division for “Operation and Maintenance, Defense-Wide”, \$3,500,000 may be available for payments under section 363 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-77).

SEC. 8170. Of the total amount appropriated by this division for “Operation and Maintenance, Air National Guard”, \$435,000 may be available (subject to section 2805(c) of title 10, United States Code) for the replacement of deteriorating gas lines, mains,

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

valves, and fittings at the Air National Guard facility at Rosecrans Memorial Airport, St. Joseph, Missouri, and (subject to section 2811 of title 10, United States Code) for the repair of the roof of the Aerial Port Facility at that airport.

Deadline.
Reports.

SEC. 8171. Not later than 180 days after the date of enactment of this Act, the Secretary of Defense, in cooperation with the Secretaries of State and Energy, shall submit a report to Congress describing the steps that have been taken to develop cooperative threat reduction programs with India and Pakistan. Such report shall include recommendations for changes in any provision of existing law that is currently an impediment to the full establishment of such programs, a timetable for implementation of such programs, and an estimated 5-year budget that will be required to fully fund such programs.

SEC. 8172. (a) MODIFICATION OF GENERAL REQUIREMENTS.—Section 1078(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398; 114 Stat. 1654A-283) is amended—

(1) in paragraph (1), by inserting “, or its contractors or subcontractors,” after “Department of Defense”; and

(2) in paragraph (3), by striking “stored, assembled, disassembled, or maintained” and inserting “manufactured, assembled, or disassembled”.

(b) DETERMINATION OF EXPOSURES AT IAAP.—The Secretary of Defense shall take appropriate actions to determine the nature and extent of the exposure of current and former employees at the Army facility at the Iowa Army Ammunition Plant, including contractor and subcontractor employees at the facility, to radioactive or other hazardous substances at the facility, including possible pathways for the exposure of such employees to such substances.

(c) NOTIFICATION OF EMPLOYEES REGARDING EXPOSURE.—(1) The Secretary shall take appropriate actions to—

(A) identify current and former employees at the facility referred to in subsection (b), including contractor and subcontractor employees at the facility; and

(B) notify such employees of known or possible exposures to radioactive or other hazardous substances at the facility.

(2) Notice under paragraph (1)(B) shall include—

(A) information on the discussion of exposures covered by such notice with health care providers and other appropriate persons who do not hold a security clearance; and

(B) if necessary, appropriate guidance on contacting health care providers and officials involved with cleanup of the facility who hold an appropriate security clearance.

(3) Notice under paragraph (1)(B) shall be by mail or other appropriate means, as determined by the Secretary.

(d) DEADLINE FOR ACTIONS.—The Secretary shall complete the actions required by subsections (b) and (c) not later than 90 days after the date of the enactment of this Act.

Deadline.

(e) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the congressional defense committees a report setting forth the results of the actions undertaken by the Secretary under this section, including any determinations under subsection (b), the number of workers identified under subsection (c)(1)(A), the content of the notice to such workers under subsection (c)(1)(B), and the status

of progress on the provision of the notice to such workers under subsection (c)(1)(B).

SEC. 8173. None of the funds made available in division A of this Act may be used to provide support or other assistance to the International Criminal Court or to any criminal investigation or other prosecutorial activity of the International Criminal Court.

[Total, title VIII (net), - \$2,832,813,000.]

TITLE IX

COUNTER-TERRORISM AND DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

COUNTER-TERRORISM AND OPERATIONAL RESPONSE TRANSFER FUND

(INCLUDING TRANSFER OF FUNDS)

For protection against terrorist attacks that might employ either conventional means or weapons of mass destruction, and to prepare against the consequences of such attacks; to deny unauthorized users the opportunity to modify, steal, inappropriately disclose, or destroy sensitive military data or networks; and to accelerate improvements in information networks and operations, \$478,000,000: *Provided*, That of the amounts made available under this heading, \$333,000,000 is available only for improving force protection and chemical and biological defense capabilities of the Department of Defense, and improving capabilities to respond to attacks using weapons of mass destruction: *Provided further*, That \$70,000,000 is available only for improving the effectiveness of Department of Defense capabilities in the areas of information assurance and critical infrastructure protection, and information operations; and \$75,000,000 is available only to develop and demonstrate systems to protect against unconventional nuclear threats: *Provided further*, That in order to carry out the specified purposes under this heading, funds made available under this heading may be transferred to any appropriation account otherwise enacted by this Act: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That within 90 days of enactment of this Act, the Secretary of Defense shall provide to the Congress a report specifying the projects and accounts to which funds provided under this heading are to be transferred.

\$478,000,000

Deadline.
Reports.

FORMER SOVIET UNION THREAT REDUCTION

For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons; for establishing programs to prevent the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise, and for defense and military contacts, \$403,000,000, to remain available until September 30, 2004: *Provided*, That of the amounts provided under

403,000,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

this heading, \$12,750,000 shall be available only to support the dismantling and disposal of nuclear submarines and submarine reactor components in the Russian Far East.

This division may be cited as the “Department of Defense Appropriations Act, 2002”.

[Total, title IX, Counter-terrorism and Defense against Weapons of Mass Destruction, \$881,000,000.]

Approved January 10, 2002.

LEGISLATIVE HISTORY—H.R. 3338:

HOUSE REPORTS: Nos. 107-298 (Comm. on Appropriations) and 107-350 (Comm. of Conference).

SENATE REPORTS: No. 107-109 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Nov. 28, considered and passed House.

Dec. 6, 7, considered and passed Senate, amended.

Dec. 20, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 38 (2002):

Jan. 10, Presidential remarks and statement.

[In thousands of dollars]

| | |
|---|---------------|
| Net grand total, Department of Defense Appropriations Act, 2002 | \$317,473,747 |
| Appropriations | (318,005,222) |
| Rescissions | (- 531,475) |
| Consisting of: | |
| Department of Defense (net) | 317,251,318 |
| General Government—Independent Agencies | 372,429 |
| Other budget adjustments | - 150,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**DISTRICT OF COLUMBIA
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-96

DISTRICT OF COLUMBIA APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

Public Law 107-96
107th Congress

An Act

Dec. 21, 2001
[H.R. 2944]

Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2002, and for other purposes.

District of
Columbia
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 2002, and for other purposes, namely:

FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

For a Federal payment to the District of Columbia, to be deposited into a dedicated account, for a nationwide program to be administered by the Mayor, for District of Columbia resident tuition support, \$17,000,000, to remain available until expended: *Provided*, That such funds, including any interest accrued thereon, may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, or to pay up to \$2,500 each year at eligible private institutions of higher education: *Provided further*, That the awarding of such funds may be prioritized on the basis of a resident's academic merit, the income and need of eligible students and such other factors as may be authorized: *Provided further*, That the District of Columbia government shall establish a dedicated account for the Resident Tuition Support Program that shall consist of the Federal funds appropriated to the Program in this Act and any subsequent appropriations, any unobligated balances from prior fiscal years, and any interest earned in this or any fiscal year: *Provided further*, That the account shall be under the control of the District of Columbia Chief Financial Officer who shall use those funds solely for the purposes of carrying out the Resident Tuition Support Program: *Provided further*, That the Resident Tuition Support Program Office and the Office of the Chief Financial Officer shall provide a quarterly financial report to the Committees on Appropriations of the Senate and House of Representatives for these funds showing, by object class, the expenditures made and the purpose therefor: *Provided further*, That not more than seven percent of the total amount appropriated for this program may be used for administrative expenses.

Reports.

FEDERAL PAYMENT FOR INCENTIVES FOR ADOPTION OF CHILDREN

The paragraph under the heading “Federal Payment for Incentives for Adoption of Children” in Public Law 106-113, approved November 29, 1999 (113 Stat. 1501), is amended to read as follows: “For a Federal payment to the District of Columbia to create incentives to promote the adoption of children in the District of Columbia foster care system, \$5,000,000: *Provided*, That such funds shall remain available until September 30, 2003, and shall be used to carry out all of the provisions of title 38 of the Fiscal Year 2001 Budget Support Act of 2000, effective October 19, 2000 (D.C. Law 13-172), as amended, except for section 3808: *Provided further*, That \$1,000,000 of said amount shall be used for the establishment of a scholarship fund for District of Columbia children of adoptive families, and District of Columbia children without parents due to the September 11, 2001 terrorist attack to be used for post high school education and training.”

Scholarship.

FEDERAL PAYMENT TO THE CAPITOL CITY CAREER DEVELOPMENT
AND JOB TRAINING PARTNERSHIP

For a Federal Payment to the Capitol City Career Development and Job Training Partnership, \$500,000.

\$500,000

FEDERAL PAYMENT TO THE CAPITOL EDUCATION FUND

For a Federal payment to the Capitol Education Fund, \$500,000.

500,000

FEDERAL PAYMENT TO THE METROPOLITAN KAPPA YOUTH
DEVELOPMENT FOUNDATION, INC.

For a Federal payment to the Metropolitan Kappa Youth Development Foundation, Inc., \$450,000.

450,000

FEDERAL PAYMENT TO THE FIRE AND EMERGENCY MEDICAL
SERVICES DEPARTMENT

For a Federal payment to the Fire and Emergency Medical Services Department, \$500,000 for dry-docking of the Fire Boat.

500,000

FEDERAL PAYMENT TO THE CHIEF MEDICAL EXAMINER

For a Federal payment to the Chief Medical Examiner, \$585,000 for reduction in the backlog of autopsies, case reports and for the purchase of toxicology and histology equipment.

585,000

FEDERAL PAYMENT TO THE YOUTH LIFE FOUNDATION

For a Federal payment to the Youth Life Foundation, \$250,000 for technical assistance, operational expenses, and establishment of a National Training Institute.

250,000

FEDERAL PAYMENT TO FOOD AND FRIENDS

For a Federal payment to Food and Friends, \$2,000,000 for their Capital Campaign.

2,000,000

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

FEDERAL PAYMENT TO THE CITY ADMINISTRATOR

\$300,000 For a Federal payment to the City Administrator, \$300,000 for the Criminal Justice Coordinating Council for the District of Columbia.

FEDERAL PAYMENT TO SOUTHEASTERN UNIVERSITY

500,000 For a Federal payment to Southeastern University, \$500,000 for a public/private partnership with the District of Columbia Public Schools at the McKinley Technology High School campus.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS

2,000,000 For a Federal payment to the District of Columbia Public Schools, \$2,500,000, of which \$2,000,000 shall be to implement the Voyager Expanded Learning literacy program in kindergarten and first grade classrooms in the District of Columbia Public Schools; \$250,000 shall be for the Failure Free Reading literacy program for non-readers and special education students; and \$250,000 for Lightspan, Inc. to implement the eduTest.com program in the District of Columbia Public Schools.
[Total, \$2,500,000.]

FEDERAL PAYMENTS FOR DISTRICT OF COLUMBIA AND FEDERAL LAW ENFORCEMENT MOBILE WIRELESS INTEROPERABILITY PROJECT

1,400,000 For Federal payments in support of the District of Columbia and the Federal law enforcement Mobile Wireless Interoperability Project, \$1,400,000, of which \$400,000 shall be for a payment to the District of Columbia Office of the Chief Technology Officer, \$333,334 shall be for a payment to the United States Secret Service, \$333,333 shall be for a payment to the United States Capitol Police, and \$333,333 shall be for a payment to the United States Park Police: *Provided*, That each agency shall participate in the preparation of a joint report to the Committees on Appropriations of the Senate and the House of Representatives to be submitted no later than March 30, 2002 on the allocation of these resources and a description of each agencies' resource commitment to this project for fiscal year 2003.

Reports.

FEDERAL PAYMENT FOR EMERGENCY PLANNING AND SECURITY COSTS IN THE DISTRICT OF COLUMBIA

16,058,000 For a Federal payment to the District of Columbia for emergency planning and security costs and to reimburse the District for certain security expenses related to the presence of the Federal Government in the District of Columbia, \$16,058,000: *Provided*, That \$12,652,000 shall be made available immediately to the District of Columbia Emergency Management Agency for planning, training, and personnel costs required for development and implementation of the emergency operations plan for the District of Columbia, to be submitted to the appropriate Federal agencies: *Provided further*, That a detailed report of actual and estimated expenses incurred shall be provided to the Committees on Appropriations of the Senate and the House of Representatives no later than June 15, 2002: *Provided further*, That \$3,406,000 of such amount shall be made available immediately for reimbursement of fiscal year 2001 expenses incurred by the District of Columbia

Reports.
Deadline.

for equipment purchased for providing security for the planned meetings in September 2001 of the World Bank and the International Monetary Fund in the District of Columbia: *Provided further*, That the Mayor and the Chairman of the Council of the District of Columbia shall develop, in consultation with the Director of the Office of Personnel Management, the United States Secret Service, the United States Capitol Police, the United States Park Police, the Washington Metropolitan Area Transit Authority, regional transportation authorities, the Federal Emergency Management Agency, the Governor of the State of Maryland and the Governor of the Commonwealth of Virginia, the county executives of contiguous counties of the region and the respective State and local law enforcement entities in the region, an integrated emergency operations plan for the District of Columbia in cases of national security events, including terrorist threats, protests, or other unanticipated events: *Provided further*, That such plan shall include a response to attacks or threats of attacks using biological or chemical agents: *Provided further*, That the city shall submit this plan to the Committees on Appropriations of the Senate and the House of Representatives no later than January 2, 2002: *Provided further*, That the Chief Financial Officer of the District of Columbia shall provide quarterly reports to the Committees on Appropriations on the use of the funds under this heading, beginning not later than April 2, 2002.

Deadline.

Reports.

FEDERAL PAYMENT TO THE CHIEF FINANCIAL OFFICER OF THE
DISTRICT OF COLUMBIA

For a Federal payment to the Chief Financial Officer of the District of Columbia, \$8,300,000, of which \$2,250,000 shall be for payment for a pilot project to demonstrate the “Active Cap” river cleanup technology on the Anacostia River; \$500,000 shall be for payment to the Washington, D.C. Sports and Entertainment Commission which, in coordination with the U.S. Soccer Foundation, shall use the funds for environmental and infrastructure costs at Kenilworth Park in the creation of the Kenilworth Regional Sports Complex; \$600,000 shall be for payment to the One Economy Corporation, a non-profit organization, to increase Internet access to low-income homes in the District of Columbia; \$500,000 shall be for payment to the Langston Project for the 21st Century, a community revitalization project to improve physical education and training facilities; \$1,000,000 shall be for payment to the Green Door Program, for capital improvements at a community mental health clinic; \$500,000 shall be for payment to the Historical Society of Washington, for capital improvements to the new City Museum; \$200,000 for a payment to Teach for America DC, for teacher development; \$350,000 for payment to the District of Columbia Safe Kids Coalition, to promote child passenger safety through the Child Occupant Protection Initiative; \$50,000 for payment for renovations at Eastern Market; \$1,000,000 shall be for payment to the Excel Institute Adult Education Program to be used by the Institute for construction and to acquire construction services provided by the General Services Administration on a reimbursable basis; \$300,000 shall be for payment to the Woodlawn Cemetery for restoration of the Cemetery; \$250,000 shall be for payment to the Real World Schools concerning 21st Century reform models for secondary education and the use of technology to support

\$8,300,000

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

learning in the District of Columbia; \$300,000 shall be for payment to a mentoring program and for hotline services; \$250,000 shall be for payment to a youth development program with a character building curriculum; and \$250,000 shall be for payment to a basic values training program.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS
TRUSTEE OPERATIONS

\$30,200,000 For salaries and expenses of the District of Columbia Corrections Trustee, \$30,200,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105-33; 111 Stat. 712) of which \$1,000,000 is to fund an initiative to improve case processing in the District of Columbia criminal justice system, \$500,000 to remain available until September 30, 2003 for building renovations or space acquisition required to accommodate functions transferred from the Lorton Correctional Complex, and \$1,500,000 to remain available until September 30, 2003, to be transferred to the appropriate agency for the closing of the sewage treatment plant and the removal of underground storage tanks at the Lorton Correctional Complex: *Provided*, That notwithstanding any other provision of law, funds appropriated in this Act for the District of Columbia Corrections Trustee shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

112,180,000 For salaries and expenses for the District of Columbia Courts, \$112,180,000, to be allocated as follows: for the District of Columbia Court of Appeals, \$8,003,000, of which not to exceed \$1,500 is for official reception and representation expenses; for the District of Columbia Superior Court, \$66,091,000, of which not to exceed \$1,500 is for official reception and representation expenses; for the District of Columbia Court System, \$31,594,000, of which not to exceed \$1,500 is for official reception and representation expenses; and \$6,492,000 for capital improvements for District of Columbia courthouse facilities: *Provided*, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives: *Provided further*, That funds made available for capital improvements may remain available until September 30, 2003.

Contracts.
Reports.

PUBLIC LAW 107-96—DEC. 21, 2001

115 STAT.

ADMINISTRATIVE PROVISIONS

Section 11-1722(a), District of Columbia Code, is amended in the first sentence by striking “, subject to the supervision of the Executive Officer”

Section 11-1723(a)(3), District of Columbia Code, is amended by striking “and the internal auditing of the accounts of the courts”.

CRIME VICTIMS COMPENSATION FUND

(a) TREATMENT OF UNOBLIGATED BALANCES.—Section 16(d) of the Victims of Violent Crime Compensation Act of 1996 (sec. 4-515(d), D.C. Official Code), as amended by section 403 of the Miscellaneous Appropriations Act, 2001 (as enacted into law by section 1(a)(4) of the Consolidated Appropriations Act, 2001), is amended—

(1) by striking “in excess of \$250,000”;

(2) by striking “and approved by” and inserting “which is submitted to”; and

(3) by striking “and not less than 80 percent” and all that follows and inserting the following: “except that under such plan—

“(1) 50 percent of such balance shall be used for direct compensation payments to crime victims through the Fund under this section and in accordance with this Act; and

“(2) 50 percent of such balance shall be used for outreach activities designed to increase the number of crime victims who apply for such direct compensation payments.”

(b) LIMIT ON USE OF AMOUNTS FOR ADMINISTRATIVE EXPENSES.—Section 16(e) of such Act (sec. 4-515(e), D.C. Official Code), as amended by section 202(d) of the Fiscal Year 2001 Budget Support Act of 2000 (D.C. Law 13-172), is amended to read as follows:

“(e) All compensation payments and attorneys’ fees awarded under this Act shall be paid from, and subject to, the availability of monies in the Fund. Not more than 5 percent of the total amount of monies in the Fund may be used to pay administrative costs necessary to carry out this Act.”

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 403 of the Miscellaneous Appropriations Act, 2001.

PAYMENTS FOR REPRESENTATION OF INDIGENTS

(a) SERVICES OF COUNSEL.—

(1) IN GENERAL.—Section 11-2604, District of Columbia Code, is amended—

(A) in subsection (a), by striking “\$50” and inserting “\$65”; and

(B) in subsection (b)—

(i) by striking “\$1300” each place it appears and inserting “\$1900”; and

(ii) by striking “\$2450” each place it appears and inserting “\$3600”.

(2) NEGLECT AND PARENTAL RIGHTS TERMINATION PROCEEDINGS.—Section 16-2326.01(b), District of Columbia Code, is amended—

(A) by striking “\$1,100” each place it appears and inserting “\$1,600”;

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

(B) in paragraph (3), by striking “\$1,500” and inserting “\$2,200”; and

(C) in paragraph (4), by striking “\$750” and inserting “\$1,100”.

(b) SERVICES OF INVESTIGATORS, EXPERTS, AND OTHERS.—Section 11-2605, District of Columbia Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d); and

(2) by inserting after subsection (a) the following new subsection:

“(b) Subject to the applicable limits described in subsections (c) and (d), an individual providing services under this section shall be compensated at a fixed rate of \$25 per hour, and shall be reimbursed for expenses reasonably incurred.”.

Applicability.

(c) EFFECTIVE DATE.—The amendments made by this provision shall apply with respect to cases and proceedings initiated on or after March 1, 2002.

Section 11-2604, District of Columbia Code, is amended:

(1) in subsection (a), by striking “50” and inserting “75”; and

(2) in subsection (b)—

(A) by striking “1300” each time it appears and inserting “1900”; and

(B) by striking “2450” each time it appears and inserting “3600”.

FEDERAL PAYMENT FOR FAMILY COURT ACT

\$24,016,000 For carrying out the District of Columbia Family Court Act of 2001, \$24,016,000, of which \$23,316,000 shall be for the Superior Court of the District of Columbia and \$700,000 shall be for the Mayor of the District of Columbia of which \$200,000 shall be for completion of a plan by the Mayor on integrating the computer systems of the District of Columbia government with the Family Court of the Superior Court of the District of Columbia: *Provided*, That the Mayor shall submit a plan to the President and the Congress within 6 months of enactment of that Act, so that social services and other related services to individuals and families serviced by the Family Court of the Superior Court and agencies of the District of Columbia government (including the District of Columbia Public Schools, the District of Columbia Housing Authority, the Child and Family Services Agency, the Office of the Corporation Counsel, the Metropolitan Police Department, the Department of Health, and other offices determined by the Mayor) will be able to access and share information on the individuals and families served by the Family Court: *Provided further*, That \$500,000 of such amount provided to the Mayor shall be for the Child and Family Services Agency to be used for social workers to implement Family Court reform: *Provided further*, That the chief judge of the Superior Court shall submit the transition plan for the Family Court of the Superior Court as required under the District of Columbia Family Court Act of 2001 to the Comptroller General (in addition to any other requirements under such section): *Provided further*, That the Comptroller General shall prepare and submit to the President and Congress an analysis of the contents and effectiveness of the plan, including an analysis of whether the plan contains all of the information required under

Deadline.

Deadline.

such section within 30 calendar days after the submission of the plan by the Superior Court: *Provided further*, That the funds provided under this heading to the Superior Court shall not be made available until the expiration of the 30-day period (excluding Saturdays, Sundays, legal public holidays, and any day on which neither House of Congress is in session because of an adjournment sine die, a recess of more than 3 days, or an adjournment of more than 3 days) which begins on the date the Comptroller General submits such analysis to the President and Congress: *Provided further*, That the Mayor shall prepare and submit to the President, Congress, and the Comptroller General a plan for the use of the funds provided to the Mayor under this heading, consistent with the requirements of the District of Columbia Family Court Act of 2001, including the requirement to integrate the computer systems of the District government with the computer systems of the Superior Court: *Provided further*, That the Comptroller General shall prepare and submit to the President and Congress an analysis of the contents and effectiveness of the plan within 30 calendar days after the submission of the plan by the Mayor: *Provided further*, That the funds provided under this heading to the Mayor shall not be made available until the expiration of the 30-day period (excluding Saturdays, Sundays, legal public holidays, and any day on which neither House of Congress is in session because of an adjournment sine die, a recess of more than 3 days, or an adjournment of more than 3 days) which begins on the date the Comptroller General submits such plan to the President and Congress.

Deadline.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

For payments authorized under section 11-2604 and section 11-2605, D.C. Official Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Division of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Code, and payments for counsel authorized under section 21-2060, D.C. Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), \$34,311,000, to remain available until expended: *Provided*, That the funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the \$6,492,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: *Provided further*, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia shall use funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the \$6,492,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for obligations incurred during any fiscal year: *Provided further*, That of the amounts provided in previous fiscal years for payments described under this heading which remain unobligated as of the date of the enactment of this Act, \$4,685,500 shall be used by the Joint Committee on Judicial Administration for design and construction expenses of the courthouse at 451

\$34,311,000

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

Contracts.
Reports.

Indiana Avenue NW: *Provided further*, That of the remainder of such amounts, such sums as may be necessary shall be applied toward the portion of the amount provided under this heading which is attributable to increases in the maximum amounts which may be paid for representation services in the District of Columbia courts: *Provided further*, That funds provided under this heading shall be administered by the Joint Committee on Judicial Administration in the District of Columbia: *Provided further*, That notwithstanding any other provision of law, this appropriation shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER
SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

(INCLUDING TRANSFER OF FUNDS)

\$147,300,000

For salaries and expenses, including the transfer and hire of motor vehicles, of the Court Services and Offender Supervision Agency for the District of Columbia, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105-33; 111 Stat. 712), \$147,300,000, of which \$13,015,000 shall remain available until expended for construction expenses at new or existing facilities, and of which not to exceed \$2,000 is for official receptions related to offender and defendant support programs; of which \$94,112,000 shall be for necessary expenses of Community Supervision and Sex Offender Registration, to include expenses relating to supervision of adults subject to protection orders or provision of services for or related to such persons; \$20,829,000 shall be transferred to the Public Defender Service; and \$32,359,000 shall be available to the Pretrial Services Agency: *Provided*, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: *Provided further*, That notwithstanding chapter 12 of title 40, United States Code, the Director may acquire by purchase, lease, condemnation, or donation, and renovate as necessary, Building Number 17, 1900 Massachusetts Avenue, Southeast, Washington, District of Columbia, or such other site as the Director of the Court Services and Offender Supervision Agency may determine as appropriate to house or supervise offenders and defendants, with funds made available by this Act: *Provided further*, That the Director is authorized to accept and use gifts in the form of in-kind contributions of space and hospitality to support offender and defendant programs, and equipment and vocational training services to educate and train offenders and defendants: *Provided further*, That the Director shall keep accurate and detailed records of the acceptance and use of any gift or

Records.
Public
information.

donation under the previous proviso, and shall make such records available for audit and public inspection.

FEDERAL PAYMENT TO THE CHILDREN'S NATIONAL MEDICAL CENTER

For a Federal payment to the Children's National Medical Center in the District of Columbia, \$5,500,000, of which \$5,000,000 shall be for capital and equipment improvements, and \$500,000 shall be used for the network of satellite pediatric health clinics for children and families in underserved neighborhoods and communities in the District of Columbia. \$5,500,000

ST. COLETTA OF GREATER WASHINGTON EXPANSION PROJECT

For a Federal contribution to St. Coletta of Greater Washington, Inc., for costs associated with the establishment of a day program and comprehensive case management services for mentally retarded and multiple-handicapped adolescents and adults in the District of Columbia, including property acquisition and construction, \$2,000,000. 2,000,000

FEDERAL PAYMENT TO FAITH AND POLITICS INSTITUTE

For a Federal payment to the Faith and Politics Institute, \$50,000, for grass roots-based racial sensitivity programs in the District of Columbia. 50,000

FEDERAL PAYMENT TO THE THURGOOD MARSHALL ACADEMY
CHARTER SCHOOL

For a Federal payment to the Thurgood Marshall Academy Charter School, \$1,000,000 to be used to acquire and renovate an educational facility in Anacostia. 1,000,000

FEDERAL PAYMENT TO THE GEORGE WASHINGTON UNIVERSITY
CENTER FOR EXCELLENCE IN MUNICIPAL MANAGEMENT

For a Federal payment to the George Washington University Center for Excellence in Municipal Management, \$250,000 to increase the enrollment of managers from the District of Columbia government. 250,000

COURT APPOINTED SPECIAL ADVOCATES

For a Federal payment to the District of Columbia Court Appointed Special Advocates Unit, \$250,000 to be used to expand its work in the Family Court of the District of Columbia Superior Court. 250,000

ADMINISTRATIVE PROVISION

Of the Federal funds made available in the District of Columbia Appropriations Act, 2001, Public Law 106-522 for the Metropolitan Police Department (114 Stat. 2441), \$100,000 for the police mini-station shall remain available for the purposes intended until September 30, 2002: *Provided*, That the \$1,000,000 made available in such Act for the Washington Interfaith Network (114 Stat. 2444) shall remain available for the purposes intended until December 31, 2002: *Provided further*, That \$3,450,000 made available in such 1 100,000

¹ Provided in General Provisions sec. 130.

Act for Brownfield Remediation (114 Stat. 2445), shall remain available until expended.

[Total, Federal funds to the District of Columbia, \$408,000,000.]

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided: *Provided*, That notwithstanding any other provision of law, except as provided in section 450A of the District of Columbia Home Rule Act and section 119 of this Act (Public Law 93-198; D.C. Official Code, sec. 1-204.50a), the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 2002 under this heading shall not exceed the lesser of the sum of the total revenues of the District of Columbia for such fiscal year or \$6,048,160,000 (of which \$124,163,000 shall be from intra-District funds and \$3,574,493,000 shall be from local funds): *Provided further*, That this amount may be increased by proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs: *Provided further*, That such increases shall be approved by enactment of local District law and shall comply with all reserve requirements contained in the District of Columbia Home Rule Act as amended by this Act: *Provided further*, That the Chief Financial Officer of the District of Columbia shall take such steps as are necessary to assure that the District of Columbia meets these requirements, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 2002, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

GOVERNMENTAL DIRECTION AND SUPPORT

\$286,138,000

Governmental direction and support, \$286,138,000 (including \$229,421,000 from local funds, \$38,809,000 from Federal funds, and \$17,908,000 from other funds): *Provided*, That not to exceed \$2,500 for the Mayor, \$2,500 for the Chairman of the Council of the District of Columbia, and \$2,500 for the City Administrator shall be available from this appropriation for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further*, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further*, That notwithstanding any other provision of law, or Mayor's Order 86-45, issued March 18, 1986, the Office of the Chief Technology Officer's delegated small purchase authority shall be \$500,000: *Provided further*, That the District of Columbia government may not require the Office of the Chief Technology Officer to submit to any other procurement review process, or to obtain the approval

of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed \$500,000: *Provided further*, That not less than \$353,000 shall be available to the Office of the Corporation Counsel to support increases in the Attorney Retention Allowance: *Provided further*, That not less than \$50,000 shall be available to support a mediation services program within the Office of the Corporation Counsel: *Provided further*, That not less than \$50,000 shall be available to support a TANF Unit within the Child Support Enforcement Division of the Office of the Corporation Counsel: *Provided further*, That of all funds in the District of Columbia Antitrust Fund established pursuant to section 2 of the District of Columbia Antitrust Act of 1980 (D.C. Law 3-169; D.C. Official Code, sec. 28-4516) an amount not to exceed \$386,000, of all funds in the Antifraud Fund established pursuant to section 820 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code, sec. 2-308.20) an amount not to exceed \$10,000, and of all funds in the District of Columbia Consumer Protection Fund established pursuant to section 1402 of the District of Columbia Budget Support Act for fiscal year 2001 (D.C. Law 13-172; D.C. Official Code, sec. 28-3911) an amount not to exceed \$233,000, are hereby made available for the use of the Office of the Corporation Counsel of the District of Columbia until September 30, 2003, in accordance with the statutes that established these funds.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, \$230,878,000 (including \$60,786,000 from local funds, \$96,199,000 from Federal funds, and \$73,893,000 from other funds), of which \$15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11-134; D.C. Official Code, sec. 2-1215.01 et seq.), and the Business Improvement Districts Amendment Act of 1997 (D.C. Law 12-26; D.C. Official Code, sec. 2-1215.15 et seq.): *Provided*, That such funds are available for acquiring services provided by the General Services Administration: *Provided further*, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia: *Provided further*, That the Department of Consumer and Regulatory Affairs shall use \$50,000 of the receipts from the net proceeds from the contractor that handles the District's occupational and professional licensing to fund additional staff and equipment for the Rental Housing Administration: *Provided further*, That the Department of Consumer and Regulatory Affairs shall transfer up to \$293,000 from other funds resulting from the lapse of personnel vacancies, caused by transferring DCRA employees into NSO positions without filling the resultant vacancies, into the revolving 5-513 fund to be used to implement the provisions in D.C. Law 13-281, the Abatement and Condemnation of Nuisance Properties Omnibus Amendment Act of 2000, pertaining to the prevention of the demolition by neglect of historic properties: *Provided further*, That the fees established and collected pursuant to Law 13-281 shall be identified, and an accounting provided, to the District of Columbia Council's Committee on Consumer and Regulatory Affairs: *Provided further*, That 18 percent of the annual total amount in the 5-

\$230,878,000

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

513 fund, up to \$500,000, deposited into the 5-513 fund on an annual basis, be used to implement section 102 and other related sections of D.C. Law 13-281.

PUBLIC SAFETY AND JUSTICE

\$633,853,000

Public safety and justice, \$633,853,000 (including \$594,803,000 from local funds, \$8,298,000 from Federal funds, and \$30,752,000 from other funds): *Provided*, That not to exceed \$500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That notwithstanding any other law, section 3703 of title XXXVII of the Fiscal Year 2002 Budget Support Act of 2001 (D.C. Bill 14-144), adopted by the Council of the District of Columbia, is enacted into law: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved: *Provided further*, That no less than \$173,000,000 shall be available to the Metropolitan Police Department for salary in support of 3,800 sworn officers: *Provided further*, That no less than \$100,000 shall be available in the Department of Corrections budget to support the Corrections Information Council: *Provided further*, That not less than \$296,000 shall be available to support the Child Fatality Review Committee.

PUBLIC EDUCATION SYSTEM

1,108,665,000

Public education system, including the development of national defense education programs, \$1,108,665,000 (including \$896,994,000 from local funds, \$185,044,000 from Federal funds, and \$26,627,000 from other funds), to be allocated as follows: \$813,042,000 (including \$661,124,000 from local funds, \$144,630,000 from Federal funds, and \$7,288,000 from other funds), for the public schools of the District of Columbia; \$47,370,000 (including \$19,911,000 from local funds, \$26,917,000 from Federal funds, \$542,000 from other funds), for the State Education Office, \$17,000,000 from local funds, previously appropriated in this Act as a Federal payment, and such sums as may be derived from interest earned on funds contained in the dedicated account established by the Chief Financial Officer of the District of Columbia, for resident tuition support at public and private institutions of higher learning for eligible District of Columbia residents; and \$142,257,000 from local funds for public charter schools: *Provided*, That there shall be quarterly disbursement of funds to the District of Columbia public charter schools, with the first payment to occur within 15 days of the beginning of each fiscal year: *Provided further*, That if the entirety of this allocation has not been provided as payments to any public charter school currently in operation through the per pupil funding formula, the funds shall be available for public education in accordance with the School Reform Act of 1995 (Public Law 104-134; D.C.

Charter schools.
Deadline.

Official Code, sec. 38-1804.03(b)(e)(A): *Provided further*, That \$480,000 of this amount shall be available to the District of Columbia Public Charter School Board for administrative costs: *Provided further*, That section 161 of the District of Columbia Appropriations Act, 2001 (Public Law 106-522; 114 Stat. 2483, 2484), is amended, as if included in the Act—

20 USC 1155.

(1) by striking “not later than 1 year after the date of the enactment of the District of Columbia Appropriations Act, 2001,”;

(2) by inserting “revolving” after “enhancement” in the second sentence of paragraph (2)(B), in the heading of paragraph (3), and in paragraph (3)(A); and

(3) by striking “10 percent” and inserting “5 percent”:

Provided further, That the cap on administrative costs as amended by section 161 of the District of Columbia Appropriations Act, 2001 (Public Law 106-522; 114 Stat. 2484), is amended by striking “10 percent” and inserting “5 percent”: *Provided further*, That \$76,542,000 (including \$45,912,000 from local funds, \$12,539,000 from Federal funds, and \$18,091,000 from other funds) shall be available for the University of the District of Columbia: *Provided further*, That \$400,000 shall be available for Enhancing and Actualizing Internationalism and Multiculturalism in the Academic Programs of the University of the District of Columbia: *Provided further*, That \$1,277,500 shall be paid by the Chief Financial Officer to the Excel Institute for operations as follows: \$277,500 to cover debt owed by the University of the District of Columbia for services rendered shall be paid to the Excel Institute within 15 days of enactment of this Act; and \$1,000,000 for fiscal year 2002 shall be paid to the Excel Institute in equal quarterly installments within 15 days of the beginning of each quarter: *Provided further*, That not less than \$200,000 for Adult Education: *Provided further*, That \$27,256,000 (including \$26,030,000 from local funds, \$560,000 from Federal funds and \$666,000 other funds) for the Public Library: *Provided further*, That the \$1,007,000 enhancement shall be allocated such that \$500,000 is used for facilities improvements for 8 of the 26 library branches, \$235,000 for 13 FTEs for the continuation of the Homework Helpers Program, \$143,000 for 2 FTEs in the expansion of the Reach Out And Read (ROAR) service to licensed day care homes, and \$129,000 for 3 FTEs to expand literacy support into branch libraries: *Provided further*, That \$2,198,000 (including \$1,760,000 from local funds, \$398,000 from Federal funds and \$40,000 from other funds) shall be available for the Commission on the Arts and Humanities: *Provided further*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed \$2,500 for the Superintendent of Schools, \$2,500 for the President of the University of the District of Columbia, and \$2,000 for the Public Librarian shall be available from this appropriation for official purposes: *Provided further*, That none of the funds contained in this Act may be made available to pay the salaries of any District of Columbia Public School teacher, principal, administrator, official, or employee who knowingly provides false enrollment or attendance information under article II, section 5 of the Act entitled “An Act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes”, approved February 4, 1925 (D.C. Official Code, sec. 38-

Deadline.

201 et seq.): *Provided further*, That this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary and secondary school during fiscal year 2002 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 percent of the costs incurred by the District of Columbia which are attributable to the education of the nonresident (as established by the Superintendent of the District of Columbia Public Schools): *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 2002, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: *Provided further*, That notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public School employees shall be a non-negotiable item for collective bargaining purposes: *Provided further*, That the District of Columbia Public Schools shall spend \$1,200,000 to implement D.C. Teaching Fellows Program in the District's public schools: *Provided further*, That notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia public charter schools on July 1, 2002, an amount equal to 25 percent of the total amount provided for payments to public charter schools in the proposed budget of the District of Columbia for fiscal year 2003 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for such payments under the District of Columbia Appropriations Act, 2003: *Provided further*, That notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia Public Schools on July 1, 2002, an amount equal to 10 percent of the total amount provided for the District of Columbia Public Schools in the proposed budget of the District of Columbia for fiscal year 2003 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the District of Columbia Public Schools under the District of Columbia Appropriations Act, 2003: *Provided further*, That the first paragraph under the heading "Public Education System" in Public Law 107-20, approved July 24, 2001, is amended to read as follows: "For an additional amount for 'Public Education System', \$1,000,000 from local funds to remain available until September 30, 2002, for the State Education Office for a census-type audit of the student enrollment of each District of Columbia Public School and of each public charter school and \$12,000,000 from local funds for the District of Columbia Public Schools to conduct the 2001 summer school session."

Ante, p. 172.

HUMAN SUPPORT SERVICES

(INCLUDING TRANSFER OF FUNDS)

\$1,803,923,000 Human support services, \$1,803,923,000 (including \$711,072,000 from local funds, \$1,075,960,000 from Federal funds, and \$16,891,000 from other funds): *Provided*, That \$27,986,000

of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further*, That \$90,000,000 transferred pursuant to the District of Columbia Appropriations Act, 2001 (Public Law 106-522) to the Public Benefit Corporation for restructuring shall be made available to the Department of Health's Health Care Safety Net Administration for the purpose of restructuring the delivery of health services in the District of Columbia and shall remain available until expended for obligation during fiscal year 2002: *Provided further*, That no less than \$7,500,000 of this appropriation, to remain available until expended, shall be deposited in the Addiction Recovery Fund established pursuant to section 5 of the Choice in Drug Treatment Act of 2000, effective July 8, 2000 (D.C. Law 13-146; D.C. Official Code, sec. 7-3004), and used solely for the purpose of the Drug Treatment Choice Program established pursuant to section 4 of the Choice in Drug Treatment Act of 2000 (D.C. Official Code, sec. 7-3003): *Provided further*, That no less than \$500,000 of the \$7,500,000 appropriated for the Addiction Recovery Fund shall be used solely to pay treatment providers who provide substance abuse treatment to TANF recipients under the Drug Treatment Choice Program: *Provided further*, That no less than \$2,000,000 of this appropriation shall be used solely to establish, by contract, a 2-year pilot substance abuse program for youth ages 16 through 21 years of age: *Provided further*, That no less than \$60,000 be available for a D.C. Energy Office Matching Grant: *Provided further*, That no less than \$2,150,000 be available for a pilot Interim Disability Assistance program pursuant to title L of the Fiscal Year 2002 Budget Support Act (D.C. Bill 14-144).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles, \$300,151,000,000 (including \$286,334,000 from local funds, \$4,392,000 from Federal funds, and \$9,425,000 from other funds): *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business: *Provided further*, That no less than \$650,000 be available for a mechanical alley sweeping program: *Provided further*, That no less than \$6,400,000 be available for residential parking enforcement: *Provided further*, That no less than \$100,000 be available for a General Counsel to the Department of Public Works: *Provided further*, That no less than \$3,600,000 be available for ticket processing: *Provided further*, That no less than 14 residential parking control aides or 10 percent of the residential parking control force be available for night time enforcement of out-of-state tags: *Provided further*, That of the total of 3,000 additional parking meters being installed in commercial districts and in commercial loading zones none be installed at loading zones, or entrances at apartment buildings and none be installed in residential neighborhoods: *Provided further*, That no less than \$262,000 be available for taxicab enforcement activities: *Provided further*, That no less than \$241,000 be available for a taxicab driver security revolving fund: *Provided further*, That no less than \$30,084,000

\$300,151,000

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

in local appropriations be available to the Division of Transportation, within the Department of Public Works: *Provided further*, That no less than \$12,000,000 in rights-of-way fees shall be available for the Local Roads, Construction and Maintenance Fund: *Provided further*, That funding for a proposed separate Department of Transportation is contingent upon Council approval of a reorganization plan: *Provided further*, That no less than \$313,000 be available for handicapped parking enforcement: *Provided further*, That no less than \$190,000 be available for the Ignition Interlock Device Program: *Provided further*, That no less than \$473,000 be available for the Motor Vehicle Insurance Enforcement Program: *Provided further*, That \$11,000,000 of this appropriation shall be available for transfer to the Highway Trust Fund's Local Roads, Construction and Maintenance Fund, upon certification by the Chief Financial Officer that funds are available from the 2001 budgeted reserve or where the Chief Financial Officer certifies that additional local revenues are available: *Provided further*, That \$1,550,000 made available under the District of Columbia Appropriations Act, 2001 (Public Law 106-522) for taxicab driver security enhancements in the District of Columbia shall remain available until September 30, 2002.

RECEIVERSHIP PROGRAMS

\$403,868,000 For all agencies of the District of Columbia government under court ordered receivership, \$403,868,000 (including \$250,515,000 from local funds, \$134,339,000 from Federal funds, and \$19,014,000 from other funds).

WORKFORCE INVESTMENTS

42,868,000 For workforce investments, \$42,896,000 from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable.

RESERVE

120,000,000 For replacement of funds expended, if any, during fiscal year 2001 from the Reserve established by section 202(j) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, Public Law 104-8, \$120,000,000 from local funds.

RESERVE RELIEF

30,000,000 For reserve relief, \$30,000,000, for the purpose of spending funds made available through the reduction from \$150,000,000 to \$120,000,000 in the amount required for the budget reserve established by section 202(j)(1) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, Public Law 104-8: *Provided*, That \$12,000,000 shall be available to the District of Columbia Public Schools and District of Columbia Public Charter Schools for educational enhancements: *Provided further*, That \$18,000,000 shall be available pursuant to a local District law: *Provided further*, That of the \$30,000,000, funds shall only be expended upon: (i) certification by the Chief Financial Officer of the District of Columbia that the funds are available and not required to address potential deficits; (ii) enactment of local District

law detailing the purpose for the expenditure; and (iii) prior notification by the Mayor to the Committees on Appropriations of both the Senate and House of Representatives in writing 30 days in advance of any such expenditure: *Provided further*, That the \$18,000,000 provided pursuant to local law shall be expended only when the Emergency Reserve established pursuant to section 450A(a) of the District of Columbia Home Rule Act (Public Law 93-198; D.C. Official Code, sec. 1-204.50a(a)), has a minimum balance in the amount of \$150,000,000.

EMERGENCY AND CONTINGENCY RESERVE FUNDS

For the Emergency and Contingency Reserve Funds established under section 450A of the District of Columbia Home Rule Act (Public Law 93-198; D.C. Official Code, sec. 1-204.50a(b)), the Mayor may deposit the proceeds required pursuant to section 159(a) of Public Law 106-522 and section 404(c) of Public Law 106-554 in the Contingency Reserve Fund beginning in fiscal year 2002 if the minimum emergency reserve balance requirement established in section 450A(c) has been met.

REPAYMENT OF LOANS AND INTEREST

For payment of principal, interest, and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act (Public Law 93-198; D.C. Official Code, secs. 1-204.62, 1-204.75, 1-204.90), \$247,902,000 from local funds: *Provided*, That any funds set aside pursuant to section 148 of the District of Columbia Appropriations Act, 2000 (Public Law 106-113; 113 Stat. 1523) that are not used in the reserve funds established herein shall be used for Pay-As-You-Go Capital Funds: *Provided further*, That for equipment leases, the Mayor may finance \$14,300,000 of equipment cost, plus cost of issuance not to exceed 2 percent of the par amount being financed on a lease purchase basis with a maturity not to exceed 5 years: *Provided further*, That \$4,440,000 shall be for the Fire and Emergency Medical Services Department, \$2,010,000 shall be for the Department of Parks and Recreation, and \$7,850,000 shall be for the Department of Public Works: *Provided further*, That no less than \$533,000 be available for trash transfer capital debt service.

\$247,902,000

EMERGENCY ASSISTANCE LOAN GUARANTEES

Notwithstanding any other provision of law, the District of Columbia is hereby authorized to make any necessary payments related to the "District of Columbia Emergency Assistance Act of 2001": *Provided*, That the District of Columbia shall use local funds for any payments under this heading: *Provided further*, That the Chief Financial Officer shall certify the availability of such funds, and shall certify that such funds are not required to address budget shortfalls in the District of Columbia: *Provided further*, That the Director the Office of Management and Budget shall develop with the Chief Financial Officer of the District of Columbia an estimate of the liability incurred by the District of Columbia in implementing such Act: *Provided further*, That the District of

Certification.

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

Columbia shall implement such Act consistent with the recommendations made by the Office of Management and Budget and the Federal Credit Reform Act: *Provided further*, That the District of Columbia budget for fiscal year 2003 and future years shall include an amount for potential loan repayment consistent with the liability requirements recommended by the Office of Management and Budget.

REPAYMENT OF GENERAL FUND RECOVERY DEBT

\$39,300,000 For the purpose of eliminating the \$331,589,000 general fund accumulated deficit as of September 30, 1990, \$39,300,000 from local funds, as authorized by section 461(a) of the District of Columbia Home Rule Act, (105 Stat. 540; D.C. Official Code, sec. 1-204.61(a)).

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

500,000 For payment of interest on short-term borrowing, \$500,000 from local funds.

EMERGENCY PLANNING AND SECURITY COSTS

16,058,000 For an emergency operations plan, implementation of the emergency operations plan, and reimbursement of fiscal year 2001 expenses incurred by the District of Columbia for equipment purchased for providing security for the planned World Bank and International Monetary Fund September 2001 meetings, \$16,058,000, from funds previously appropriated in this Act as a Federal payment, of which \$12,652,000 shall be made available immediately to the District of Columbia Emergency Management Agency for planning, training and personnel costs required for development and implementation of the emergency operations plan for the District of Columbia.

WILSON BUILDING

8,859,000 For expenses associated with the John A. Wilson Building, \$8,859,000 from local funds.

EMERGENCY RESERVE FUND TRANSFER

33,254,000 Subject to the issuance of bonds to pay the purchase price of the District of Columbia's right, title, and interest in and to the Master Settlement Agreement, and consistent with the Tobacco Settlement Trust Fund Establishment Act of 1999 (D.C. Official Code, sec. 7-1811.01(a)(2) et seq.) and the Tobacco Settlement Financing Act of 2000 (D.C. Official Code, sec. 7-1831.03 et seq.), there is transferred the amount available pursuant thereto and section 404(c) of Public Law 106-554, not less than \$33,254,000, to the Emergency and Contingency Reserve Funds established pursuant to section 450A of the District of Columbia Home Rule Act (Public Law 93-198; D.C. Official Code, sec. 1-204.50a(a)).

NON-DEPARTMENTAL AGENCY

To account for anticipated costs that cannot be allocated to specific agencies during the development of the proposed budget

PUBLIC LAW 107-96—DEC. 21, 2001

115 STAT.

including anticipated employee health insurance cost increases and contract security costs, \$5,799,000 from local funds.

\$5,799,000

[Total, operating expenses, general fund, \$5,312,044,000.]

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY

For operation of the Water and Sewer Authority, \$244,978,000 from other funds of which \$44,244,000 shall be apportioned for repayment of loans and interest incurred for capital improvement projects (\$17,953,000 payable to the District's debt service fund and \$26,291,000 payable for other debt service).

244,978,000

For construction projects, \$152,114,000, in the following capital programs: \$52,600,000 for the Blue Plains Wastewater Treatment Plant, \$11,148,000 for the sewer program, \$109,000 for the combined sewer program, \$118,000 for the stormwater program, \$77,957,000 for the water program, \$10,182,000 for the capital equipment program: *Provided*, That the requirements and restrictions that are applicable to general fund capital improvements projects and set forth in this Act under the Capital Outlay appropriation account shall apply to projects approved under this appropriation account.

¹152,114,000

ADMINISTRATIVE PROVISION

BILLINGS FOR WATER AND SEWER AUTHORITY SERVICES PROVIDED TO THE FEDERAL GOVERNMENT

(a) PROVIDING ESTIMATES TO SECRETARY OF THE TREASURY AND DEPARTMENT HEADS.—

(1) SANITARY SEWER SERVICES.—Section 212(b)(2) of the District of Columbia Public Works Act of 1954 (sec. 34-2112(b)(2), D.C. Official Code) is amended by inserting after “the Office of Management and Budget,” the following: “the Secretary of the Treasury, and the head of each of the respective Federal departments, independent establishments, and agencies,”.

(2) WATER SERVICES.—Section 106(b)(2) of such Act (sec. 34-2401.25(b)(2), D.C. Official Code) is amended by inserting after “the Office of Management and Budget,” the following: “the Secretary of the Treasury, and the head of each of the respective Federal departments, independent establishments, and agencies,”.

(3) CLARIFICATION OF TREATMENT OF ARLINGTON NATIONAL CEMETERY.—Chapter 11 of title II of the Supplemental Appropriations Act, 2001 (Public Law 107-20; 115 Stat. 188) is amended in the item relating to “INDEPENDENT AGENCIES—DEPARTMENT OF DEFENSE—CIVIL—CEMETERIAL EXPENSES, ARMY—SALARIES AND EXPENSES” by striking the colon at the end of the second proviso and inserting the following: “, except that nothing in this proviso may be construed to affect the determination of the amounts required to be paid for such services under sections 212(b) and 106(b) of the District of Columbia Public Works Act of 1954 (sec. 34-2401.25(b) and sec. 34-2112(b), D.C. Official Code) or to waive the requirement under such sections for the Secretary of Defense to pay such amounts to the District of Columbia.”.

Ante, p. 191.

¹Included in total for Capital Outlay.

(b) REQUIRING FEDERAL DEPARTMENTS TO GRANT ACCESS TO AUTHORITY FOR READING AND TESTING WATER METERS.—

(1) IN GENERAL.—Section 106(a) of the District of Columbia Public Works Act of 1954 (sec. 34-2401.25(a), D.C. Official Code) is amended by inserting before the last sentence the following: “As an additional condition of service, the department, agency, or establishment which is responsible for the maintenance of any such meter shall provide the Mayor (acting through the District of Columbia Water and Sewer Authority) with such access to the meter as the Mayor may require to measure the actual usage of the department, agency, or establishment (including any entity under the jurisdiction of the department, agency, or establishment) for purposes of making the adjustments to annual estimates required under subsection (b)(2)(A).”

(2) PERMITTING AUTHORITY TO INSTALL METERS.—If a department, independent establishment, or agency of the United States which uses water and water services from the District of Columbia water supply system has not installed a suitable meter at each point of Federal connection to the system to control and record the use of water through each such connection (as required under section 106(a) of the District of Columbia Public Works Act of 1954) as of the expiration of the 60-day period which begins on the date of the enactment of this Act—

(A) the District of Columbia Water and Sewer Authority shall install such a meter or meters (and incidental vaults, valves, piping and recording devices, and such other equipment as the Authority deems necessary) not later than 60 days after the expiration of such period; and

(B) the department, independent establishment, or agency shall pay the Authority promptly (but in no case later than 30 days after the Authority submits a bill) for the costs incurred in installing the meter and equipment.

(c) CLARIFICATION OF RESPONSIBILITY OF FEDERAL DEPARTMENTS TO ALLOCATE BILLINGS AND COLLECT AMOUNTS FROM INDIVIDUAL OFFICES.—

(1) SANITARY SEWER SERVICES.—Section 212 of the District of Columbia Public Works Act of 1954 (sec. 34-2112, D.C. Official Code) is amended by adding at the end the following new subsection:

“(c) Nothing in this section may be construed to require the District of Columbia to seek payment for sanitary sewer services directly from any Federal entity which is under the jurisdiction of a department, independent establishment, or agency which is required to make a payment for such services under this section, or to allocate any amounts charged for such services among the entities which are under the jurisdiction of any such department, independent establishment, or agency. Each Federal department, independent establishment, and agency receiving sanitary sewer services from the District of Columbia shall be responsible for allocating billings for such services among entities under the jurisdiction of the department, establishment, or agency, and shall be responsible for collecting amounts from such entities for any payments made to the District of Columbia under this section.”

(2) WATER SERVICES.—Section 106 of the District of Columbia Public Works Act of 1954 (sec. 34-2401.25, D.C. Official Code) is amended by adding at the end the following new subsections:

“(c) Nothing in this section may be construed to require the District of Columbia to seek payment for water services directly from any Federal entity which is under the jurisdiction of a department, independent establishment, or agency which is required to make a payment for such services under this section, or to allocate any amounts charged for such services among the entities which are under the jurisdiction of any such department, independent establishment, or agency. Each Federal department, independent establishment, and agency receiving water from the District of Columbia shall be responsible for allocating billings for such services among entities under the jurisdiction of the department, establishment, or agency, and shall be responsible for collecting amounts from such entities for any payments made to the District of Columbia under this section.

“(d) In the case of water services provided to a department, independent establishment, or agency in Virginia through the Federally owned water main system, if the total of the metered amounts billed for all individual users of the system (as measured by the meters for each individual user) is less than the total amount as measured by the meters at the delivery points into the system at the Francis Scott Key Bridge, the District government shall collect, and the Secretary of Defense shall pay, the difference to the District government in accordance with the requirements for collecting and making payments under this section.”

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

WASHINGTON AQUEDUCT

For operation of the Washington Aqueduct, \$46,510,000 from other funds. \$46,510,000

STORMWATER PERMIT COMPLIANCE ENTERPRISE FUND

For operation of the Stormwater Permit Compliance Enterprise Fund, \$3,100,000 from other funds. 3,100,000

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act, 1982 (95 Stat. 1174, 1175; Public Law 97-91), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia (D.C. Law 3-172; D.C. Official Code, sec. 3-1301 et seq. and sec. 22-1716 et seq.), \$229,688,000: *Provided*, That the District of Columbia shall identify the source of funding for this appropriation title from the District’s own locally generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board. 229,688,000

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

SPORTS AND ENTERTAINMENT COMMISSION

\$9,627,000 For the Sports and Entertainment Commission, \$9,627,000 (including \$2,177,000 to be derived by transfer from the general fund of the District of Columbia and \$7,450,000 from other funds): *Provided*, That the transfer of \$2,177,000 from the general fund shall not be made unless the District of Columbia general fund has received \$2,177,000 from the D.C. Sports and Entertainment Commission prior to September 30, 2001: *Provided further*, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Home Rule Act (87 Stat. 824; Public Law 93-198; D.C. Official Code, sec. 1-204.42(b)).

DISTRICT OF COLUMBIA RETIREMENT BOARD

13,388,000 For the District of Columbia Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979 (93 Stat. 866; D.C. Official Code, sec. 1-711), \$13,388,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

57,278,000 For the Washington Convention Center Enterprise Fund, \$57,278,000 from other funds.

HOUSING FINANCE AGENCY

4,711,000 For the Housing Finance Agency, \$4,711,000 from other funds.

NATIONAL CAPITAL REVITALIZATION CORPORATION

2,673,000 For the National Capital Revitalization Corporation, \$2,673,000 from other funds.

[*Total, Enterprise Funds, \$611,953,000.*]

[*Total, operating expenses, \$5,923,997,000.*]

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

1,074,605,000 For construction projects, an increase of \$1,550,787,000 of which \$1,348,783,000 shall be from local funds, \$44,431,000 from Highway Trust funds, and \$157,573,000 from Federal funds, and a rescission of \$476,182,000 from local funds appropriated under this heading in prior fiscal years, for a net amount of \$1,074,605,000 to remain available until expended: *Provided*, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That

¹(152,114,000)

¹ Provided for in Water and Sewer Authority.

all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further*, That the capital budget for the Department of Health shall not be available until the District of Columbia Council's Committee on Human Services receives a report on the use of any capital funds for projects on the grounds of D.C. General Hospital: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal Aid Highway Act of 1968 (82 Stat. 827; Public Law 90-495), for which funds are provided by this appropriation title, shall expire on September 30, 2003, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 2003: *Provided further*, That upon expiration of any such project authorization, the funds provided herein for the project shall lapse: *Provided further*, That except for funds approved in the budgets prior to the fiscal year 2002 budget and FL-MA2 in the fiscal year 2002 Budget Request, no funds may be expended to renovate, rehabilitate or construct any facility within the boundaries of census tract 68.04 for any purpose associated with the D.C. Department of Corrections, the CSOSA, or the federal Bureau of Prisons unit until March 31, 2002 or until such time as the Mayor shall present to the Council for its approval, a plan for the development of census tract 68.04 south of East Capitol Street, S.E., and the housing of any misdemeanants, felons, ex-offenders, or persons awaiting trial within the District of Columbia, whichever occurs earlier: *Provided further*, That none of the conditions set forth in this paragraph shall interfere with the current operations of any Federal agency: *Provided further*, That none of the conditions set forth shall restrict the ongoing operations of the Department of Corrections.

Expiration date.

[*Total, Capital Outlay, \$1,226,719,000.*]

[*Total, District of Columbia funds, \$7,150,716,000.*]

GENERAL PROVISIONS

SEC. 101. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 102. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That in the case of the Council of the District of Columbia, funds may be expended with the authorization of the chair of the Council.

SEC. 103. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of legal settlements or judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 104. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 105. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 106. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, and salary are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on Government Reform, the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 107. (a) Except as provided in subsection (b), no part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

(b) The District of Columbia may use local funds provided in this Act to carry out lobbying activities on any matter other than—

(1) the promotion or support of any boycott; or

(2) statehood for the District of Columbia or voting representation in Congress for the District of Columbia.

(c) Nothing in this section may be construed to prohibit any elected official from advocating with respect to any of the issues referred to in subsection (b).

Reports.

SEC. 108. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

Notification.

SEC. 109. (a) None of the funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2002, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for an agency through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased by Congress in this Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) reestablishes through reprogramming any program or project previously deferred through reprogramming; (6) augments existing programs, projects, or responsibility centers through a reprogramming of funds in excess of \$1,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific program, project or responsibility center; unless the Committees on Appropriations of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section.

Notification.

(b) None of the local funds contained in this Act may be available for obligation or expenditure for an agency through a transfer

of any local funds from one appropriation heading to another unless the Committees on Appropriations of the Senate and House of Representatives are notified in writing 30 days in advance of the transfer, except that in no event may the amount of any funds transferred exceed four percent of the local funds in the appropriation.

SEC. 110. Consistent with the provisions of 31 U.S.C. 1301(a), appropriations under this Act shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.

SEC. 111. (a) Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2-139; D.C. Official Code, sec. 1-601.01 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act (87 Stat. 790; Public Law 93-198; D.C. Official Code, sec. 1-204.22(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

(b)(1) CERTIFICATION OF NEED BY CHIEF TECHNOLOGY OFFICER.—Section 2706(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, as added by section 2 of the District Government Personnel Exchange Agreement Amendment Act of 2000 (D.C. Law 13-296), is amended by inserting after “Director of Personnel” each place it appears the following: “(or the Chief Technology Officer, in the case of the Office of the Chief Technology Officer)”.

(2) INCLUSION OF OVERHEAD COSTS IN AGREEMENTS.—Section 2706(c)(3) of such Act is amended by striking the period at the end and inserting the following: “, except that in the case of the Office of the Chief Technology Officer, general and administrative costs shall include reasonable overhead costs and shall be calculated by the Chief Technology Officer (as determined under such criteria as the Chief Technology Officer independently deems appropriate subject to the review of the City Administrator, including a consideration of standards used to calculate general, administrative, and overhead costs for off-site employees found in Federal law and regulation and in general private industry practice).”.

(3) REPORTING REQUIREMENT.—Section 2706 of such Act is amended—

(A) by redesignating subsection (f) as subsection (g); and

(B) by inserting after subsection (e) the following new subsection:

“(f) Not later than 45 days after the end of each fiscal year (beginning with fiscal year 2002), the Chief Technology Officer shall prepare and submit to the Council and to the Committees on Appropriations of the House of Representatives and Senate a report describing all agreements entered into by the Chief Technology Officer under this section which are in effect during the fiscal year.”.

Deadline.

(c) The authority which the Chief Financial Officer of the District of Columbia exercised with respect to personnel, procurement, and the preparation of fiscal impact statements during a control period (as defined in Public Law 104-8) shall remain in effect through July 1, 2002.

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

(d) Section 424(b)(3) of the District of Columbia Home Rule Act (sec. 1-204.24b(c), D.C. Official Code) is amended—

(1) by striking “determined” and all that follows through “exceed” and inserting “equal to”; and

(2) by striking “IV” and inserting “I”.

Effective date.

(e) EFFECTIVE DATE.—The amendment made by subsection (d) shall apply with respect to pay periods in fiscal year 2002 and each succeeding fiscal year.

Deadline.

SEC. 112. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 2002, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 2002 revenue estimates as of the end of the first quarter of fiscal year 2002. These estimates shall be used in the budget request for the fiscal year ending September 30, 2003. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 113. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6-85; D.C. Code, sec. 2-303.03), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical: *Provided*, That the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and said determination has been reviewed and certified by the Chief Financial Officer of the District of Columbia.

Deadline.

SEC. 114. (a) In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided*, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by such Act.

(b) For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), the term “program, project, and activity” shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided*, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 115. ACCEPTANCE AND USE OF GIFTS. (a) APPROVAL BY MAYOR.—

(1) IN GENERAL.—An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 2002 if—

(A) the Mayor approves the acceptance and use of the gift or donation (except as provided in paragraph (2)); and

(B) the entity uses the gift or donation to carry out its authorized functions or duties.

(2) EXCEPTION FOR COUNCIL AND COURTS.—The Council of the District of Columbia and the District of Columbia courts may accept and use gifts without prior approval by the Mayor.

(b) RECORDS AND PUBLIC INSPECTION.—Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a), and shall make such records available for audit and public inspection.

(c) INDEPENDENT AGENCIES INCLUDED.—For the purposes of this section, the term “entity of the District of Columbia government” includes an independent agency of the District of Columbia.

(d) EXCEPTION FOR BOARD OF EDUCATION.—This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 116. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3-171; D.C. Official Code, sec. 1-123).

SEC. 117. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 118. None of the Federal funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9-114; D.C. Official Code, sec. 32-701 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.

SEC. 119. ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING. (a) IN GENERAL.—Notwithstanding any other provision of this Act, the Mayor, in consultation with the Chief Financial Officer may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(b) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND COUNCIL APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to subsection (a) until—

(1) the Chief Financial Officer of the District of Columbia submits to the Council a report setting forth detailed information regarding such grant; and

(2) the Council within 15 calendar days after receipt of the report submitted under paragraph (1) has reviewed and approved the acceptance, obligation, and expenditure of such grant.

(c) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under subsection (b)(2)

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

of this section or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

Deadline.

(d) QUARTERLY REPORTS.—The Chief Financial Officer of the District of Columbia shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this section. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the quarter covered by the report.

SEC. 120. (a) RESTRICTIONS ON USE OF OFFICIAL VEHICLES.—Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term "official duties" does not include travel between the officer's or employee's residence and workplace (except: (1) in the case of an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department; (2) at the discretion of the Fire Chief, an officer or employee of the District of Columbia Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day; (3) the Mayor of the District of Columbia; and (4) the Chairman of the Council of the District of Columbia).

Deadline.

(b) INVENTORY OF VEHICLES.—The Chief Financial Officer of the District of Columbia shall submit, by November 15, 2001, an inventory, as of September 30, 2001, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a District officer or employee and if so, the officer or employee's title and resident location.

(c) No officer or employee of the District of Columbia government (including any independent agency of the District but excluding the Office of the Chief Technology Officer, the Chief Financial Officer of the District of Columbia, and the Metropolitan Police Department) may enter into an agreement in excess of \$2,500 for the procurement of goods or services on behalf of any entity of the District government until the officer or employee has conducted an analysis of how the procurement of the goods and services involved under the applicable regulations and procedures of the District government would differ from the procurement of the goods and services involved under the Federal supply schedule and other applicable regulations and procedures of the General Services Administration, including an analysis of any differences in the costs to be incurred and the time required to obtain the goods or services.

Deadline.

SEC. 121. Notwithstanding any other provision of law, not later than 120 days after the date that a District of Columbia Public Schools (DCPS) student is referred for evaluation or assessment—

(1) the District of Columbia Board of Education, or its successor, and DCPS shall assess or evaluate a student who

may have a disability and who may require special education services; and

(2) if a student is classified as having a disability, as defined in section 101(a)(1) of the Individuals with Disabilities Education Act (84 Stat. 175; 20 U.S.C. 1401(a)(1)) or in section 7(8) of the Rehabilitation Act of 1973 (87 Stat. 359; 29 U.S.C. 706(8)), the Board and DCPS shall place that student in an appropriate program of special education services.

SEC. 122. (a) COMPLIANCE WITH BUY AMERICAN ACT.—No funds appropriated in this Act may be made available to any person or entity that violates the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF THE CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each agency of the Federal or District of Columbia government shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a “Made in America” inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 123. None of the funds contained in this Act may be used for purposes of the annual independent audit of the District of Columbia government for fiscal year 2002 unless—

(1) the audit is conducted by the Inspector General of the District of Columbia, in coordination with the Chief Financial Officer of the District of Columbia, pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985 (D.C. Official Code, sec. 2–302.8); and

(2) the audit includes as a basic financial statement a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year using the format, terminology, and classifications contained in the law making the appropriations for the year and its legislative history.

SEC. 124. None of the funds contained in this Act may be used by the District of Columbia Corporation Counsel or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress

115 STAT.

PUBLIC LAW 107-96—DEC. 21, 2001

to provide for voting representation in Congress for the District of Columbia.

Needle exchange.

SEC. 125. (a) None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

(b) Any individual or entity who receives any funds contained in this Act and who carries out any program described in subsection (a) shall account for all funds used for such program separately from any funds contained in this Act.

Deadline.
Records.

SEC. 126. None of the funds contained in this Act may be used after the expiration of the 60-day period that begins on the date of the enactment of this Act to pay the salary of any chief financial officer of any office of the District of Columbia government (including any independent agency of the District) who has not filed a certification with the Mayor and the Chief Financial Officer of the District of Columbia that the officer understands the duties and restrictions applicable to the officer and the officer's agency as a result of this Act (and the amendments made by this Act), including any duty to prepare a report requested either in the Act or in any of the reports accompanying the Act and the deadline by which each report must be submitted, and the District's Chief Financial Officer shall provide to the Committees on Appropriations of the Senate and the House of Representatives by the 10th day after the end of each quarter a summary list showing each report, the due date and the date submitted to the committees.

Drugs and drug
abuse.

SEC. 127. (a) None of the funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 802) or any tetrahydrocannabinols derivative.

(b) The Legalization of Marijuana for Medical Treatment Initiative of 1998, also known as Initiative 59, approved by the electors of the District of Columbia on November 3, 1998, shall not take effect.

Contraceptives.

SEC. 128. Nothing in this Act may be construed to prevent the Council or Mayor of the District of Columbia from addressing the issue of the provision of contraceptive coverage by health insurance plans, but it is the intent of Congress that any legislation enacted on such issue should include a "conscience clause" which provides exceptions for religious beliefs and moral convictions.

PROMPT PAYMENT OF APPOINTED COUNSEL

SEC. 129. (a) ASSESSMENT OF INTEREST FOR DELAYED PAYMENTS.—If the Superior Court of the District of Columbia or the District of Columbia Court of Appeals does not make a payment described in subsection (b) prior to the expiration of the 45-day period which begins on the date the Court receives a completed voucher for a claim for the payment, interest shall be assessed against the amount of the payment which would otherwise be made to take into account the period which begins on the day after the expiration of such 45-day period and which ends on the day the Court makes the payment.

(b) PAYMENTS DESCRIBED.—A payment described in this subsection is—

(1) a payment authorized under section 11-2604 and section 11-2605, D.C. Code (relating to representation provided under the District of Columbia Criminal Justice Act);

(2) a payment for counsel appointed in proceedings in the Family Division of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Code; or

(3) a payment for counsel authorized under section 21-2060, D.C. Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986).

(c) STANDARDS FOR SUBMISSION OF COMPLETED VOUCHERS.—The chief judges of the Superior Court of the District of Columbia and the District of Columbia Court of Appeals shall establish standards and criteria for determining whether vouchers submitted for claims for payments described in subsection (b) are complete, and shall publish and make such standards and criteria available to attorneys who practice before such Courts.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require the assessment of interest against any claim (or portion of any claim) which is denied by the Court involved.

(e) EFFECTIVE DATE.—This section shall apply with respect to claims received by the Superior Court of the District of Columbia or the District of Columbia Court of Appeals during fiscal year 2002, and claims received previously that remain unpaid at the end of fiscal year 2001, and would have qualified for interest payment under this section.

Applicability.

FEDERAL CONTRIBUTION FOR ENFORCEMENT OF LAW BANNING POSSESSION OF TOBACCO PRODUCTS BY MINORS

SEC. 130. (a) CONTRIBUTION.—There is hereby appropriated a Federal contribution of \$100,000 to the Metropolitan Police Department of the District of Columbia, effective upon the enactment by the District of Columbia of a law which reads as follows:

¹(\$100,000)

“BAN ON POSSESSION OF TOBACCO PRODUCTS BY MINORS

“SECTION 1. (a) IN GENERAL.—It shall be unlawful for any individual under 18 years of age to possess any cigarette or other tobacco product in the District of Columbia.

“(b) EXCEPTIONS.—

“(1) POSSESSION IN COURSE OF EMPLOYMENT.—Subsection (a) shall not apply with respect to an individual making a delivery of cigarettes or tobacco products in pursuance of employment.

“(2) PARTICIPATION IN LAW ENFORCEMENT OPERATION.—Subsection (a) shall not apply with respect to an individual possessing products in the course of a valid, supervised law enforcement operation.

“(c) PENALTIES.—Any individual who violates subsection (a) shall be subject to the following penalties:

“(1) For any violation, the individual may be required to perform community service or attend a tobacco cessation program.

“(2) Upon the first violation, the individual shall be subject to a civil penalty not to exceed \$50.

¹Included in total Federal Funds.

“(3) Upon the second and each subsequent violation, the individual shall be subject to a civil penalty not to exceed \$100.

“(4) Upon the third and each subsequent violation, the individual may have his or her driving privileges in the District of Columbia suspended for a period of 90 consecutive days.”.

(b) USE OF CONTRIBUTION.—The Metropolitan Police Department shall use the contribution made under subsection (a) to enforce the law referred to in such subsection.

Reports.

SEC. 131. The Mayor of the District of Columbia shall submit to the Senate and House Committees on Appropriations, the Senate Governmental Affairs Committee, and the House Government Reform Committee quarterly reports addressing the following issues: (1) crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets; (2) access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs; (3) management of parolees and pre-trial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes to be provided in consultation with the Court Services and Offender Supervision Agency; (4) education, including access to special education services and student achievement to be provided in consultation with the District of Columbia Public Schools; (5) improvement in basic District services, including rat control and abatement; (6) application for and management of Federal grants, including the number and type of grants for which the District was eligible but failed to apply and the number and type of grants awarded to the District but for which the District failed to spend the amounts received; and (7) indicators of child well-being.

SEC. 132. Nothing in this Act bars the District of Columbia Corporation Counsel from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.

RESERVE FUNDS

SEC. 133. (a) IN GENERAL.—Section 202(j) of Public Law 104-8, the District of Columbia Financial Responsibility and Management Assistance Act of 1995 is amended to read as follows:

“(j) RESERVE FUNDS.—

“(1) BUDGET RESERVE.—

“(A) IN GENERAL.—For each of the fiscal years 2002 and 2003, the budget of the District government for the fiscal year shall contain a budget reserve in the following amounts:

“(i) \$120,000,000, in the case of fiscal year 2002.

“(ii) \$70,000,000, in the case of fiscal year 2003.

“(B) AVAILABILITY OF FUNDS.—Any amount made available from the budget reserve described in subparagraph (A) shall remain available until expended.

“(C) AVAILABILITY OF FISCAL YEAR 2001 BUDGET RESERVE FUNDS.—For fiscal year 2001, any amount in the budget reserve shall remain available until expended.

“(2) CUMULATIVE CASH RESERVE.—In addition to any other cash reserves required under section 450A of the District of

PUBLIC LAW 107-96—DEC. 21, 2001

115 STAT.

Columbia Home Rule Act, for each of the fiscal years 2004 and 2005, the budget of the District government for the fiscal year shall contain a cumulative cash reserve of \$50,000,000.

“(3) CONDITIONS ON USE.—The District of Columbia may obligate or expend amounts in the budget reserve under paragraph (1) or the cumulative cash reserve under paragraph (2) only in accordance with the following conditions:

“(A) The Chief Financial Officer of the District of Columbia shall certify that the amounts are available. Certification.

“(B) The amounts shall be obligated or expended in accordance with laws enacted by the Council in support of each such obligation or expenditure.

“(C) The amounts may not be used to fund the agencies of the District of Columbia government under court ordered receivership.

“(D) The amounts may be obligated or expended only if the Mayor notifies the Committees on Appropriations of the House of Representatives and Senate in writing 30 days in advance of any obligation or expenditure.

“(4) REPLENISHMENT.—Any amount of the budget reserve under paragraph (1) or the cumulative cash reserve under paragraph (2) which is expended in 1 fiscal year shall be replenished in the following fiscal year appropriations to maintain the required balance.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect October 1, 2001.

(c) CONFORMING AMENDMENTS.—Section 159(c) of the District of Columbia Appropriations Act, 2001 (Public Law 106-522; 114 Stat. 2482) is amended to read as follows:

“(c) EFFECTIVE DATE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), this section and the amendments made by this section shall take effect on October 1, 2000.

“(2) REPEAL OF POSITIVE FUND BALANCE REQUIREMENT.—The amendment made by subsection (b)(2) shall take effect October 1, 1999.

“(3) TRANSFER OF FUNDS.—All funds identified by the District government pursuant to section 148 of Public Law 106-113, as reflected in the certified annual financial report for fiscal year 2000, shall be deposited during fiscal year 2002 into the Emergency and Contingency Reserve Funds established pursuant to section 159 of Public Law 106-522, during fiscal year 2002.”

(d) CONTINGENCY RESERVE FUND.—Section 450A(b) of the Home Rule Act (Public Law 93-198) is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—There is established a contingency cash reserve fund (in this subsection referred to as the ‘contingency reserve fund’) as an interest-bearing account (separate from other accounts in the General Fund) into which the Mayor shall deposit in cash not later than October 1 of each fiscal year (beginning with fiscal year 2002) such amount as may be required to maintain a balance in the fund of at least 3 percent of the total budget appropriated for operating expenditures for such fiscal year which is derived from local funds (or, in the case of fiscal years prior to fiscal year 2007, such amount as may be required to maintain a balance in the

fund of at least the minimum contingency reserve balance for such fiscal year, as determined under paragraph (2)).”; and

(2) by striking subparagraph (B) of paragraph (2) and inserting the following:

“(B) APPLICABLE PERCENTAGE DEFINED.—In subparagraph (A), the ‘applicable percentage’ with respect to a fiscal year means the following:

“(i) For fiscal year 2002, 0 percent.

“(ii) For fiscal year 2003, 0 percent.

“(iii) For fiscal year 2004, 0 percent.

“(iv) For fiscal year 2005, 1 percent.

“(v) For fiscal year 2006, 2 percent.”

SEC. 134. INTEGRATED PRODUCT TEAM. No funds appropriated by this Act shall be available for an Integrated Product Team until reorganization plans for the Integrated Product Team and a Capital Construction Services Administration have been approved, or deemed approved, by the Council: *Provided*, That this paragraph shall not apply to funds appropriated for the Office of Contracting and Procurement.

Deadline.

SEC. 135. No later than 30 calendar days after the date of the enactment of this Act, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the Council a revised appropriated funds operating budget in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93-198; D.C. Official Code, sec. 1-204.42), for all agencies of the District of Columbia government for such fiscal year that is in the total amount of the approved appropriation and that realigns all budgeted data for personal services and other-than-personal-services, respectively, with anticipated actual expenditures.

SEC. 136. Section 403 of the District of Columbia Home Rule Act, approved December 24, 1973 (Public Law 93-198; D.C. Official Code, sec. 1-204.03), is amended as follows:

(1) Subsection (c) is amended by striking “shall receive, in addition to the compensation to which he is entitled as a member of the Council, \$10,000 per annum, payable in equal installments, for each year he serves as Chairman, but the Chairman”.

(2) A new subsection (d) is added to read as follows:

“(d) Notwithstanding subsection (a), as of the effective date of the District of Columbia Appropriations Act, 2001, the Chairman shall receive compensation, payable in equal installments, at a rate equal to \$10,000 less than the annual compensation of the Mayor.”

SEC. 137. RISK MANAGEMENT FOR SETTLEMENTS AND JUDGMENTS. In addition to any other authority to pay claims and judgments, any department, agency, or instrumentality of the District government may pay the settlement or judgment of a claim or lawsuit in an amount less than \$10,000, in accordance with the Risk Management for Settlements and Judgments Amendment Act of 2000, effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code, sec. 2-402).

Effective date.

SEC. 138. Notwithstanding section 602(c)(1) of the District of Columbia Home Rule Act (sec. 1-206(c)(1), D.C. Code), the Closing of Portions of 2nd and N Streets, N.E. and Alley System in Square

710, S.O. 00-97, Act of 2001 (D.C. Act 14-106) shall take effect on the date of the enactment of such Act or the date of the enactment of this Act, whichever is later.

SEC. 139. None of the funds contained in this Act may be used to issue, administer, or enforce any order by the District of Columbia Commission on Human Rights relating to docket numbers 93-030-(PA) and 93-031-(PA).

SEC. 140. (a) Notwithstanding 20 U.S.C. 1415, 42 U.S.C. 1988, 29 U.S.C. 794a, or any other law, none of the funds appropriated under this Act, or in appropriations Acts for subsequent fiscal years, may be made available to pay attorneys' fees accrued prior to the effective date of this Act that exceeds a cap imposed on attorneys' fees by prior appropriations Acts that were in effect during the fiscal year when the work was performed, or when payment was requested for work previously performed, in an action or proceeding brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(b) No later than 60 days after the date of enactment of this Act, the Superintendent of Schools for the District of Columbia shall submit to the Committees on Appropriations for the Senate and the House of Representatives a written report for each of the fiscal years 1999, 2000, and 2001, detailing a complete itemized list, by year, of the judgments for attorneys' fees awarded to plaintiffs who prevailed in cases brought against the District of Columbia or the District of Columbia Public Schools under section 615(i)(3) of the Individuals with Disabilities Education Act (20 U.S.C. 1415(i)(3)). Such report shall specify: (1) the amount of each judgment; (2) the total amount paid on each judgment as of the date of the report; (3) the principal balance remaining due on each such judgment as of the date of the report, the amount of interest due as of December 31, 2001 on each unpaid amount; and the prospective annual rate of interest applicable to the judgment as of January 1, 2002; (4) the name of the Court and case number for each judgment; (5) the aggregate total due in principal and interest on the judgments; and (6) the amount paid by the District of Columbia, in each case listed, to defense counsel representing the District or the District of Columbia Public Schools.

Deadline.
Reports.

SEC. 141. The Comptroller General, in consultation with the relevant agencies and members of the Committees on Appropriations Subcommittees on the District of Columbia, shall submit by March 31, 2002 a report to the Committees on Appropriations of the House and the Senate and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives detailing the awards in judgment rendered in the District of Columbia that were in excess of the cap imposed by prior appropriations Acts in effect during the fiscal year when the work was performed, or when payment was requested for work previously performed, in actions brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.): *Provided*, That such report shall include a comparison, to the extent practicable, of the causes of action and judgments rendered against public school districts of comparable demographics and population as the District.

Deadline.
Reports.

This Act may be cited as the “District of Columbia Appropriations Act, 2002”.

Approved December 21, 2001.

LEGISLATIVE HISTORY—H.R. 2944 (S. 1543):

HOUSE REPORTS: Nos. 107-216 (Comm. on Appropriations) and 107-321 (Comm. of Conference).

SENATE REPORTS: No. 107-85 accompanying S. 1543 (Comm. on Appropriations).
CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 25, considered and passed House.

Nov. 6, 7, considered and passed Senate, amended.

Dec. 6, House agreed to conference report.

Dec. 7, Senate agreed to conference report.

[In thousands of dollars]

| | |
|---|-----------|
| Grand total, District of Columbia Appropriations Act, 2002 | \$408,000 |
| District of Columbia funds | 7,150,716 |
| Consisting of: | |
| General Government—Independent Agencies | 408,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**ENERGY AND WATER DEVELOPMENT
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-66

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

Public Law 107-66
107th Congress

An Act

Nov. 12, 2001
[H.R. 2311]

Making appropriations for energy and water development for the fiscal year ending September 30, 2002, and for other purposes.

Energy and
Water
Development
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2002, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

\$154,350,000

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, \$154,350,000, to remain available until expended: *Provided*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use funds appropriated herein to continue preconstruction engineering and design of the Murrieta Creek, California, flood protection and environmental enhancement project and is further directed to continue with the project in accordance with cost sharing established for the Murrieta Creek project in Public Law 106-377: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use the feasibility report prepared under the authority of section 205 of the Flood Control Act of 1948, as amended, as the basis for the Rock Creek-Keefer Slough Flood Control Project, Butte County, California, and is further directed to use funds appropriated herein for preconstruction engineering and design of the project: *Provided*

further, That in conducting the Southwest Valley Flood Damage Reduction Study, Albuquerque, New Mexico, the Secretary of the Army, acting through the Chief of Engineers, shall include an evaluation of flood damage reduction measures that would otherwise be excluded from the feasibility analysis based on policies regarding the frequency of flooding, the drainage areas, and the amount of runoff: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to conduct studies for flood damage reduction, environmental protection, environmental restoration, water supply, water quality, and other purposes in Tuscaloosa County, Alabama, and shall provide a comprehensive plan for the development, conservation, disposal, and utilization of water and related land resources, for flood damage reduction and allied purposes, including the determination of the need for a reservoir to satisfy municipal and industrial water supply needs: *Provided further*, That using \$1,000,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to conduct a comprehensive watershed study at full Federal expense to provide a framework for implementing activities to improve environmental quality of the Lake Tahoe Basin and the Secretary shall submit a feasibility level report within 30 months of enactment of this Act: *Provided further*, That appendix D, chapter 5 of Public Law 106-554 is amended in the last sentence under the subheading titled "General Investigations" by striking "a cost shared feasibility study of" and inserting "planning, engineering and design activities for".

Reports.
Deadline.

114 Stat.
2763A-189.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), \$1,715,951,000, to remain available until expended, of which such sums as are necessary for the Federal share of construction costs for facilities under the Dredged Material Disposal Facilities program shall be derived from the Harbor Maintenance Trust Fund, as authorized by Public Law 104-303; and of which such sums as are necessary pursuant to Public Law 99-662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterways projects, including rehabilitation costs for the Lock and Dam 11, Mississippi River, Iowa; Lock and Dam 12, Mississippi River, Iowa; Lock and Dam 24, Mississippi River, Illinois and Missouri; Lock and Dam 3, Mississippi River, Minnesota; and London Locks and Dam, Kanawha River, West Virginia, projects; and of which funds are provided for the following projects in the amounts specified:

\$1,715,951,000

- San Timoteo Creek (Santa Ana River Mainstem), California, \$8,000,000;
- Indianapolis Central Waterfront, Indiana, \$9,000,000;
- Southern and Eastern Kentucky, Kentucky, \$4,000,000;
- Clover Fork, City of Cumberland, Town of Martin, Pike County (including Levisa Fork and Tug Fork Tributaries), Bell County, Floyd County, Martin County, and Harlan County,

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

Kentucky, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River, Kentucky, \$15,450,000; and

Lower Mingo County (Kermit), Upper Mingo County (including County Tributaries), Wayne County, and McDowell County, West Virginia, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project, \$5,900,000:

Provided, That using \$1,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to modify the Carr Creek Lake, Kentucky, project at full Federal expense to provide additional water supply storage for the Upper Kentucky River Basin: *Provided further*, That with \$1,200,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake design deficiency repairs to the Bois Brule Drainage and Levee District, Missouri, project, authorized and constructed under the authority of the Flood Control Act of 1936 with cost sharing consistent with the original project authorization: *Provided further*, That in accordance with section 332 of the Water Resources Development Act of 1999, the Secretary of the Army is directed to increase the authorized level of protection of the Bois Brule Drainage and Levee District, Missouri, project from 50 years to 100 years using \$700,000 of the funds appropriated herein, and the project costs allocated to the incremental increase in the level of protection shall be cost shared consistent with section 103(a) of the Water Resources Development Act of 1986, notwithstanding section 202(a) of the Water Resources Development Act of 1996: *Provided further*, That using \$200,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to conduct, at full Federal expense, technical studies of individual ditch systems identified by the State of Hawaii, and to assist the State in diversification by helping to define the cost of repairing and maintaining selected ditch systems: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use \$1,300,000 of the funds appropriated herein to continue construction of the navigation project at Kaunapali Harbor, Hawaii: *Provided further*, That with \$800,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue preparation of a General Reevaluation Report of the Oak Island, Caswell Beach, and Holden Beach segments of the Brunswick County Beaches project in North Carolina: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use \$500,000 to undertake the Bowie County Levee Project, which is defined as Alternative B Local Sponsor Option, in the Corps of Engineers document entitled Bowie County Local Flood Protection, Red River, Texas, Project Design Memorandum No. 1, Bowie County Levee, dated April 1997: *Provided further*, That the Secretary of the Army is directed to use \$4,000,000 of the funds provided herein for the Dam Safety and Seepage/Stability Correction Program to continue construction of seepage control features at Waterbury Dam, Vermont: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, using up to \$200,000 of the funds provided herein, is directed to complete the Aloha-Rigolette, Louisiana, project at full Federal

expense: *Provided further*, That using \$500,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with the Shoalwater Bay Shoreline, Washington, project: *Provided further*, That all studies for the Shoalwater Bay Shoreline project shall be cost shared in the same proportion as the construction implementation costs: *Provided further*, That using \$2,500,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with a final design and initiate construction for the repair and replacement of the Jicarilla Municipal Water System in the town of Dulce, New Mexico: *Provided further*, That using \$750,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with the Missouri River Restoration Project and that erosion control measures implemented shall be primarily through nonstructural means such as planting of native vegetation, buffer strips, conservation easements, setbacks, and agricultural best management practices: *Provided further*, That with \$10,000,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the Dallas Floodway Extension, Texas, project, including the Cadillac Heights feature, generally in accordance with the Chief of Engineers report dated December 7, 1999: *Provided further*, That the deadline for the report required under section 154(g) of Public Law 106-554 is extended to December 31, 2002: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use unexpended funds appropriated in Public Law 105-62, under the heading Construction, General for Salyersville, Kentucky, to construct additional recreation improvements at the Buckhorn Lake, Kentucky, project: *Provided further*, That using \$1,000,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate construction on the Seward Harbor, Alaska, project in accordance with the Report of the Chief of Engineers dated June 8, 1999 and the economic justification contained therein: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use up to \$900,000 of funds previously appropriated to reimburse the City of Venice, Florida, for the costs incurred by the City prior to October 1998 for work accomplished by the City related to the relocation of the stormwater outfalls and the construction of the artificial reef that comprises an integral part of the project for beach nourishment, in Sarasota County, Florida: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use funds appropriated herein, for emergency bank stabilization measures at Lakeshore Park in Knoxville, Tennessee: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the Dickenson County Detailed Project Report as generally defined in Plan 4 of the Huntington District Engineer's Draft Supplement to the Section 202 General Plan for Flood Damage Reduction dated April 1997, including all Russell Fork tributary streams within the County and special considerations as may be appropriate to address the unique relocations and resettlement needs for the flood prone communities within the County: *Provided further*, That, with respect to the environmental infrastructure project in Lebanon, New Hampshire, for which funds are made available under this heading, the non-Federal interest shall receive credit toward the

Deadline.
Reports.

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

non-Federal share of the cost of the project for work performed before the date of execution of the project cooperation agreement, if the Secretary determines the work is integral to the project: *Provided further*, That, for the Raritan River Basin, Green Brook Sub-Basin, New Jersey, project, the Secretary of the Army, acting through the Chief of Engineers, is directed to implement the locally preferred plan for the element in the western portion of Middlesex Borough, New Jersey, which includes the buyout of up to 22 homes, the flood proofing of four commercial buildings along Prospect Place and Union Avenue, and the buyout of up to three commercial buildings along Raritan and Lincoln Avenues, at a total estimated cost of \$15,000,000, with an estimated Federal cost of \$11,500,000 and an estimated non-Federal cost of \$3,500,000.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

\$345,992,000 For expenses necessary for prosecuting work of flood control, rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a and 702g-1), \$345,992,000, to remain available until expended: *Provided*, That, the Secretary of the Army, acting through the Chief of Engineers, is directed to convey to the Board of Mississippi Levee Commissioners any and all fee owned real property interests deemed excess to Army needs for disposal by the U.S. Army Corps of Engineers at its Casting Plant and its Bank Grading and Mat Loading Fleeting Area located in Greenville, Mississippi. This real property shall be used by the Board of Mississippi Levee Commissioners for the operation and maintenance of the Mississippi River and Tributaries Project as it deems necessary.

OPERATION AND MAINTENANCE, GENERAL

1,874,803,000 For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, \$1,874,803,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that Fund, and of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l), may be derived from that account for construction, operation, and maintenance of outdoor recreation facilities: *Provided*, That the Secretary of the Army, acting through the Chief of Engineers, is directed, within funds available for the Mobile Harbor, Alabama, project, to remove, transport, dispose, and remediate contaminated sediments in and adjacent to the Federal navigation projects for the Arlington Channel and the Garrows Bend Channel at Federal expense, and a non-Federal sponsor shall provide all necessary lands, easements, rights-of-way, and relocations that may be required for the disposal of

PUBLIC LAW 107-66—NOV. 12, 2001

115 STAT.

dredged material: *Provided further*, That using funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to perform cultural resource mitigation and recreation improvements at Waco Lake, Texas, at full Federal expense notwithstanding the provisions of the Water Supply Act of 1958: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use funds appropriated herein to grade the basin within the Hansen Dam feature of the Los Angeles County Drainage Area, California, project to enhance and maintain flood capacity and to provide for future use of the basin for compatible purposes consistent with the Master Plan, including recreation and environmental restoration: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use funds appropriated herein to fully investigate the development of an upland disposal site recycling program on the Black Warrior and Tombigbee Rivers, Alabama-Coosa Rivers, and the Mobile River projects: *Provided further*, That of funds appropriated herein for the Intracoastal Waterway, Delaware River to Chesapeake Bay, Delaware and Maryland, the Secretary of the Army, acting through the Chief of Engineers, is directed to reimburse the State of Delaware for normal operation and maintenance costs incurred by the State of Delaware for the SR1 Bridge from station 58+00 to station 293+00 between May 12, 1997 and September 30, 2002. Reimbursement costs shall not exceed \$1,277,000: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use funds appropriated herein to remove and reinstall the docks and causeway, in kind, and continue breakwater repairs at Astoria East Boat Basin, Oregon: *Provided further*, That using funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to dredge a channel from the mouth of Wheeling Creek to Tunnel Green Park in Wheeling, West Virginia: *Provided further*, That the project for the Apalachicola, Chattahoochee, and Flint Rivers Navigation, authorized by section 2 of the River and Harbor Act of March 2, 1945 (Public Law 79-14) and modified by the first section of the River and Harbor Act of 1946 (60 Stat. 635, chapter 595), is modified to authorize the Secretary, as part of navigation maintenance activities, to develop and implement a plan to be integrated into the long-term dredged material management plan being developed for the Corley Slough reach, as required by conditions of the State of Florida water quality certification, for periodically removing sandy dredged material from the disposal area known as Site 40, located at mile 36.5 of the Apalachicola River, and from other disposal sites that the Secretary may determine to be needed for the purpose of reuse of the disposal areas, by transporting and depositing the sand for environmentally acceptable beneficial uses in coastal areas of Florida to be determined in coordination with the State of Florida: *Provided further*, That the Secretary is authorized to acquire all lands, easements, and rights-of-way that may be determined by the Secretary, in consultation with the affected State, to be required for dredged material disposal areas to implement a long-term dredge material management plan: *Provided further*, That the long-term management plan shall be developed in coordination with the State of Florida no later than 2 years from the date of enactment of this Act: *Provided further*, That, of the funds herein, \$4,900,000 shall be made available for these purposes and \$8,000,000 shall

Deadline.

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

be made available for normal operation and maintenance of the Apalachicola, Chattahoochee, and Flint Rivers navigation project.

FLOOD CONTROL AND COASTAL EMERGENCIES

(RESCISSION)

Of the funds made available under this heading in Public Law 107-20, \$25,000,000 are hereby rescinded.

-\$25,000,000
(rescission)

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, \$127,000,000, to remain available until expended.

127,000,000

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

For expenses necessary to clean up contamination from sites throughout the United States resulting from work performed as part of the Nation's early atomic energy program, \$140,000,000, to remain available until expended.

140,000,000

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers, activities of the Humphreys Engineer Center Support Activity, the Institute for Water Resources, and headquarters support functions at the USACE Finance Center, \$153,000,000, to remain available until expended: *Provided*, That no part of any other appropriation provided in title I of this Act shall be available to fund the activities of the Office of the Chief of Engineers or the executive direction and management activities of the division offices: *Provided further*, That none of these funds shall be available to support an office of congressional affairs within the executive office of the Chief of Engineers.

153,000,000

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for official reception and representation expenses (not to exceed \$5,000); and during the current fiscal year the Revolving Fund, Corps of Engineers, shall be available for purchase (not to exceed 100 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

SEC. 101. (a) CONVEYANCE AUTHORIZED.—The Secretary of the Army shall convey to the Blue Township Fire District, Blue Township, Kansas, by quitclaim deed and without consideration, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 4.35 acres located in Pottawatomie County, Tuttle Creek Lake, Kansas.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(c) REVERSION.—If the Secretary determines that the property conveyed under subsection (a) ceases to be held in public ownership or to be used as a site for a fire station, all right, title, and interest in and to the property shall revert to the United States, at the option of the United States.

SEC. 102. For those shore protection projects funded in this Act which have Project Cooperation Agreements in place, the Secretary of the Army is directed to proceed with those projects in accordance with the cost sharing specified in the Project Cooperation Agreement: *Provided*, That the Secretary of the Army shall not accept or solicit non-Federal voluntary contributions for shore protection work in excess of the minimum requirements established by law; except that, when voluntary contributions are tendered by a non-Federal sponsor for the prosecution of work outside the authorized scope of the Federal project at full non-Federal expense, the Secretary is authorized to accept said contributions.

SEC. 103. Agreements proposed for execution by the Assistant Secretary of the Army for Civil Works or the United States Army Corps of Engineers after the date of the enactment of this Act pursuant to section 4 of the Rivers and Harbor Act of 1915, Public Law 64-291; section 11 of the River and Harbor Act of 1925, Public Law 68-585; the Civil Functions Appropriations Act, 1936, Public Law 75-208; section 215 of the Flood Control Act of 1968, as amended, Public Law 90-483; sections 104, 203, and 204 of the Water Resources Development Act of 1986, as amended, Public Law 99-662; section 206 of the Water Resources Development Act of 1992, as amended, Public Law 102-580; section 211 of the Water Resources Development Act of 1996, Public Law 104-303; and any other specific project authority, shall be limited to credits and reimbursements per project not to exceed \$10,000,000 in each fiscal year, and total credits and reimbursements for all applicable projects not to exceed \$50,000,000 in each fiscal year.

SEC. 104. ST. GEORGES BRIDGE, DELAWARE. None of the funds made available in this Act may be used to carry out any activity relating to closure or removal of the St. Georges Bridge across the Intracoastal Waterway, Delaware River to Chesapeake Bay, Delaware and Maryland, including a hearing or any other activity relating to preparation of an environmental impact statement concerning the closure or removal.

SEC. 105. The non-Federal interest shall receive credit towards the lands, easements, relocations, rights-of-way, and disposal areas required for the Lava Hot Springs restoration project in Idaho, and acquired by the non-Federal interest before execution of the project cooperation agreement: *Provided*, That the Secretary shall provide credit for work only if the Secretary determines such work to be integral to the project.

SEC. 106. GUADALUPE RIVER, CALIFORNIA. The project for flood control, Guadalupe River, California, authorized by section 401 of the Water Resources Development Act of 1986, and the Energy and Water Development Appropriation Acts of 1990 and 1992, is modified to authorize the Secretary to construct the project substantially in accordance with the General Reevaluation and Environmental Report for Proposed Project Modifications, dated February 2001, at a total cost of \$226,800,000, with an estimated Federal cost of \$128,700,000, and estimated non-Federal cost of \$98,100,000.

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

33 USC 59jj.

SEC. 107. DESIGNATION OF NONNAVIGABILITY FOR PORTIONS OF GLOUCESTER COUNTY, NEW JERSEY. (a) DESIGNATION.—

(1) IN GENERAL.—The Secretary of the Army (referred to in section as the “Secretary”) shall designate as nonnavigable the areas described in paragraph (3) unless the Secretary, after consultation with local and regional public officials (including local and regional planning organizations), makes a determination that 1 or more projects proposed to be carried out in 1 or more areas described in paragraph (2) are not in the public interest.

(2) DESCRIPTION OF AREAS.—The areas referred to in paragraph (1) are certain parcels of property situated in the West Deptford Township, Gloucester County, New Jersey, as depicted on Tax Assessment Map #26, Block #328, Lots #1, 1.03, 1.08, and 1.09, more fully described as follows:

(A) Beginning at the point in the easterly line of Church Street (49.50 feet wide), said beginning point being the following 2 courses from the intersection of the centerline of Church Street with the curved northerly right-of-way line of Pennsylvania-Reading Seashore Lines Railroad (66.00 feet wide)—

(i) along said centerline of Church Street N. $11^{\circ}28'50''$ E. 38.56 feet; thence

(ii) along the same N. $61^{\circ}28'35''$ E. 32.31 feet to the point of beginning.

(B) Said beginning point also being the end of the thirteenth course and from said beginning point runs; thence, along the aforementioned Easterly line of Church Street—

(i) N. $11^{\circ}28'50''$ E. 1052.14 feet; thence

(ii) crossing Church Street, N. $34^{\circ}19'51''$ W. 1590.16 feet; thence

(iii) N. $27^{\circ}56'37''$ W. 3674.36 feet; thence

(iv) N. $35^{\circ}33'54''$ W. 975.59 feet; thence

(v) N. $57^{\circ}04'39''$ W. 481.04 feet; thence

(vi) N. $36^{\circ}22'55''$ W. 870.00 feet to a point in the Pierhead and Bulkhead Line along the Southeasterly shore of the Delaware River; thence

(vii) along the same line N. $53^{\circ}37'05''$ E. 1256.19 feet; thence

(viii) still along the same, N. $86^{\circ}10'29''$ E. 1692.61 feet; thence, still along the same the following thirteenth courses

(ix) S. $67^{\circ}44'20''$ E. 1090.00 feet to a point in the Pierhead and Bulkhead Line along the Southwesterly shore of Woodbury Creek; thence

(x) S. $39^{\circ}44'20''$ E. 507.10 feet; thence

(xi) S. $31^{\circ}01'38''$ E. 1062.95 feet; thence

(xii) S. $34^{\circ}34'20''$ E. 475.00 feet; thence

(xiii) S. $32^{\circ}20'28''$ E. 254.18 feet; thence

(xiv) S. $52^{\circ}55'49''$ E. 964.95 feet; thence

(xv) S. $56^{\circ}24'40''$ E. 366.60 feet; thence

(xvi) S. $80^{\circ}31'50''$ E. 100.51 feet; thence

(xvii) N. $75^{\circ}30'00''$ E. 120.00 feet; thence

(xviii) N. $53^{\circ}09'00''$ E. 486.50 feet; thence

(xix) N. $81^{\circ}18'00''$ E. 132.00 feet; thence

(xx) S. $56^{\circ}35'00''$ E. 115.11 feet; thence

PUBLIC LAW 107-66—NOV. 12, 2001

115 STAT.

(xxi) S. 42°00'00" E. 271.00 feet; thence
 (xxii) S. 48°30'00" E. 287.13 feet to a point in
 the Northwesterly line of Grove Avenue (59.75 feet
 wide); thence
 (xxiii) S. 23°09'50" W. 4120.49 feet; thence
 (xxiv) N. 66°50'10" W. 251.78 feet; thence
 (xxv) S. 36°05'20" E. 228.64 feet; thence
 (xxvi) S. 58°53'00" W. 1158.36 feet to a point in
 the Southwesterly line of said River Lane; thence
 (xxvii) S. 41°31'35" E. 113.50 feet; thence
 (xxviii) S. 61°28'35" W. 863.52 feet to the point
 of beginning.

(C)(i) Except as provided in clause (ii), beginning at
 a point in the centerline of Church Street (49.50 feet wide)
 where the same is intersected by the curved northerly
 line of Pennsylvania-Reading Seashore Lines Railroad
 right-of-way (66.00 feet wide), along that Railroad, on a
 curve to the left, having a radius of 1465.69 feet, an arc
 distance of 1132.14 feet—

(I) N. 88°45'47" W. 1104.21 feet; thence
 (II) S. 69°06'30" W. 1758.95 feet; thence
 (III) N. 23°04'43" W. 600.19 feet; thence
 (IV) N. 19°15'32" W. 3004.57 feet; thence
 (V) N. 44°52'41" W. 897.74 feet; thence
 (VI) N. 32°26'05" W. 2765.99 feet to a point in
 the Pierhead and Bulkhead Line along the Southeast-
 erly shore of the Delaware River; thence
 (VII) N. 53°37'05" E. 2770.00 feet; thence
 (VIII) S. 36°22'55" E. 870.00 feet; thence
 (IX) S. 57°04'39" E. 481.04 feet; thence
 (X) S. 35°33'54" E. 975.59 feet; thence
 (XI) S. 27°56'37" E. 3674.36 feet; thence
 (XII) crossing Church Street, S. 34°19'51" E.
 1590.16 feet to a point in the easterly line of Church
 Street; thence
 (XIII) S. 11°28'50" W. 1052.14 feet; thence
 (XIV) S. 61°28'35" W. 32.31 feet; thence
 (XV) S. 11°28'50" W. 38.56 feet to the point of
 beginning.

(ii) The parcel described in clause (i) does not include
 the parcel beginning at the point in the centerline of
 Church Street (49.50 feet wide), that point being N.
 11°28'50" E. 796.36 feet, measured along the centerline,
 from its intersection with the curved northerly right-of-
 way line of Pennsylvania-Reading Seashore Lines Railroad
 (66.00 feet wide)—

(I) N. 78°27'40" W. 118.47 feet; thence
 (II) N. 15°48'40" W. 120.51 feet; thence
 (III) N. 77°53'00" E. 189.58 feet to a point in the
 centerline of Church Street; thence
 (IV) S. 11°28'50" W. 183.10 feet to the point of
 beginning.

(b) LIMITS ON APPLICABILITY; REGULATORY REQUIREMENTS.—

(1) IN GENERAL.—The designation under subsection (a)(1)
 shall apply to those parts of the areas described in subsection
 (a) that are or will be bulkheaded and filled or otherwise
 occupied by permanent structures, including marina facilities.

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

(2) APPLICABLE LAW.—All activities described in paragraph (1) shall be subject to all applicable Federal law, including—

(A) the Act of March 3, 1899 (30 Stat. 1121, chapter 425);

(B) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) TERMINATION OF DESIGNATION.—If, on the date that is 20 years after the date of enactment of this Act, any area or portion of an area described in subsection (a)(3) is not bulkheaded, filled, or otherwise occupied by permanent structures (including marina facilities) in accordance with subsection (b), or if work in connection with any activity authorized under subsection (b) is not commenced by the date that is 5 years after the date on which permits for the work are issued, the designation of nonnavigability under subsection (a)(1) for that area or portion of an area shall terminate.

SEC. 108. NOME HARBOR TECHNICAL CORRECTIONS. Section 101(a)(1) of Public Law 106-53 (the Water Resources Development Act of 1999) is amended by—

113 Stat. 273.

(1) striking “\$25,651,000” and inserting in its place “\$39,000,000”; and

(2) striking “\$20,192,000” and inserting in its place “\$33,541,000”.

31 USC 6505
note.

SEC. 109. Section 211 of the Water Resources Development Act of 2000, Public Law 106-541, is amended by adding the following language at the end of subsection (d):

“(e) ENGINEERING RESEARCH AND DEVELOPMENT CENTER.—The Engineering Research and Development Center is exempt from the requirements of this section.”

113 Stat. 342.

SEC. 110. Section 514(g) of the Water Resources Development Act of 1999, Public Law 106-53, is amended by striking “fiscal years 2000 and 2001” and inserting in lieu thereof “fiscal years 2000 through 2002”.

SEC. 111. The Secretary of the Army, acting through the Chief of Engineers, is directed to modify the pump station intake structure and discharge line to preclude ice from interfering with pump operations at Fort Fairfield, Maine, flood control project: *Provided*, That all design and construction costs associated with the modifications of the Fort Fairfield, Maine, project shall be at Federal expense.

SEC. 112. CERRILLOS DAM, PUERTO RICO. The Secretary of the Army shall reassess the allocation of Federal and non-Federal costs for construction of the Cerrillos Dam, carried out as part of the project for flood control, Portugues and Bucana Rivers, Puerto Rico.

SEC. 113. STUDY OF CORPS CAPABILITY TO CONSERVE FISH AND WILDLIFE. Section 704(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2263(b)) is amended—

(1) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively;

(2) by striking “(b) The Secretary” and inserting the following:

“(b) PROJECTS.—

“(1) IN GENERAL.—The Secretary”; and

(3) by striking “The non-Federal share of the cost of any project under this section shall be 25 percent.” and inserting the following:

“(2) COST SHARING.—

“(A) IN GENERAL.—The non-Federal share of the cost of any project under this subsection shall be 25 percent.

“(B) FORM.—The non-Federal share may be provided through in-kind services, including the provision by the non-Federal interest of shell stock material that is determined by the Chief of Engineers to be suitable for use in carrying out the project.

“(C) APPLICABILITY.—The non-Federal interest shall be credited with the value of in-kind services provided on or after October 1, 2000, for a project described in paragraph (1) completed on or after that date, if the Secretary determines that the work is integral to the project.”

SEC. 114. The flood control project for the Ramapo River at Oakland, New Jersey, authorized by section 401(a) of the Water Resources Development Act of 1986, Public Law 99-662, as amended by section 301(a)(9) of the Water Resources Development Act of 1996, Public Law 104-33, is modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project at a total cost of \$18,000,000, with an estimated Federal cost of \$13,500,000 and an estimated non-Federal cost of \$4,500,000 less any credits allowed under applicable laws.

SEC. 115. Except for the historic scheduled maintenance dredging in the Delaware River, none of the funds appropriated in this Act shall be used to operate the dredge MCFARLAND other than for urgent dredging, emergencies and in support of national defense.

SEC. 116. The Secretary may not expend funds to accelerate the schedule to finalize the Record of Decision for the revision of the Missouri River Master Water Control Manual and any associated changes to the Missouri River Annual Operating Plan. During consideration of revisions to the manual in fiscal year 2002, the Secretary may consider and propose alternatives for achieving species recovery other than the alternatives specifically prescribed by the United States Fish and Wildlife Service in the biological opinion of the Service. The Secretary shall consider the views of other Federal agencies, non-Federal agencies, and individuals to ensure that other congressionally authorized purposes are maintained.

*[Total, title I, Department of Defense—Civil (net),
\$4,486,096,000.]*

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

| | |
|---|--------------|
| For carrying out activities authorized by the Central Utah Project Completion Act, \$34,918,000, to remain available until expended, of which \$10,749,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account for use by the Utah Reclamation Mitigation and Conservation Commission. | \$24,169,000 |
|---|--------------|

[Subtotal, \$34,918,000.]

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

\$1,310,000 In addition, for necessary expenses incurred in carrying out related responsibilities of the Secretary of the Interior, \$1,310,000, to remain available until expended.

[Total, Central Utah project completion account, \$36,228,000.]

BUREAU OF RECLAMATION

The following appropriations shall be expended to execute authorized functions of the Bureau of Reclamation:

WATER AND RELATED RESOURCES

(INCLUDING TRANSFER OF FUNDS)

762,531,000 For management, development, and restoration of water and related natural resources and for related activities, including the operation, maintenance, and rehabilitation of reclamation and other facilities, participation in fulfilling related Federal responsibilities to Native Americans, and related grants to, and cooperative and other agreements with, State and local governments, Indian tribes, and others, \$762,531,000, to remain available until expended, of which \$14,649,000 shall be available for transfer to the Upper Colorado River Basin Fund and \$31,442,000 shall be available for transfer to the Lower Colorado River Basin Development Fund; of which such amounts as may be necessary may be advanced to the Colorado River Dam Fund; of which \$8,000,000 shall be for on-reservation water development, feasibility studies, and related administrative costs under Public Law 106-163; and of which not more than \$500,000 is for high priority projects which shall be carried out by the Youth Conservation Corps, as authorized by 16 U.S.C. 1706: *Provided*, That such transfers may be increased or decreased within the overall appropriation under this heading: *Provided further*, That of the total appropriated, the amount for program activities that can be financed by the Reclamation Fund or the Bureau of Reclamation special fee account established by 16 U.S.C. 4601-6a(i) shall be derived from that Fund or account: *Provided further*, That funds contributed under 43 U.S.C. 395 are available until expended for the purposes for which contributed: *Provided further*, That funds advanced under 43 U.S.C. 397a shall be credited to this account and are available until expended for the same purposes as the sums appropriated under this heading: *Provided further*, That \$12,000,000 of the funds appropriated herein shall be deposited in the San Gabriel Basin Restoration Fund established by section 110 of division B, title I of Public Law 106-554, of which \$1,000,000 shall be for remediation in the Central Basin Municipal Water District: *Provided further*, That funds available for expenditure for the Departmental Irrigation Drainage Program may be expended by the Bureau of Reclamation for site remediation on a non-reimbursable basis: *Provided further*, That section 301 of Public Law 102-250, Reclamation States Emergency Drought Relief Act of 1991, as amended, is amended further by inserting "2001, and 2002" in lieu of "and 2001": *Provided further*, That of such funds, not more than \$1,500,000 shall be available to the Secretary for completion of a feasibility study for the Santa Fe-Pojoaque Regional Water System, New Mexico: *Provided further*, That the study shall be completed by September 30, 2002.

43 USC 2241.

PUBLIC LAW 107-66—NOV. 12, 2001 115 STAT.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, \$7,215,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a-422l): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$26,000,000.

\$7,215,000

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, \$280,000, to remain available until expended: *Provided*, That of the total sums appropriated, the amount of program activities that can be financed by the Reclamation Fund shall be derived from that Fund.

26,000,000
(limitation)

280,000

[*Total, \$7,495,000.*]

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, \$55,039,000, to be derived from such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f), and 3406(c)(1) of Public Law 102-575, to remain available until expended: *Provided*, That the Bureau of Reclamation is directed to assess and collect the full amount of the additional mitigation and restoration payments authorized by section 3407(d) of Public Law 102-575.

55,039,000

POLICY AND ADMINISTRATION

For necessary expenses of policy, administration, and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, \$52,968,000, to be derived from the Reclamation Fund and be nonreimbursable as provided in 43 U.S.C. 377: *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted as policy and administration expenses.

52,968,000

ADMINISTRATIVE PROVISION

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed four passenger motor vehicles for replacement only.

[*Total, Bureau of Reclamation, \$878,033,000.*]

GENERAL PROVISIONS

DEPARTMENT OF THE INTERIOR

SEC. 201. In order to increase opportunities for Indian tribes to develop, manage, and protect their water resources, the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation, is authorized to enter into grants and cooperative agreements with any Indian tribe, institution of higher education, national Indian organization, or tribal organization pursuant to 31 U.S.C. 6301-6308. Nothing in this Act is intended to modify or limit the provisions of the Indian Self Determination Act (25 U.S.C. 45 et seq.).

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

114 Stat.
2763A-223.

SEC. 202. SAN GABRIEL BASIN, CALIFORNIA. (a) ADMINISTRATION OF RESTORATION FUND.—Section 110(a)(2) of the Miscellaneous Appropriations Act, 2001 (as enacted into law by section 1(a)(4) of Public Law 106-554) is amended by striking “the Secretary of the Army” and inserting “the Secretary of the Interior”.

(b) PURPOSES OF RESTORATION FUND.—Section 110(a)(3)(A) of such Act is amended by striking clauses (i) and (ii) and inserting the following:

“(i) to provide grants to the San Gabriel Basin Water Quality Authority and the Central Basin Municipal Water District to reimburse such agencies for the Federal share of the costs associated with designing and constructing water quality projects to be administered by such agencies; and

“(ii) to provide grants to reimburse the San Gabriel Basin Water Quality Authority and the Central Basin Municipal Water District for the Federal share of the costs required to operate any project constructed under this section for a period not to exceed 10 years, following the initial date of operation of the project.”.

(c) COST-SHARING LIMITATION.—Section 110(a)(3)(B) of such Act (114 Stat. 2763A-223) is amended by adding at the end the following:

“(iii) CREDITS TOWARD NON-FEDERAL SHARE.—For purposes of clause (ii), the Secretary shall credit the San Gabriel Basin Water Quality Authority with the value of all prior expenditures by non-Federal interests made after February 11, 1993, that are compatible with the purposes of this section, including—

“(I) all expenditures made by non-Federal interests to design and construct water quality projects, including expenditures associated with environmental analyses and public involvement activities that were required to implement the water quality projects in compliance with applicable Federal and State laws; and

“(II) all expenditures made by non-Federal interests to acquire lands, easements, rights-of-way, relocations, disposal areas, and water rights that were required to implement a water quality project.”.

SEC. 203. The Secretary of the Interior is authorized and directed to use not to exceed \$1,000,000 of the funds appropriated under title II to refund amounts received by the United States as payments for charges assessed by the Secretary prior to January 1, 1994 for failure to file certain certification or reporting forms prior to the receipt of irrigation water, pursuant to sections 206 and 224(c) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ff, 390ww(c)), including the amount of associated interest assessed by the Secretary and paid to the United States pursuant to section 224(i) of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww(i)).

43 USC 1543
note.

SEC. 204. LOWER COLORADO RIVER BASIN DEVELOPMENT FUND. (a) IN GENERAL.—Notwithstanding section 403(f) of the Colorado River Basin Project Act (43 U.S.C. 1543(f)), no amount from the Lower Colorado River Basin Development Fund shall be paid to

the general fund of the Treasury until each provision of the Stipulation Regarding a Stay and for Ultimate Judgment Upon the Satisfaction of Conditions, filed in United States district court on May 3, 2000, in *Central Arizona Water Conservation District v. United States* (No. CIV 95-625-TUC-WDB (EHC), No. CIV 95-1720-OHX-EHC (Consolidated Action)) is met.

(b) **PAYMENT TO GENERAL FUND.**—If any of the provisions of the stipulation referred to in subsection (a) are not met by the date that is 3 years after the date of enactment of this Act, payments to the general fund of the Treasury shall resume in accordance with section 403(f) of the Colorado River Basin Project Act (43 U.S.C. 1543(f)).

(c) **AUTHORIZATION.**—Amounts in the Lower Colorado River Basin Development Fund that but for this section would be returned to the general fund of the Treasury shall not be expended until further Act of Congress.

SEC. 205. (a) None of the funds appropriated or otherwise made available by this Act may be used to determine the final point of discharge for the interceptor drain for the San Luis Unit until development by the Secretary of the Interior and the State of California of a plan, which shall conform to the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters.

(b) The costs of the Kesterson Reservoir Cleanup Program and the costs of the San Joaquin Valley Drainage Program shall be classified by the Secretary of the Interior as reimbursable or nonreimbursable and collected until fully repaid pursuant to the “Cleanup Program—Alternative Repayment Plan” and the “SJVDP—Alternative Repayment Plan” described in the report entitled “Repayment Report, Kesterson Reservoir Cleanup Program and San Joaquin Valley Drainage Program, February 1995”, prepared by the Department of the Interior, Bureau of Reclamation. Any future obligations of funds by the United States relating to, or providing for, drainage service or drainage studies for the San Luis Unit shall be fully reimbursable by San Luis Unit beneficiaries of such service or studies pursuant to Federal reclamation law.

SEC. 206. The Secretary of the Interior, in accepting payments for the reimbursable expenses incurred for the replacement, repair, and extraordinary maintenance with regard to the Valve Rehabilitation Project at the Arrowrock Dam on the Arrowrock Division of the Boise Project in Idaho, shall recover no more than \$6,900,000 of such expenses according to the application of the current formula for charging users for reimbursable operation and maintenance expenses at Bureau of Reclamation facilities on the Boise Project, and shall recover this portion of such expenses over a period of 15 years.

SEC. 207. None of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to purchase or lease water in the Middle Rio Grande or the Carlsbad Projects in New Mexico unless said purchase or lease is in compliance with the purchase requirements of section 202 of Public Law 106-60.

SEC. 208. None of the funds made available in this Act may be used by the Bureau of Reclamation (either directly or by making the funds available to an entity under a contract) for the issuance of permits for, or any other activity related to the management

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

of, commercial rafting activities within the Auburn State Recreation Area, California, until the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 12151 et seq.) are met with respect to such commercial rafting activities.

113 Stat. 274.

SEC. 209. (a) Section 101(a)(6)(C) of the Water Resources Development Act of 1999, Public Law 106-53, is amended to read as follows:

“(C) MAKEUP OF WATER SHORTAGES CAUSED BY FLOOD CONTROL OPERATION.—

“(i) IN GENERAL.—The Secretary of the Interior shall enter into, or modify, such agreements with the Sacramento Area Flood Control Agency regarding the operation of Folsom Dam and Reservoir as may be necessary in order that, notwithstanding any prior agreement or provision of law, 100 percent of the water needed to make up for any water shortage caused by variable flood control operation during any year at Folsom Dam, and resulting in a significant impact on recreation at Folsom Reservoir shall be replaced, to the extent the water is available for purchase, by the Secretary of the Interior.

“(ii) COST SHARING.—Seventy-five percent of the costs of the replacement water provided under clause (i) shall be paid for on a non-reimbursable basis by the Secretary of the Interior at Federal expense. The remaining 25 percent of such costs shall be provided by the Sacramento Area Flood Control Agency.

“(iii) LIMITATION.—To the extent that any funds in excess of the non-Federal share are provided by the Sacramento Area Flood Control Agency, the Secretary shall reimburse such non-Federal interests for such excess funds. Costs for replacement water may not exceed 125 percent of the current average market price for raw water, as determined by the Secretary of the Interior.”

110 Stat. 3663.

(b) CONFORMING CHANGE.—Section 101(a)(1)(D)(ii) of the Water Resources Development Act of 1996, Public Law 104-303, is amended by striking “during” and all that follows through “thereafter”.

[Total, title II, Department of the Interior, \$914,261,000.]

TITLE III

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

ENERGY SUPPLY

For Department of Energy expenses including the purchase, construction, and acquisition of plant and capital equipment, and other expenses necessary for energy supply activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of not to exceed 17 passenger motor vehicles for replacement only, \$666,726,000, to remain available until expended.

\$666,726,000

PUBLIC LAW 107-66—NOV. 12, 2001

115 STAT.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for non-defense environmental management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$236,372,000, to remain available until expended: *Provided*, That funding for the West Valley Demonstration Project shall be reduced in subsequent fiscal years to the minimum necessary to maintain the project in a safe and stable condition, unless, not later than September 30, 2002, the Secretary: (1) provides written notification to the Committees on Appropriations of the House of Representatives and the Senate that agreement has been reached with the State of New York on the final scope of Federal activities at the West Valley site and on the respective Federal and State cost shares for those activities; (2) submits a written copy of that agreement to the Committees on Appropriations of the House of Representatives and the Senate; and (3) provides a written certification that the Federal actions proposed in the agreement will be in full compliance with all relevant Federal statutes and are in the best interest of the Federal Government.

\$236,372,000
42 USC 2021a
note.

URANIUM FACILITIES MAINTENANCE AND REMEDIATION

For necessary expenses to maintain, decontaminate, decommission, and otherwise remediate uranium processing facilities, \$418,425,000, of which \$299,641,000 shall be derived from the Uranium Enrichment Decontamination and Decommissioning Fund, all of which shall remain available until expended.

418,425,000

SCIENCE

For Department of Energy expenses including the purchase, construction and acquisition of plant and capital equipment, and other expenses necessary for science activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion, and purchase of not to exceed 25 passenger motor vehicles for replacement only, \$3,233,100,000, to remain available until expended.

3,233,100,000

NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, \$95,000,000, to remain available until expended and to be derived from the Nuclear Waste Fund: *Provided*, That not to exceed \$2,500,000 shall be provided to the State of Nevada solely for expenditures, other than salaries and expenses of State employees, to conduct scientific oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended: *Provided further*, That \$6,000,000 shall be provided to affected units of local governments, as defined in Public Law 97-425, to conduct appropriate

95,000,000

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

Deadline.
Nevada.
Certification.

activities pursuant to the Act: *Provided further*, That the distribution of the funds as determined by the units of local government shall be approved by the Department of Energy: *Provided further*, That the funds for the State of Nevada shall be made available solely to the Nevada Division of Emergency Management by direct payment and units of local government by direct payment: *Provided further*, That within 90 days of the completion of each Federal fiscal year, the Nevada Division of Emergency Management and the Governor of the State of Nevada and each local entity shall provide certification to the Department of Energy that all funds expended from such payments have been expended for activities authorized by Public Law 97-425 and this Act. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: *Provided further*, That none of the funds herein appropriated may be: (1) used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for lobbying activity as provided in 18 U.S.C. 1913; (2) used for litigation expenses; or (3) used to support multi-State efforts or other coalition building activities inconsistent with the restrictions contained in this Act: *Provided further*, That all proceeds and recoveries realized by the Secretary in carrying out activities authorized by the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended, including but not limited to, any proceeds from the sale of assets, shall be available without further appropriation and shall remain available until expended.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For salaries and expenses of the Department of Energy necessary for departmental administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed \$35,000), \$210,853,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further*, That moneys received by the Department for miscellaneous revenues estimated to total \$137,810,000 in fiscal year 2002 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of 31 U.S.C. 3302: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation from the General Fund estimated at not more than \$73,043,000.

\$73,043,000

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$32,430,000, to remain available until expended.

32,430,000

PUBLIC LAW 107-66—NOV. 12, 2001

115 STAT.

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of not to exceed 11 passenger motor vehicles for replacement only, \$5,429,238,000, to remain available until expended. \$5,429,238,000

DEFENSE NUCLEAR NONPROLIFERATION

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense, defense nuclear nonproliferation activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$803,586,000, to remain available until expended. 803,586,000

NAVAL REACTORS

For Department of Energy expenses necessary for naval reactors activities to carry out the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition (by purchase, condemnation, construction, or otherwise) of real property, plant, and capital equipment, facilities, and facility expansion, \$688,045,000, to remain available until expended. 688,045,000

OFFICE OF THE ADMINISTRATOR

For necessary expenses of the Office of the Administrator of the National Nuclear Security Administration, including official reception and representation expenses (not to exceed \$12,000), \$312,596,000, to remain available until expended. 312,596,000
[Total, National Nuclear Security Administration, \$7,233,465,000.]

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of not to exceed 30

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

\$5,234,576,000 passenger motor vehicles, of which 27 shall be for replacement only, \$5,234,576,000, to remain available until expended.

DEFENSE FACILITIES CLOSURE PROJECTS

1,092,878,000 For expenses of the Department of Energy to accelerate the closure of defense environmental management sites, including the purchase, construction, and acquisition of plant and capital equipment and other necessary expenses, \$1,092,878,000, to remain available until expended.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

153,537,000 For Department of Energy expenses for privatization projects necessary for atomic energy defense environmental management activities authorized by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), \$153,537,000, to remain available until expended.

[Total, Defense environmental management, \$6,480,991,000.]

OTHER DEFENSE ACTIVITIES

544,044,000 For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$544,044,000, to remain available until expended.

DEFENSE NUCLEAR WASTE DISPOSAL

280,000,000 For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, \$280,000,000, to remain available until expended.

[Total, Atomic Energy Defense Activities, \$14,538,500,000.]

POWER MARKETING ADMINISTRATIONS

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for official reception and representation expenses in an amount not to exceed \$1,500.

During fiscal year 2002, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

4,891,000 For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, including transmission wheeling and ancillary services, pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, \$4,891,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, up to \$8,000,000 collected by the Southeastern Power Administration pursuant to the Flood

Control Act to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER
ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed \$1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, \$28,038,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed \$5,200,000 in reimbursements, to remain available until expended: *Provided*, That up to \$1,512,000 collected by the Southwestern Power Administration pursuant to the Flood Control Act to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures.

\$28,038,000

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,
WESTERN AREA POWER ADMINISTRATION

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7152), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed \$1,500, \$171,938,000, to remain available until expended, of which \$166,651,000 shall be derived from the Department of the Interior Reclamation Fund: *Provided*, That of the amount herein appropriated, \$6,000,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: *Provided further*, That up to \$152,624,000 collected by the Western Area Power Administration pursuant to the Flood Control Act of 1944 and the Reclamation Project Act of 1939 to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures.

171,938,000

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams, \$2,663,000, to remain available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

2,663,000

[*Total, Power Marketing Administrations, \$207,530,000.*]

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

\$184,155,000
42 USC 7171
note.
- 184,155,000
(revenues)

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed \$3,000), \$184,155,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, not to exceed \$184,155,000 of revenues from fees and annual charges, and other services and collections in fiscal year 2002 shall be retained and used for necessary expenses in this account, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as revenues are received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation from the General Fund estimated at not more than \$0: *Provided further*, That the Commission is authorized an additional 5 senior executive service positions.

GENERAL PROVISIONS

DEPARTMENT OF ENERGY

SEC. 301. (a) None of the funds appropriated by this Act may be used to award a management and operating contract, or award a significant extension or expansion to an existing management and operating contract, unless such contract is awarded using competitive procedures or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver.

Reports.
Notification.

(b) At least 60 days before a contract award for which the Secretary intends to grant such a waiver, the Secretary shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the Subcommittees of the waiver and setting forth, in specificity, the substantive reasons why the Secretary believes the requirement for competition should be waived for this particular award.

SEC. 302. None of the funds appropriated by this Act may be used to—

(1) develop or implement a workforce restructuring plan that covers employees of the Department of Energy; or

(2) provide enhanced severance payments or other benefits for employees of the Department of Energy,

under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 42 U.S.C. 7274h).

SEC. 303. None of the funds appropriated by this Act may be used to augment the \$20,000,000 made available for obligation by this Act for severance payments and other benefits and community assistance grants under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 42 U.S.C. 7274h) unless the Department of Energy submits a reprogramming request subject to approval by the appropriate Congressional committees.

SEC. 304. None of the funds appropriated by this Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by Congress.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 305. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 306. None of the funds in this or any other Act for the Administrator of the Bonneville Power Administration may be used to enter into any agreement to perform energy efficiency services outside the legally defined Bonneville service territory, with the exception of services provided internationally, including services provided on a reimbursable basis, unless the Administrator certifies in advance that such services are not available from private sector businesses.

SEC. 307. When the Department of Energy makes a user facility available to universities and other potential users, or seeks input from universities and other potential users regarding significant characteristics or equipment in a user facility or a proposed user facility, the Department shall ensure broad public notice of such availability or such need for input to universities and other potential users. When the Department of Energy considers the participation of a university or other potential user as a formal partner in the establishment or operation of a user facility, the Department shall employ full and open competition in selecting such a partner. For purposes of this section, the term “user facility” includes, but is not limited to: (1) a user facility as described in section 2203(a)(2) of the Energy Policy Act of 1992 (42 U.S.C. 13503(a)(2)); (2) a National Nuclear Security Administration Defense Programs Technology Deployment Center/User Facility; and (3) any other Departmental facility designated by the Department as a user facility.

Public
information.

SEC. 308. None of the funds in this Act may be used to dispose of transuranic waste in the Waste Isolation Pilot Plant which contains concentrations of plutonium in excess of 20 percent by weight for the aggregate of any material category on the date of enactment of this Act, or is generated after such date. For the purposes of this section, the material categories of transuranic waste at the Rocky Flats Environmental Technology Site include: (1) ash residues; (2) salt residues; (3) wet residues; (4) direct repackaged residues; and (5) scrub alloy as referenced in the “Final Environmental Impact Statement on Management of Certain Plutonium Residues and Scrub Alloy Stored at the Rocky Flats Environmental Technology Site”.

SEC. 309. The Administrator of the National Nuclear Security Administration may authorize the plant manager of a covered nuclear weapons production plant to engage in research, development, and demonstration activities with respect to the engineering and manufacturing capabilities at such plant in order to maintain and enhance such capabilities at such plant: *Provided*, That of the amount allocated to a covered nuclear weapons production plant each fiscal year from amounts available to the Department of Energy for such fiscal year for national security programs, not more than an amount equal to 2 percent of such amount may

42 USC 7274r.

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

be used for these activities: *Provided further*, That for purposes of this section, the term “covered nuclear weapons production plant” means the following:

- (1) the Kansas City Plant, Kansas City, Missouri;
- (2) the Y-12 Plant, Oak Ridge, Tennessee;
- (3) the Pantex Plant, Amarillo, Texas; and
- (4) the Savannah River Plant, South Carolina.

SEC. 310. The Administrator of the National Nuclear Security Administration may authorize the manager of the Nevada Operations Office to engage in research, development, and demonstration activities with respect to the development, test, and evaluation capabilities necessary for operations and readiness of the Nevada Test Site: *Provided*, That of the amount allocated to the Nevada Operations Office each fiscal year from amounts available to the Department of Energy for such fiscal year for national security programs at the Nevada Test Site, not more than an amount equal to 2 percent of such amount may be used for these activities.

112 Stat. 681.

SEC. 311. DEPLETED URANIUM HEXAFLUORIDE. Section 1 of Public Law 105-204 is amended in subsection (b)—

- (1) by inserting “except as provided in subsection (c),” after “1321-349,”; and
- (2) by striking “fiscal year 2002” and inserting “fiscal year 2005”.

SEC. 312. PROHIBITION OF OIL AND GAS DRILLING IN THE FINGER LAKES NATIONAL FOREST, NEW YORK. No Federal permit or lease shall be issued for oil or gas drilling in the Finger Lakes National Forest, New York, during fiscal year 2002.

[*Total, title III, Department of Energy, \$19,501,126,000.*]

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

40 USC app. 401
note.

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and, for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission, for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, \$71,290,000, to remain available until expended.

\$71,290,000

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100-456, section 1441, \$18,500,000, to remain available until expended.

18,500,000

DELTA REGIONAL AUTHORITY

SALARIES AND EXPENSES

For necessary expenses of the Delta Regional Authority and to carry out its activities, as authorized by the Delta Regional

PUBLIC LAW 107-66—NOV. 12, 2001 115 STAT.

Authority Act of 2000, \$10,000,000, to remain available until expended. \$10,000,000

DENALI COMMISSION

For expenses of the Denali Commission including the purchase, construction and acquisition of plant and capital equipment as necessary and other expenses, \$38,000,000, to remain available until expended. 38,000,000

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including official representation expenses (not to exceed \$15,000), and purchase of promotional items for use in the recruitment of individuals for employment, \$516,900,000, to remain available until expended: *Provided*, That of the amount appropriated herein, \$23,650,000 shall be derived from the Nuclear Waste Fund: *Provided further*, That revenues from licensing fees, inspection services, and other services and collections estimated at \$473,520,000 in fiscal year 2002 shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation estimated at not more than \$43,380,000: *Provided further*, That, notwithstanding any other provision of law, no funds made available under this or any other Act may be expended by the Commission to implement or enforce any part of 10 CFR part 35, as adopted by the Commission on October 23, 2000, with respect to diagnostic nuclear medicine, except those parts which establish training and experience requirements for persons seeking licensing as authorized users, until such time as the Commission has reexamined 10 CFR part 35 and provided a report to the Congress which explains why the burden imposed by 10 CFR part 35 could not be further reduced.

[Subtotal, \$43,380,000.]

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$6,180,000, to remain available until expended: *Provided*, That revenues from licensing fees, inspection services, and other services and collections estimated at \$5,933,000 in fiscal year 2002 shall be retained and be available until expended, for necessary salaries and expenses in this account notwithstanding 31 U.S.C. 3302: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation estimated at not more than \$247,000.

[Subtotal, \$247,000.]

[Total, NRC, \$43,627,000.]

115 STAT.

PUBLIC LAW 107-66—NOV. 12, 2001

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100-203, section 5051, \$3,100,000, \$3,100,000, to be derived from the Nuclear Waste Fund, and to remain available until expended.

[Total, title IV, Independent agencies, \$184,517,000.]

TITLE V

GENERAL PROVISIONS

SEC. 501. None of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913.

SEC. 502. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a “Made in America” inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 503. The Secretary of the Army shall conduct and submit to Congress a study that examines the known and potential environmental effects of oil and gas drilling activity in the Great Lakes (including effects on the shorelines and water of the Great Lakes): *Provided*, That during the fiscal years 2002 and 2003, no Federal or State permit or lease shall be issued for new oil and gas slant, directional, or offshore drilling in or under one or more of the Great Lakes.

PUBLIC LAW 107-66—NOV. 12, 2001

115 STAT.

This Act may be cited as the “Energy and Water Development Appropriations Act, 2002”.

Approved November 12, 2001.

LEGISLATIVE HISTORY—H.R. 2311 (S. 1171):

HOUSE REPORTS: Nos. 107-112 (Comm. on Appropriations) and 107-258 (Comm. of Conference).

SENATE REPORTS: No. 107-39 accompanying S. 1171 (Comm. on Appropriations).
CONGRESSIONAL RECORD, Vol. 147 (2001):

June 27, 28, considered and passed House.

July 16-19, considered and passed Senate, amended.

Nov. 1, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Nov. 12, Presidential statement.

[In thousands of dollars]

| | |
|--|--------------|
| Net grand total, Energy and Water Development Appropriations Act, 2002 | \$25,093,000 |
| Appropriations | (25,118,000) |
| Rescissions | (- 25,000) |
| Consisting of: | |
| Department of Defense—Civil: | |
| Corps of Engineers—Civil (net) | 4,486,096 |
| Department of Energy | 19,501,126 |
| General Government—Independent Agencies | 184,517 |
| Department of the Interior: | |
| Bureau of Reclamation and Central Utah Project Completion Account | 914,261 |
| Other budget adjustments | 7,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**FOREIGN OPERATIONS,
EXPORT FINANCING, AND
RELATED PROGRAMS
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-115

FOREIGN OPERATIONS, EXPORT FINANCING APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

Public Law 107-115
107th Congress

An Act

Jan. 10, 2002
[H.R. 2506]

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

Foreign
Operations,
Export
Financing, and
Related
Programs
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country, other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act, that has detonated a nuclear explosive after the date of the enactment of this Act.

SUBSIDY APPROPRIATION

\$727,323,000 For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, \$727,323,000 to remain available until September 30, 2005: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until September 30, 2020 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2002, 2003, 2004, and 2005: *Provided further*, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the

regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$30,000 for official reception and representation expenses for members of the Board of Directors, \$63,000,000: *Provided*, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further*, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 2002.

\$63,000,000

¹ - 11,000,000

Termination
date.
12 USC 635a
note.

[*Total, Export-Import Bank of the United States, \$779,323,000.*]

OVERSEAS PRIVATE INVESTMENT CORPORATION

NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed \$35,000) shall not exceed \$38,608,000: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

38,608,000

² - 290,000,000

PROGRAM ACCOUNT

Such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

[*Total, Overseas Private Investment Corporation, - \$251,392,000.*]

¹ CBO estimate of negative subsidy.

² CBO estimate of "Insurance fees and other offsetting collections".

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

\$50,024,000 For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, \$50,024,000, to remain available until September 30, 2003.

[Total, title I, Export and investment assistance, \$577,955,000.]

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 2002, unless otherwise specified herein, as follows:

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND HEALTH PROGRAMS FUND

1,433,500,000 For necessary expenses to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, and title I of Public Law 106-570, for child survival, reproductive health/family planning, assistance to combat tropical and other infectious diseases, and related activities, in addition to funds otherwise available for such purposes, \$1,433,500,000, to remain available until expended: *Provided*, That this amount shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health, nutrition, water and sanitation programs which directly address the needs of mothers and children, and related education programs; (4) assistance for displaced and orphaned children; (5) programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, malaria, polio and other infectious diseases; and (6) family planning/reproductive health: *Provided further*, That none of the funds appropriated under this heading may be made available for nonproject assistance, except that funds may be made available for such assistance for ongoing health programs: *Provided further*, That of the funds appropriated under this heading, not to exceed \$125,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of child survival, maternal and family planning/reproductive health, and infectious disease programs: *Provided further*, That the following amounts should be allocated as follows: \$315,000,000 for child survival and maternal health; \$25,000,000 for vulnerable children; \$435,000,000 for HIV/AIDS including not less than \$15,000,000 which should be made available to support the development of microbicides as a means for combating HIV/AIDS; \$165,000,000 for other infectious diseases, of which \$65,000,000 should be made available for the prevention, treatment, and control of, and research on, tuberculosis, and of which \$65,000,000 should be made available to combat malaria; \$368,500,000 for family planning/reproductive health, including in areas where population growth threatens biodiversity or endangered species; and \$120,000,000 for UNICEF: *Provided further*, That of the funds appropriated under this heading, up to \$50,000,000 may be made available, notwithstanding any other provision of law for a United States contribution to a global fund to combat AIDS, tuberculosis, and malaria: *Provided further*, That in addition to

the funds made available elsewhere under this heading and subject to the regular notification procedures of the Committees on Appropriations, the President may make available up to an additional \$50,000,000, notwithstanding any other provision of law, for a United States contribution to a global fund to combat AIDS, tuberculosis, and malaria, which may be derived from funds appropriated in title II of this Act and in title II of prior Acts making appropriations for foreign operations, export financing, and related programs: *Provided further*, That of the funds appropriated under this heading, up to \$53,000,000 may be made available for a United States contribution to The Vaccine Fund, and up to \$10,000,000 may be made available for the International AIDS Vaccine Initiative: *Provided further*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this Act may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions: *Provided further*, That none of the funds made available under this Act may be used to lobby for or against abortion: *Provided further*, That in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services, and that any such voluntary family planning project shall meet the following requirements: (1) service providers or referral agents in the project shall not implement or be subject to quotas, or other numerical targets, of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning (this provision shall not be construed to include the use of quantitative estimates or indicators for budgeting and planning purposes); (2) the project shall not include payment of incentives, bribes, gratuities, or financial reward to: (A) an individual in exchange for becoming a family planning acceptor; or (B) program personnel for achieving a numerical target or quota of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning; (3) the project shall not deny any right or benefit, including the right of access to participate in any program of general welfare or the right of access to health care, as a consequence of any individual's decision not to accept family planning services; (4) the project shall provide family planning acceptors comprehensible information on the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method; and (5) the project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits; and, not less than 60 days after the date on which the Administrator of the United States Agency for International Development determines that there has been a violation of the requirements contained in paragraph (1), (2), (3), or (5) of this proviso, or a pattern or practice of violations of the requirements contained in paragraph (4) of this proviso, the

Abortion.
Sterilization.

Family planning.

Deadline.
Reports.

Administrator shall submit to the Committees on Appropriations of the Senate and the House of Representatives, a report containing a description of such violation and the corrective action taken by the Agency: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: *Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961.

DEVELOPMENT ASSISTANCE

\$1,178,000,000 For necessary expenses to carry out the provisions of sections 103, 105, 106, and 131, and chapter 10 of part I of the Foreign Assistance Act of 1961, \$1,178,000,000, to remain available until September 30, 2003: *Provided*, That \$150,000,000 should be allocated for children's basic education: *Provided further*, That none of the funds appropriated under this heading may be made available for any activity which is in contravention to the Convention on International Trade in Endangered Species of Flora and Fauna: *Provided further*, That of the funds appropriated under this heading and the heading "Child Survival and Health Programs Fund", \$2,000,000 should be made available for Laos: *Provided further*, That funds made available under the previous proviso should be made available only through nongovernmental organizations: *Provided further*, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed \$32,500, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: *Provided further*, That of the aggregate amount of the funds appropriated by this Act that are made available for agriculture and rural development programs, \$25,000,000 should be made available for plant biotechnology research and development: *Provided further*, That not less than \$2,300,000 should be made available for core support for the International Fertilizer Development Center: *Provided further*, That of the funds appropriated under this heading, not less than \$18,000,000 should be made available for the American Schools and Hospitals Abroad program: *Provided further*, That of the funds appropriated under this heading, not less than \$275,000,000 should be made available for programs and activities which directly protect tropical forests, biodiversity and endangered species, promote the sustainable use of natural resources, and promote a wide range of clean energy and energy conservation activities, including the transfer of cleaner and environmentally sustainable energy technologies, and related activities.

BURMA

Of the funds appropriated under the heading “Economic Support Fund”, not less than \$6,500,000 shall be made available to support democracy activities in Burma, democracy and humanitarian activities along the Burma-Thailand border, and for Burmese student groups and other organizations located outside Burma: *Provided*, That funds made available for Burma-related activities under this heading may be made available notwithstanding any other provision of law: *Provided further*, That the provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, as enacted by section 101(a) of Public Law 106-429, is amended, under the heading “Burma”, by inserting “, ‘Child Survival and Disease Programs Fund’,” after “Fund”.

22 USC 2151u
note.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$235,500,000, to remain available until expended.

\$235,500,000

TRANSITION INITIATIVES

For necessary expenses for international disaster rehabilitation and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, \$50,000,000, to remain available until expended, to support transition to democracy and to long-term development of countries in crisis: *Provided*, That such support may include assistance to develop, strengthen, or preserve democratic institutions and processes, revitalize basic infrastructure, and foster the peaceful resolution of conflict: *Provided further*, That the United States Agency for International Development shall submit a report to the Committees on Appropriations at least 5 days prior to beginning a new program of assistance.

50,000,000

Reports.
Deadline.

DEVELOPMENT CREDIT AUTHORITY

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans and loan guarantees, up to \$18,500,000, as authorized by sections 108 and 635 of the Foreign Assistance Act of 1961: *Provided*, That such funds shall be derived by transfer from funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, and under the heading “Assistance for Eastern Europe and the Baltic States”: *Provided further*, That such funds shall be made available only for micro and small enterprise programs, urban programs, and other programs which further the purposes of part I of the Act: *Provided further*, That during fiscal year 2002, commitments to guarantee loans shall not exceed \$267,500,000: *Provided further*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That the provisions of section 107A(d) (relating to general provisions applicable to the Development Credit Authority) of the Foreign Assistance Act of 1961, as contained in section 306 of H.R. 1486 as reported by the House Committee

¹ 18,500,000

² 267,500,000

Applicability.

¹ Transfer.

² Guaranteed loan authorization.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this heading. In addition, for administrative expenses to carry out credit programs administered by the United States Agency for International Development, \$7,500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 2007.

\$7,500,000

[Subtotal, development assistance, \$2,904,500,000.]

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the “Foreign Service Retirement and Disability Fund”, as authorized by the Foreign Service Act of 1980, \$44,880,000.

44,880,000

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, \$549,000,000: *Provided*, That none of the funds appropriated under this heading may be made available to finance the construction (including architect and engineering services), purchase, or long term lease of offices for use by the United States Agency for International Development, unless the Administrator has identified such proposed construction (including architect and engineering services), purchase, or long term lease of offices in a report submitted to the Committees on Appropriations at least 15 days prior to the obligation of these funds for such purposes: *Provided further*, That the previous proviso shall not apply where the total cost of construction (including architect and engineering services), purchase, or long term lease of offices does not exceed \$1,000,000: *Provided further*, That of the funds appropriated under this heading, up to \$10,000,000 may remain available until expended for security-related costs.

549,000,000

Reports.
Deadline.

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

For necessary expenses to carry out the provisions of section 667, \$31,500,000, to remain available until September 30, 2003, which sum shall be available for the Office of the Inspector General of the United States Agency for International Development.

31,500,000

[Total, United States Agency for International Development, \$3,529,880,000.]

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, \$2,199,000,000, to remain available until September 30, 2003: *Provided*, That of the funds appropriated under this heading, not less than \$720,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act or by October 31, 2001, whichever is later: *Provided further*, That not less than \$655,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the

2,199,000,000

Israel.
Deadline.

Egypt.

understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than \$200,000,000 shall be provided as Commodity Import Program assistance: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country and that Israel enters into a side letter agreement in an amount proportional to the fiscal year 1999 agreement: *Provided further*, That of the funds appropriated under this heading, \$150,000,000 should be made available for assistance for Jordan: *Provided further*, That of the funds appropriated under this heading, \$50,000,000 should be made available for assistance for Indonesia: *Provided further*, That not less than \$15,000,000 of the funds appropriated under this heading shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus: *Provided further*, That not less than \$35,000,000 of the funds appropriated under this heading shall be made available for assistance for Lebanon to be used, among other programs, for scholarships and direct support of the American educational institutions in Lebanon: *Provided further*, That notwithstanding section 534(a) of this Act, funds appropriated under this heading that are made available for assistance for the Central Government of Lebanon shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That the Government of Lebanon should enforce the custody and international pickup orders, issued during calendar year 2001, of Lebanon's civil courts regarding abducted American children in Lebanon: *Provided further*, That of the funds appropriated under this heading, not less than \$25,000,000 shall be made available for assistance for East Timor of which up to \$1,000,000 may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development: *Provided further*, That funds appropriated under this heading may be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese Government forces and its militia allies, and the provision of such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That in the previous proviso, the term "assistance" includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling equipment, communications equipment to notify civilians of aerial bombardment, non-military vehicles, tents, and shoes: *Provided further*, That with respect to funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, the responsibility for policy decisions and justifications for the use of such funds, including whether there will be a program for a country that uses those funds and the amount of each such program, shall be the responsibility of the Secretary of State and the Deputy Secretary of State and this responsibility shall not be delegated.

President.
Israel.

Cyprus.

Lebanon.

Child abduction.

East Timor.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

INTERNATIONAL FUND FOR IRELAND

\$25,000,000 For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, \$25,000,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): *Provided*, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: *Provided further*, That funds made available under this heading shall remain available until September 30, 2003.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

621,000,000 (a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, \$621,000,000, to remain available until September 30, 2003, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States: *Provided*, That not to exceed \$21,500,000 of the funds appropriated under this heading in this Act and in prior Acts making appropriations for foreign operations, export financing, and related programs, together with not to exceed \$21,500,000 of the funds appropriated under the heading “Economic Support Fund” in this Act and such prior Acts, may be made available for the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and guarantees for the Federal Republic of Yugoslavia: *Provided further*, That funds made available for assistance for Kosovo from funds appropriated under this heading and under the headings “Economic Support Fund” and “International Narcotics Control and Law Enforcement” should not exceed 15 percent of the total resources pledged by all donors for calendar year 2002 for assistance for Kosovo as of March 31, 2002: *Provided further*, That none of the funds made available under this Act for assistance for Kosovo shall be made available for large scale physical infrastructure reconstruction.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund’s disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) With regard to funds appropriated under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program) the Administrator of the

United States Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee.

(e) The provisions of section 529 of this Act shall apply to funds made available under subsection (d) and to funds appropriated under this heading: *Provided*, That notwithstanding any provision of this or any other Act, including provisions in this subsection regarding the application of section 529 of this Act, local currencies generated by, or converted from, funds appropriated by this Act and by previous appropriations Acts and made available for the economic revitalization program in Bosnia may be used in Eastern Europe and the Baltic States to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989.

Applicability.

(f) The President is authorized to withhold funds appropriated under this heading made available for economic revitalization programs in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1-A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has not been terminated.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapters 11 and 12 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet Union and for related programs, \$784,000,000, to remain available until September 30, 2003: *Provided*, That the provisions of such chapters shall apply to funds appropriated by this paragraph: *Provided further*, That of the funds made available for the Southern Caucasus region, notwithstanding any other provision of law, funds may be used for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh: *Provided further*, That of the funds appropriated under this heading, not less than \$1,500,000 should be available only to meet the health and other assistance needs of victims of trafficking in persons: *Provided further*, That of the funds appropriated under this heading not less than \$17,500,000 shall be made available solely for the Russian Far East: *Provided further*, That, notwithstanding any other provision of law, funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, or related programs, that are made available pursuant to the provisions of section 807 of the FREEDOM Support Act (Public Law 102-511) shall be subject to the ceiling on administrative expenses contained in section 807(a)(5) of the FREEDOM Support Act.

\$784,000,000
Applicability.

(b) Of the funds appropriated under this heading, not less than \$154,000,000 should be made available for assistance for Ukraine: *Provided*, That of this amount, not less than \$30,000,000 should be made available for nuclear reactor safety initiatives:

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

Deadlines.
Reports.

Provided further, That not later than 60 days after the date of enactment of this Act, and 120 days thereafter, the Department of State shall submit to the Committees on Appropriations a report on progress by the Government of Ukraine in investigating and bringing to justice individuals responsible for the murders of Ukrainian journalists.

(c) Of the funds appropriated under this heading, not less than \$90,000,000 shall be made available for assistance for Armenia.

(d) Of the funds appropriated under this heading, \$90,000,000 should be made available for assistance for Georgia.

(e)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of the Russian Federation, 60 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation:

(A) has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability; and

(B) is providing full access to international non-government organizations providing humanitarian relief to refugees and internally displaced persons in Chechnya.

(2) Paragraph (1) shall not apply to—

(A) assistance to combat infectious diseases, child survival activities, or assistance for victims of trafficking in persons; and

(B) activities authorized under title V (Nonproliferation and Disarmament Programs and Activities) of the FREEDOM Support Act.

(f) Of the funds appropriated under this heading, not less than \$49,000,000 should be made available, in addition to funds otherwise available for such purposes, for assistance for child survival, environmental and reproductive health/family planning, and to combat HIV/AIDS, tuberculosis, and other infectious diseases, and for related activities.

(g)(1) Section 907 of the FREEDOM Support Act shall not apply to—

(A) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104-201 or non-proliferation assistance;

(B) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(C) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;

(D) any insurance, reinsurance, guarantee or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(E) any financing provided under the Export-Import Bank Act of 1945; or

(F) humanitarian assistance.

(2) The President may waive section 907 of the FREEDOM Support Act if he determines and certifies to the Committees on Appropriations that to do so—

(A) is necessary to support United States efforts to counter international terrorism; or

(B) is necessary to support the operational readiness of United States Armed Forces or coalition partners to counter international terrorism; or

(C) is important to Azerbaijan's border security; and

(D) will not undermine or hamper ongoing efforts to negotiate a peaceful settlement between Armenia and Azerbaijan or be used for offensive purposes against Armenia.

(3) The authority of paragraph (2) may only be exercised through December 31, 2002.

(4) The President may extend the waiver authority provided in paragraph (2) on an annual basis on or after December 31, 2002 if he determines and certifies to the Committees on Appropriations in accordance with the provisions of paragraph (2).

(5) The Committees on Appropriations shall be consulted prior to the provision of any assistance made available pursuant to paragraph (2).

(6) Within 60 days of any exercise of the authority under paragraph (2) the President shall send a report to the appropriate congressional committees specifying in detail the following—

(A) the nature and quantity of all training and assistance provided to the Government of Azerbaijan pursuant to paragraph (2);

(B) the status of the military balance between Azerbaijan and Armenia and the impact of United States assistance on that balance; and

(C) the status of negotiations for a peaceful settlement between Armenia and Azerbaijan and the impact of United States assistance on those negotiations.

[*Total, Other Bilateral Economic Assistance, \$3,629,000.*]

INDEPENDENT AGENCIES

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104(b)(3), \$13,106,950.

\$13,106,950

AFRICAN DEVELOPMENT FOUNDATION

For expenses necessary to carry out title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104(b)(3), \$16,542,000: *Provided*, That funds made available to grantees may be invested pending expenditure for project purposes when authorized by the President of the Foundation: *Provided further*, That interest earned shall be used only for the purposes for which the grant was made: *Provided further*, That this authority applies to interest earned both prior to and following enactment of this provision: *Provided further*, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the

16,542,000

Applicability.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

Reports. board of directors of the Foundation may waive the \$250,000 limitation contained in that section with respect to a project: *Provided further*, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.

PEACE CORPS

\$275,000,000 For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), \$275,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 2003.

Abortion.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

217,000,000 For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, \$217,000,000, to remain available until expended: *Provided*, That any funds made available under this heading for anti-crime programs and activities shall be made available subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That during fiscal year 2002, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the funds appropriated under this heading, \$10,000,000 should be made available for anti-trafficking in persons programs, including trafficking prevention, protection and assistance for victims, and prosecution of traffickers: *Provided further*, That of the funds appropriated under this heading, not more than \$21,738,000 may be available for administrative expenses.

ANDEAN COUNTERDRUG INITIATIVE

625,000,000 For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961 solely to support counterdrug activities in the Andean region of South America, \$625,000,000, to remain available until expended: *Provided*, That in addition to the funds appropriated under this heading and subject to the regular notification procedures of the Committees on Appropriations, the President may make available up to an additional \$35,000,000 for the Andean Counterdrug Initiative, which may be derived from funds appropriated under the heading "International Narcotics Control and Law Enforcement" in this Act and in prior Acts making appropriations for foreign operations, export financing, and related programs: *Provided further*, That of the amount appropriated under this heading, not less than \$215,000,000 shall be apportioned directly to the United States Agency for International Development, to be used for economic and social programs: *Provided further*, That funds appropriated by this Act that are used for the procurement of chemicals for aerial coca fumigation programs may be made

available for such programs only if the Secretary of State, after consultation with the Administrator of the Environmental Protection Agency, the Secretary of the Department of Agriculture, and, if appropriate, the Director of the Centers for Disease Control and Prevention, determines and reports to the Committees on Appropriations that: (1) aerial coca fumigation is being carried out in accordance with regulatory controls required by the Environmental Protection Agency as labeled for use in the United States, and after consultation with the Colombian Government to ensure that the fumigation is in accordance with Colombian laws; (2) the chemicals used in the aerial fumigation of coca, in the manner in which they are being applied, do not pose unreasonable risks or adverse effects to humans or the environment; and (3) procedures are available to evaluate claims of local citizens that their health was harmed or their licit agricultural crops were damaged by such aerial coca fumigation, and to provide fair compensation for meritorious claims; and such funds may not be made available for such purposes after six months from the date of enactment of this Act unless alternative development programs have been developed, in consultation with communities and local authorities in the departments in which such aerial coca fumigation is planned, and in the departments in which such aerial coca fumigation has been conducted such programs are being implemented: *Provided further*, That none of the funds appropriated by this Act may be made available to support a Peruvian air interdiction program until the Secretary of State and Director of Central Intelligence certify to the Congress, 30 days before any resumption of United States involvement in a Peruvian air interdiction program, that an air interdiction program that permits the ability of the Peruvian Air Force to shoot down aircraft will include enhanced safeguards and procedures to prevent the occurrence of any incident similar to the April 20, 2001 incident: *Provided further*, That section 482(b) of the Foreign Assistance Act of 1961 shall not apply to funds appropriated under this heading: *Provided further*, That assistance provided with funds appropriated under this heading that is made available notwithstanding section 482(b) of the Foreign Assistance Act of 1961, as amended, shall be made available subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That section 3204(b)(1)(A) of Public Law 106-246 is amended by striking “500” and inserting in lieu thereof “400”, and section 3204(b)(1)(B) of Public Law 106-246 is amended by striking “300” and inserting in lieu thereof “400”: *Provided further*, That the President shall ensure that if any helicopter procured with funds under this heading is used to aid or abet the operations of any illegal self-defense group or illegal security cooperative, such helicopter shall be immediately returned to the United States: *Provided further*, That funds made available under this heading shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the funds appropriated under this heading, not more than \$14,240,000 may be available for administrative expenses of the Department of State, and not more than \$4,500,000 may be available for administrative expenses of the United States Agency for International Development.

114 Stat. 576.

President.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, \$705,000,000, which shall remain available until expended: *Provided*, That not more than \$16,000,000 may be available for administrative expenses: *Provided further*, That funds appropriated under this heading may be made available for a headquarters contribution to the International Committee of the Red Cross only if the Secretary of State determines (and so reports to the appropriate committees of the Congress) that the Magen David Adom Society of Israel is not being denied participation in the activities of the International Red Cross and Red Crescent Movement: *Provided further*, That not less than \$60,000,000 of the funds made available under this heading shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE
FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), \$15,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Act which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED
PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, \$313,500,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, chapter 9 of part II of the Foreign Assistance Act of 1961, section 504 of the FREEDOM Support Act, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, the destruction of small arms, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: *Provided*, That the Secretary of State shall inform the Committees on Appropriations at least 15 days

Notification.
Deadline.

prior to the obligation of funds for the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: *Provided further*, That of this amount not to exceed \$14,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to non-proliferation and disarmament: *Provided further*, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so following consultation with the appropriate committees of Congress: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That of the funds made available for demining and related activities, not to exceed \$500,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program.

[*Total, Department of State, \$1,875,500,000.*]

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961 (relating to international affairs technical assistance activities), \$6,500,000, to remain available until expended, which shall be available notwithstanding any other provision of law.

6,500,000

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461), and of canceling amounts owed, as a result of loans or guarantees made pursuant to the Export-Import Bank Act of 1945, by countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113, \$229,000,000, to remain available until expended: *Provided*, That not less than \$5,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961, and up to \$20,000,000 of unobligated balances of funds available under this heading from prior year appropriations acts should be made available to carry out such provisions: *Provided further*, That funds

229,000,000

appropriated or otherwise made available under this heading in this Act may be used by the Secretary of the Treasury to pay to the Heavily Indebted Poor Countries (HIPC) Trust Fund administered by the International Bank for Reconstruction and Development amounts for the benefit of countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113: *Provided further*, That amounts paid to the HIPC Trust Fund may be used only to fund debt reduction under the enhanced HIPC initiative by—

- (1) the Inter-American Development Bank;
- (2) the African Development Fund;
- (3) the African Development Bank; and

(4) the Central American Bank for Economic Integration:

Provided further, That funds may not be paid to the HIPC Trust Fund for the benefit of any country if the Secretary of State has credible evidence that the government of such country is engaged in a consistent pattern of gross violations of internationally recognized human rights or in military or civil conflict that undermines its ability to develop and implement measures to alleviate poverty and to devote adequate human and financial resources to that end: *Provided further*, That on the basis of final appropriations, the Secretary of the Treasury shall consult with the Committees on Appropriations concerning which countries and international financial institutions are expected to benefit from a United States contribution to the HIPC Trust Fund during the fiscal year: *Provided further*, That the Secretary of the Treasury shall inform the Committees on Appropriations not less than 15 days in advance of the signature of an agreement by the United States to make payments to the HIPC Trust Fund of amounts for such countries and institutions: *Provided further*, That the Secretary of the Treasury may disburse funds designated for debt reduction through the HIPC Trust Fund only for the benefit of countries that—

(a) have committed, for a period of 24 months, not to accept new market-rate loans from the international financial institution receiving debt repayment as a result of such disbursement, other than loans made by such institution to export-oriented commercial projects that generate foreign exchange which are generally referred to as “enclave” loans; and

(b) have documented and demonstrated their commitment to redirect their budgetary resources from international debt repayments to programs to alleviate poverty and promote economic growth that are additional to or expand upon those previously available for such purposes:

Provided further, That any limitation of subsection (e) of section 411 of the Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated under this heading: *Provided further*, That none of the funds made available under this heading in this or any other appropriations Acts shall be made available for Sudan or Burma unless the Secretary of Treasury determines and notifies the Committees on Appropriations that a democratically elected government has taken office.

[Total, Department of the Treasury, \$235,500,000.]

[Total, title II, Bilateral economic assistance, \$9,574,529,000.]

Notification.
Deadline.

PUBLIC LAW 107-115—JAN. 10, 2002

115 STAT.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, \$70,000,000, of which up to \$3,000,000 may remain available until expended: *Provided*, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: *Provided further*, That funds appropriated under this heading for military education and training for Indonesia and Guatemala may only be available for expanded international military education and training and funds made available for Algeria, Indonesia and Guatemala may only be provided through the regular notification procedures of the Committees on Appropriations.

\$70,000,000

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, \$3,650,000,000: *Provided*, That of the funds appropriated under this heading, not less than \$2,040,000,000 shall be available for grants only for Israel, and not less than \$1,300,000,000 shall be made available for grants only for Egypt: *Provided further*, That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of the enactment of this Act or by October 31, 2001, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than \$535,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That of the funds appropriated by this paragraph, not less than \$75,000,000 shall be made available for assistance for Jordan: *Provided further*, That of the funds appropriated by this paragraph, not less than \$3,500,000 should be made available for assistance for Tunisia: *Provided further*, That during fiscal year 2002, the President is authorized to, and shall, direct the drawdowns of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of an aggregate value of not less than \$5,000,000 under the authority of this proviso for Tunisia for the purposes of part II of the Foreign Assistance Act of 1961: *Provided further*, That of the funds appropriated by this paragraph and under the heading “International Narcotics Control and Law Enforcement”, not less than \$2,300,000 shall be made available for assistance for Thailand, of which not less than \$1,000,000 shall be made available from funds appropriated under the heading “International Narcotics Control and Law Enforcement” and which shall be in addition to other funds available for such purposes: *Provided further*, That of the funds appropriated by this paragraph, not less than \$4,000,000 shall be made available for assistance

3,650,000,000

Israel.
Egypt.
Deadline.

for Armenia: *Provided further*, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further*, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further*, That none of the funds appropriated under this heading shall be available for assistance for Sudan and Liberia: *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: *Provided further*, That none of the funds appropriated under this heading shall be available for assistance for Guatemala: *Provided further*, That only those countries for which assistance was justified for the “Foreign Military Sales Financing Program” in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That not more than \$35,000,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than \$348,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2002 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: *Provided further*, That foreign military financing program funds estimated to be outlayed for Egypt during fiscal year 2002 shall be transferred to an interest bearing account for Egypt in the Federal Reserve Bank of New York within 30 days of enactment of this Act or by October 31, 2001, whichever is later: *Provided further*, That the ninth proviso under the heading “Foreign Military Financing Program” in title III of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001, as enacted by Public Law 106-429, is amended by inserting “or 2002” after “2001”.

¹\$35,000,000

Deadline.
Egypt.

114 Stat.
1900A-19.

¹Limitation on administrative expenses.

PUBLIC LAW 107-115—JAN. 10, 2002

115 STAT.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, \$135,000,000: *Provided*, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations. \$135,000,000

[*Total, title III, Military assistance, \$3,855,000,000.*]

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

GLOBAL ENVIRONMENT FACILITY

For the United States contribution for the Global Environment Facility, \$100,500,000, to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of the Treasury, to remain available until expended. \$100,500,000

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, \$792,400,000, to remain available until expended: *Provided*, That in negotiating United States participation in the next replenishment of the International Development Association, the Secretary of the Treasury shall accord high priority to providing the International Development Association with the policy flexibility to provide new grant assistance to countries eligible for debt reduction under the enhanced HIPC Initiative: *Provided further*, That the Secretary of the Treasury should instruct the United States executive director to the International Bank for Reconstruction and Development to vote against any water or sewage project in India that does not prohibit the use of scavenger labor. 792,400,000

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, \$5,000,000, for the United States paid-in share of the increase in capital stock, to remain available until expended. 5,000,000

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed \$25,000,000. ¹25,000,000

[*Total, World Bank Group, \$897,900,000.*]

CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION

For payment to the Inter-American Investment Corporation, by the Secretary of the Treasury, \$18,000,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended. 18,000,000

¹Limitation.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

\$98,017,050 For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, \$98,017,050, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

5,100,000 For payment to the African Development Bank by the Secretary of the Treasury, \$5,100,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

¹ 79,991,500 The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed \$79,991,500.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

100,000,000 For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, \$100,000,000, to remain available until expended.
[Total, African Development Bank, \$105,100,000.]

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

35,778,717 For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, \$35,778,717, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

¹ 123,237,803 The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$123,237,803.

CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

20,000,000 For the United States contribution by the Secretary of the Treasury to increase the resources of the International Fund for Agricultural Development, \$20,000,000, to remain available until expended.
[Total, International Financial Institutions, \$1,174,796,000.]

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

208,500,000 For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, \$208,500,000: *Provided*, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA): *Provided further*, That not less than \$6,000,000 should be made available to the World Food Program.
[Total, title IV, Multilateral economic assistance, \$1,383,296,000.]

¹Limitation.

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled “International Disaster Assistance”, and “United States Emergency Refugee and Migration Assistance Fund”, not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.

PRIVATE AND VOLUNTARY ORGANIZATIONS

SEC. 502. (a) None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the Administrator of the United States Agency for International Development, after informing the Committees on Appropriations, may, on a case-by-case basis, waive the restriction contained in this subsection, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency.

22 USC 2151u
note.

(b) Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed \$126,500 shall be for official residence expenses of the United States Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed \$5,000 shall be for entertainment expenses of the United States Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed \$95,000 shall be available for representation allowances for the United States Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading “Foreign Military Financing Program”,

not to exceed \$2,000 shall be available for entertainment expenses and not to exceed \$125,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading “International Military Education and Training”, not to exceed \$50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed \$2,000 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading “Trade and Development Agency”, not to exceed \$2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for “Nonproliferation, Anti-terrorism, Demining and Related Programs”) pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by decree or military coup: *Provided*, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: *Provided further*, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes: *Provided further*, That funds made available pursuant to the previous provisos shall be subject to the regular notification procedures of the Committees on Appropriations.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the

Committees on Appropriations of the House of Representatives and the Senate.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: *Provided*, That the authority of this subsection may not be used in fiscal year 2002.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8, 11, and 12 of part I, section 667, chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, section 23 of the Arms Export Control Act, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available for an additional four years from the date on which the availability of such funds would otherwise have expired, if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to the government of such country by the United States pursuant to a program for which funds are appropriated under this Act unless the President determines, following consultations with the Committees on Appropriations, that assistance to such country is in the national interest of the United States.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

Notification.

commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

22 USC 262h
note.

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for “Child Survival and Health Programs Fund”, “Development Assistance”, “International Organizations and Programs”, “Trade and Development Agency”, “International Narcotics Control and Law Enforcement”, “Andean Counterdrug Initiative”, “Assistance for Eastern Europe and the Baltic States”, “Assistance for the Independent States of the Former Soviet Union”, “Economic Support Fund”, “Peacekeeping Operations”, “Operating Expenses of the United States Agency for International Development”, “Operating Expenses of the United States Agency for International Development Office of Inspector General”, “Nonproliferation, Anti-terrorism, Demining and Related Programs”, “Foreign Military Financing Program”, “International Military Education and Training”, “Peace Corps”, and “Migration and Refugee Assistance”, shall be available for obligation for activities,

programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified 15 days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2003.

INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 517. (a) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for assistance for a government of an Independent State of the former Soviet Union—

- (1) unless that government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and
- (2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

22 USC 5814
note.

Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading “Assistance for the Independent States of the Former Soviet Union” shall be made available for assistance for a government of an Independent State of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other Independent State of the former Soviet Union, such as those violations included in the Helsinki Final Act: *Provided*, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.

(c) None of the funds appropriated under the heading “Assistance for the Independent States of the Former Soviet Union” shall be made available for any state to enhance its military capability: *Provided*, That this restriction does not apply to demilitarization, demining or nonproliferation programs.

(d) Funds appropriated under the heading “Assistance for the Independent States of the Former Soviet Union” for the Russian Federation, Armenia, Georgia, and Ukraine shall be subject to the regular notification procedures of the Committees on Appropriations.

(e) Funds made available in this Act for assistance for the Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(f) Funds appropriated in this or prior appropriations Acts that are or have been made available for an Enterprise Fund in the Independent States of the Former Soviet Union may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(g) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the heading “Assistance for the Independent States of the Former Soviet Union” and under comparable headings in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY
STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign

Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 519. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2002, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated by this Act shall be obligated or expended for Colombia, Haiti, Liberia, Serbia, Sudan, Zimbabwe, Pakistan, or the Democratic Republic of the Congo except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, “program, project, and activity” shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, “program, project, and activity” shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the United States Agency for International Development “program, project, and activity” shall also be considered to include central program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

Reports.
Deadline.

CHILD SURVIVAL AND HEALTH ACTIVITIES

SEC. 522. Up to \$15,500,000 of the funds made available by this Act for assistance under the heading “Child Survival and Health Programs Fund”, may be used to reimburse United States

Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the United States Agency for International Development for the purpose of carrying out activities under that heading: *Provided*, That up to \$3,000,000 of the funds made available by this Act for assistance under the heading “Development Assistance” may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: *Provided further*, That funds appropriated by this Act that are made available for child survival activities or disease programs including activities relating to research on, and the prevention, treatment and control of, HIV/AIDS may be made available notwithstanding any other provision of law: *Provided further*, That funds appropriated under title II of this Act may be made available pursuant to section 301 of the Foreign Assistance Act of 1961 if a primary purpose of the assistance is for child survival and related programs: *Provided further*, That of the funds appropriated under title II of this Act, \$446,500,000 shall be made available for family planning/reproductive health.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or Sudan, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 524. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (f) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees if such defense articles are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or are valued (in terms of original acquisition cost) at \$7,000,000 or more, or if notification is required elsewhere in this Act for the use of appropriated funds for specific countries that would receive such excess defense articles: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 525. Funds appropriated by this Act, except funds appropriated under the headings “Peace Corps” and “Trade and Development Agency”, may be obligated and expended notwithstanding

section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

DEMOCRACY PROGRAMS

SEC. 526. (a) Funds appropriated by this Act that are provided to the National Endowment for Democracy may be made available notwithstanding any other provision of law or regulation: *Provided*, That notwithstanding any other provision of law, of the funds appropriated by this Act to carry out provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, not less than \$10,000,000 shall be made available for assistance for activities to support democracy, human rights, and the rule of law in the People's Republic of China, of which not less than \$5,000,000 should be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor, Department of State, for such activities, and of which not to exceed \$3,000,000 may be made available to nongovernmental organizations located outside the People's Republic of China to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in Tibet: *Provided further*, That funds made available pursuant to the authority of this section for programs, projects, and activities in the People's Republic of China shall be subject to the regular notification procedures of the Committees on Appropriations.

(b) In addition to the funds made available in subsection (a), of the funds appropriated by this Act under the heading "Economic Support Fund", not less than \$10,000,000 should be made available for programs and activities to foster democracy, human rights, press freedoms, women's development, and the rule of law in countries with a significant Muslim population, and where such programs and activities would be important to United States efforts to respond to, deter, or prevent acts of international terrorism: *Provided*, That funds made available pursuant to the authority of this subsection should support new initiatives or bolster ongoing programs and activities in those countries: *Provided further*, That not less than \$6,000,000 of such funds should be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor, Department of State, and not less than \$4,000,000 of such funds should be made available to a private, non-profit organization authorized by Congress to strengthen democratic institutions worldwide through nongovernmental efforts: *Provided further*, That funds made available pursuant to the authority of this subsection shall be subject to the regular notification procedures of the Committees on Appropriations.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—

- (1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or
- (2) otherwise supports international terrorism.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

President.
Federal Register,
publication.
Notification.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

DEBT-FOR-DEVELOPMENT

SEC. 528. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the United States Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

22 USC 2362
note.

SEC. 529. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—
(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the United States Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated;
and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the United States Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities; or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The United States Agency for International Development shall take all necessary steps to

ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) **TERMINATION OF ASSISTANCE PROGRAMS.**—Upon termination of assistance to a country under chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) **REPORTING REQUIREMENT.**—The Administrator of the United States Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) **SEPARATE ACCOUNTS FOR CASH TRANSFERS.**—(1) If assistance is made available to the government of a foreign country, under chapter 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) **APPLICABILITY OF OTHER PROVISIONS OF LAW.**—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (House Report No. 98-1159).

(3) **NOTIFICATION.**—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

President.

(4) **EXEMPTION.**—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO
INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 530. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, “international financial institutions” are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

50 USC 1701
note.

SEC. 531. None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

AUTHORITIES FOR THE PEACE CORPS, INTER-AMERICAN FOUNDATION
AND AFRICAN DEVELOPMENT FOUNDATION

Reports.

SEC. 532. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 533. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States; or

(b) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that

the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

SPECIAL AUTHORITIES

SEC. 534. (a) AFGHANISTAN, LEBANON, MONTENEGRO, VICTIMS OF WAR, DISPLACED CHILDREN, AND DISPLACED BURMESE.—Funds appropriated in titles I and II of this Act that are made available for Afghanistan, Lebanon, Montenegro, and for victims of war, displaced children, and displaced Burmese, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985.

(b) TROPICAL FORESTRY AND BIODIVERSITY CONSERVATION ACTIVITIES.—Funds appropriated by this Act to carry out the provisions of sections 103 through 106, and chapter 4 of part II, of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and energy programs aimed at reducing greenhouse gas emissions: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) PERSONAL SERVICES CONTRACTORS.—Funds appropriated by this Act to carry out chapter 1 of part I, chapter 4 of part II, and section 667 of the Foreign Assistance Act of 1961, and title II of the Agricultural Trade Development and Assistance Act of 1954, may be used by the United States Agency for International Development to employ up to 25 personal services contractors in the United States, notwithstanding any other provision of law, for the purpose of providing direct, interim support for new or expanded overseas programs and activities and managed by the agency until permanent direct hire personnel are hired and trained: *Provided*, That not more than 10 of such contractors shall be assigned to any bureau or office: *Provided further*, That such funds appropriated to carry out the Foreign Assistance Act of 1961 may be made available for personal services contractors assigned only to the Office of Health and Nutrition; the Office of Procurement; the Bureau for Africa; the Bureau for Latin America and the Caribbean; and the Bureau for Asia and the Near East: *Provided further*, That such funds appropriated to carry out title II of the Agricultural Trade Development and Assistance Act of 1954, may be made available only for personal services contractors assigned to the Office of Food for Peace.

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100-204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.

(2) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(e) During fiscal year 2002, the President may use up to \$45,000,000 under the authority of section 451 of the Foreign Assistance Act, notwithstanding the funding ceiling in section 451(a).

(f) **SMALL BUSINESS.**—In entering into multiple award indefinite-quantity contracts with funds appropriated by this Act, the United States Agency for International Development may provide an exception to the fair opportunity process for placing task orders under such contracts when the order is placed with any category of small or small disadvantaged business.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL AND
NORMALIZING RELATIONS WITH ISRAEL

SEC. 535. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel and should normalize their relations with Israel;

(2) the decision by the Arab League in 1997 to reinstate the boycott against Israel was deeply troubling and disappointing;

(3) the fact that only three Arab countries maintain full diplomatic relations with Israel is also of deep concern;

(4) the Arab League should immediately rescind its decision on the boycott and its members should develop normal relations with their neighbor Israel; and

(5) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel and to normalize their relations with Israel;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress annually on the specific steps being taken by the United States and the progress achieved to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel and to expand the process of normalizing ties between Arab League countries and Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ADMINISTRATION OF JUSTICE ACTIVITIES

SEC. 536. Of the funds appropriated or otherwise made available by this Act for “Economic Support Fund”, assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance

Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 537. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, 11, and 12 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading “Assistance for Eastern Europe and the Baltic States”: *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

President.

President.
Notification.

(b) PUBLIC LAW 480.—During fiscal year 2002, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to the government of a country that violates internationally recognized human rights.

EARMARKS

SEC. 538. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That assistance that is

reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the United States Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: *Provided*, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 539. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 540. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress: *Provided*, That not to exceed \$750,000 may be made available to carry out the provisions of section 316 of Public Law 96-533.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 541. To the maximum extent practicable, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 542. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations or, from funds appropriated by this Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, the costs for participation of another country's delegation at international conferences held under the auspices of multilateral or international organizations.

NONGOVERNMENTAL ORGANIZATIONS—DOCUMENTATION

SEC. 543. None of the funds appropriated or made available pursuant to this Act shall be available to a nongovernmental organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the United States Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 544. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 6(j) of the Export Administration Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.

Termination date.

Applicability.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

President. Reports.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 545. (a) IN GENERAL.—Of the funds appropriated under this Act that are made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia and New York City, New York by such country as of the date of the enactment of this Act that were incurred after the first day of the fiscal year preceding the current fiscal year shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the governments of the District of Columbia and New York City, New York.

District of Columbia. New York. Certification. Reports.

(b) DEFINITION.—For purposes of this section, the term “appropriate congressional committees” means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 546. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104-107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under

section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 547. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to \$30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish or authorize to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That funds made available for tribunals other than Yugoslavia or Rwanda shall be made available subject to the regular notification procedures of the Committees on Appropriations.

LANDMINES

SEC. 548. Notwithstanding any other provision of law, demining equipment available to the United States Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: *Provided*, That section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 22 U.S.C., 2778 note) is amended by striking “During the 11-year period beginning on October 23, 1992” and inserting “During the 16-year period beginning on October 23, 1992”.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 549. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including

those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 550. None of the funds appropriated or otherwise made available by this Act under the heading “International Military Education and Training” or “Foreign Military Financing Program” for Informational Program activities or under the headings “Child Survival and Health Programs Fund”, “Development Assistance”, and “Economic Support Fund” may be obligated or expended to pay for—

- (1) alcoholic beverages; or
- (2) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 551. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

- (1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;
- (2) credits extended or guarantees issued under the Arms Export Control Act; or

(3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501).

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as “Paris Club Agreed Minutes”.

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as “IDA-only” countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

- (1) does not have an excessive level of military expenditures;
- (2) has not repeatedly provided support for acts of international terrorism;
- (3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading “Debt Restructuring”.

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 552. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

President.

(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

Notification.

(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading “Debt Restructuring”.

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS
AGENCIES

SEC. 553. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section the term “United States person” refers to—

(1) a natural person who is a citizen or national of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

HAITI COAST GUARD

SEC. 554. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the Coast Guard: *Provided*, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

SEC. 555. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) WAIVER.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.

(c) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

LIMITATION ON ASSISTANCE TO SECURITY FORCES

Human rights.

SEC. 556. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: *Provided*, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: *Provided further*, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

Notification.

DISCRIMINATION AGAINST MINORITY RELIGIOUS FAITHS IN THE
RUSSIAN FEDERATION

SEC. 557. None of the funds appropriated under this Act may be made available for the Government of the Russian Federation, after 180 days from the date of the enactment of this Act, unless the President determines and certifies in writing to the Committees on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.

ASSISTANCE FOR THE MIDDLE EAST

SEC. 558. Of the funds appropriated in titles II and III of this Act under the headings “Economic Support Fund”, “Foreign Military Financing Program”, “International Military Education and Training”, “Peacekeeping Operations”, for refugees resettling in

Israel under the heading “Migration and Refugee Assistance”, and for assistance for Israel to carry out provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 under the heading “Nonproliferation, Anti-Terrorism, Demining and Related Programs”, not more than a total of \$5,141,150,000 may be made available for Israel, Egypt, Jordan, Lebanon, the West Bank and Gaza, the Israel-Lebanon Monitoring Group, the Multinational Force and Observers, the Middle East Regional Democracy Fund, Middle East Regional Cooperation, and Middle East Multilateral Working Groups: *Provided*, That any funds that were appropriated under such headings in prior fiscal years and that were at the time of the enactment of this Act obligated or allocated for other recipients may not during fiscal year 2002 be made available for activities that, if funded under this Act, would be required to count against this ceiling: *Provided further*, That funds may be made available notwithstanding the requirements of this section if the President determines and certifies to the Committees on Appropriations that it is important to the national security interest of the United States to do so and any such additional funds shall only be provided through the regular notification procedures of the Committees on Appropriations.

ENERGY CONSERVATION AND CLEAN ENERGY PROGRAMS

SEC. 559. (a) FUNDING.—Of the funds appropriated by this Act, not less than \$155,000,000 should be made available to support policies and actions in developing countries and countries in transition that promote energy conservation and efficient energy production and use; that measure, monitor, and reduce greenhouse gas emissions; increase carbon sequestration activities; and enhance climate change mitigation programs.

(b) GREENHOUSE GAS EMISSIONS REPORT.—Not later than 30 days after the date on which the President’s fiscal year 2003 budget request is submitted to Congress, the President shall submit a report to the Committees on Appropriations describing in detail the following—

Deadline.
President.

(1) all Federal agency obligations and expenditures, domestic and international, for climate change programs and activities in fiscal year 2002, including an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President’s Budget Appendix; and

(2) all fiscal year 2001 obligations and estimated expenditures, fiscal year 2002 estimated expenditures and estimated obligations, and fiscal year 2003 requested funds by the United States Agency for International Development, by country and central program, for each of the following: (1) to promote the transfer and deployment of United States clean energy technologies; (2) to assist in the measurement, monitoring, reporting, verification, and reduction of greenhouse gas emissions; (3) to promote carbon capture and sequestration measures; (4) to help meet such countries’ responsibilities under the Framework Convention on Climate Change; and (5) to develop assessments of the vulnerability to impacts of climate change and response strategies.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

ZIMBABWE

22 USC 2151
note.

SEC. 560. The Secretary of the Treasury shall instruct the United States executive director to each international financial institution to vote against any extension by the respective institution of any loans, to the Government of Zimbabwe, except to meet basic human needs or to promote democracy, unless the Secretary of State determines and certifies to the Committees on Appropriations that the rule of law has been restored in Zimbabwe, including respect for ownership and title to property, freedom of speech and association.

CENTRAL AMERICA RELIEF AND RECONSTRUCTION

SEC. 561. Funds made available to the Comptroller General pursuant to title I, chapter 4 of Public Law 106-31, to monitor the provision of assistance to address the effects of hurricanes in Central America and the Caribbean and the earthquake in Colombia, shall also be available to the Comptroller General to monitor earthquake relief and reconstruction efforts in El Salvador.

ENTERPRISE FUND RESTRICTIONS

President.

SEC. 562. Prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in part, the President shall submit to the Committees on Appropriations, in accordance with the regular notification procedures of the Committees on Appropriations, a plan for the distribution of the assets of the Enterprise Fund.

CAMBODIA

SEC. 563. (a) The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Central Government of Cambodia, except loans to meet basic human needs.

(b)(1) None of the funds appropriated by this Act may be made available for assistance for the Central Government of Cambodia unless the Secretary of State determines and reports to the Committees on Appropriations that the Central Government of Cambodia—

(A) is making significant progress in resolving outstanding human rights cases, including the 1994 grenade attack against the Buddhist Liberal Democratic Party, and the 1997 grenade attack against the Khmer Nation Party;

(B) has held local elections that are deemed free and fair by international and local election monitors; and

(C) is making significant progress in the protection, management, and conservation of the environment and natural resources, including in the promulgation and enforcement of laws and policies to protect forest resources.

(2) In the event the Secretary of State makes the determination under paragraph (1), assistance may be made available to the Central Government of Cambodia only through the regular notification procedures of the Committees on Appropriations.

(c) Notwithstanding subsection (b) of this section or any other provision of law, funds appropriated by this Act may be made available for assistance for basic education and for assistance to

the Government of Cambodia's Ministry of Women and Veteran's Affairs to combat human trafficking, subject to the regular notification procedures of the Committees on Appropriations.

(d) None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to any tribunal established by the Government of Cambodia pursuant to a memorandum of understanding with the United Nations unless the President determines and certifies to Congress that the tribunal is capable of delivering justice for crimes against humanity and genocide in an impartial and credible manner.

FOREIGN MILITARY TRAINING REPORT

SEC. 564. (a) The Secretary of Defense and the Secretary of State shall jointly provide to the Congress by March 1, 2002, a report on all military training provided to foreign military personnel (excluding sales, and excluding training provided to the military personnel of countries belonging to the North Atlantic Treaty Organization) under programs administered by the Department of Defense and the Department of State during fiscal years 2001 and 2002, including those proposed for fiscal year 2002. This report shall include, for each such military training activity, the foreign policy justification and purpose for the training activity, the cost of the training activity, the number of foreign students trained and their units of operation, and the location of the training. In addition, this report shall also include, with respect to United States personnel, the operational benefits to United States forces derived from each such training activity and the United States military units involved in each such training activity. This report may include a classified annex if deemed necessary and appropriate. Deadline.

(b) For purposes of this section a report to Congress shall be deemed to mean a report to the Appropriations and Foreign Relations Committees of the Senate and the Appropriations and International Relations Committees of the House of Representatives.

KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION

SEC. 565. (a) Of the funds made available under the heading "Nonproliferation, Anti-terrorism, Demining and Related Programs", not to exceed \$95,000,000 may be made available for the Korean Peninsula Energy Development Organization (hereafter referred to in this section as "KEDO"), notwithstanding any other provision of law, only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework.

(b) Such funds may be made available for KEDO only if, 15 days prior to such obligation of funds, the President certifies and so reports to Congress that—

(1) the parties to the Agreed Framework have taken and continue to take demonstrable steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula;

(2) North Korea is complying with all provisions of the Agreed Framework; and

(3) the United States is continuing to make significant progress on eliminating the North Korean ballistic missile threat, including further missile tests and its ballistic missile exports.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

(c) The President may waive the certification requirements of subsection (b) if the President determines that it is vital to the national security interests of the United States and provides written policy justifications to the appropriate congressional committees. No funds may be obligated for KEDO until 15 days after submission to Congress of such waiver.

Reports.

(d) The Secretary of State shall, at the time of the annual presentation for appropriations, submit a report providing a full and detailed accounting of the fiscal year 2003 request for the United States contribution to KEDO, the expected operating budget of KEDO, proposed annual costs associated with heavy fuel oil purchases, including unpaid debt, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis, and other related activities.

(e) The final proviso under the heading "International Organizations and Programs" in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104-107) is repealed.

110 Stat. 722.

PLO COMPLIANCE REPORT

SEC. 566. (a) REPORTING REQUIREMENT.—The President should, at the time specified in subsection (b), submit a report to the Congress assessing the steps that the Palestine Liberation Organization (PLO), or the Palestinian Authority, as appropriate, has taken to comply with its 1993 commitments to renounce the use of terrorism and all other acts of violence and to assume responsibility over all PLO or Palestinian Authority elements and personnel in order to assure their compliance, prevent violations, and discipline violators, including the arrest and prosecution of individuals involved in acts of terror and violence. The President should determine, based on such assessment, whether the PLO or the Palestinian Authority, as appropriate, has substantially complied with such commitments. If the President determines based on the assessment that such compliance has not occurred, then the President should, for a period of time of not less than six months, impose one or more of the following sanctions:

(1) Withdraw or terminate any waiver by the President of the requirements of section 1003 of the Foreign Relations Authorization Act of 1988 and 1989 (22 U.S.C. 5202) (prohibiting the establishment or maintenance of a Palestinian information office in the United States), such section to apply so as to prohibit the operation of a PLO or Palestinian Authority office in the United States from carrying out any function other than those functions carried out by the Palestinian information office in existence prior to the Oslo Accords.

(2) Designate the PLO, or one or more of its constituent groups (including Fatah and Tanzim) or groups operating as arms of the Palestinian Authority (including Force 17) as a foreign terrorist organization, in accordance with section 219(a) of the Immigration and Nationality Act.

(3) Terminate United States assistance (except humanitarian and development assistance) for the West Bank and Gaza Program.

(b) SUBMISSION OF REPORT.—The report required under subsection (a) should be transmitted not later than 60 days after the date of enactment of this Act and shall cover the period commencing June 13, 2001.

(c) UPDATE OF REPORT.—The President should update the report submitted pursuant to subsection (a) as part of the next report required under the PLO Commitments Compliance Act of 1989 (title VIII of Public Law 101-246).

(d) WAIVER AUTHORITY.—The President may waive any or all of the sanctions imposed under subsection (a) if the President determines and reports to the appropriate committees of the Congress that such a waiver is in the national security interests of the United States.

COLOMBIA

SEC. 567. (a) DETERMINATION AND CERTIFICATION REQUIRED.—Notwithstanding any other provision of law, funds appropriated by this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, may be made available for assistance for the Colombian Armed Forces as follows:

(1) Not more than 60 percent of such funds may be obligated after a determination by the Secretary of State and a certification to the appropriate congressional committees that:

(A) The Commander General of the Colombian Armed Forces is suspending from the Armed Forces those members, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary groups.

(B) The Colombian Armed Forces are cooperating with civilian prosecutors and judicial authorities (including providing requested information, such as the identity of persons suspended from the Armed Forces and the nature and cause of the suspension, and access to witnesses and relevant military documents and other information), in prosecuting and punishing in civilian courts those members of the Colombian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary groups.

(C) The Colombian Armed Forces are taking effective measures to sever links (including by denying access to military intelligence, vehicles, and other equipment or supplies, and ceasing other forms of active or tacit cooperation), at the command, battalion, and brigade levels, with paramilitary groups, and to execute outstanding orders for capture for members of such groups.

(2) The balance of such funds may be obligated after June 1, 2002, if the Secretary of State determines and certifies to the appropriate congressional committees that the Colombian Armed Forces are continuing to meet the criteria contained in paragraphs (1)(A), (B), and (C).

(b) CONSULTATIVE PROCESS.—At least 10 days prior to making the determination and certification required by this section, and every 120 days thereafter during fiscal year 2002, the Secretary of State shall consult with internationally recognized human rights organizations regarding progress in meeting the conditions contained in subsection (a).

Human rights.
Deadline.

(c) REPORT.—One hundred and twenty days after the enactment of this Act, and every 120 days thereafter during fiscal year 2002, the Secretary of State shall submit a report to the Committees

Deadline.

on Appropriations describing actions taken by the Colombian Armed Forces to meet the requirements set forth in subsections (a)(1)(A) through (a)(1)(C).

(d) DEFINITIONS.—In this section:

(1) AIDED OR ABETTED.—The term “aided or abetted” means to provide any support to paramilitary groups, including taking actions which allow, facilitate, or otherwise foster the activities of such groups.

(2) PARAMILITARY GROUPS.—The term “paramilitary groups” means illegal self-defense groups and illegal security cooperatives.

ILLEGAL ARMED GROUPS

SEC. 568. (a) DENIAL OF VISAS TO SUPPORTERS OF COLOMBIAN ILLEGAL ARMED GROUPS.—Subject to subsection (b), the Secretary of State shall not issue a visa to any alien who the Secretary determines, based on credible evidence—

(1) has willfully provided any support to the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), or the United Self-Defense Forces of Colombia (AUC), including taking actions or failing to take actions which allow, facilitate, or otherwise foster the activities of such groups; or

(2) has committed, ordered, incited, assisted, or otherwise participated in the commission of gross violations of human rights, including extra-judicial killings, in Colombia.

(b) WAIVER.—Subsection (a) shall not apply if the Secretary of State determines and certifies to the appropriate congressional committees, on a case-by-case basis, that the issuance of a visa to the alien is necessary to support the peace process in Colombia or for urgent humanitarian reasons.

PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 569. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

IRAQ

SEC. 570. Notwithstanding any other provision of law, funds appropriated under the heading “Economic Support Fund” may be made available for programs benefitting the Iraqi people and to support efforts to bring about a political transition in Iraq: *Provided*, That not more than 15 percent of the funds (except for costs related to broadcasting activities) may be used for administrative and representational expenses, including expenditures for salaries, office rent and equipment: *Provided further*, That not later than 60 days after the date of enactment of this Act, the Secretary of State shall consult with the Committees on Appropriations regarding plans for the expenditure of funds under this section: *Provided further*, That funds made available under this heading are made available subject to the regular notification procedures of the Committees on Appropriations.

Deadline.

WEST BANK AND GAZA PROGRAM

SEC. 571. For fiscal year 2002, 30 days prior to the initial obligation of funds for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the Program funded under the heading “Economic Support Fund” for the West Bank and Gaza. Certification.

INDONESIA

SEC. 572. (a) Funds appropriated by this Act under the headings “International Military Education and Training” and “Foreign Military Financing Program” may be made available for assistance for Indonesian military personnel only if the President determines and submits a report to the appropriate congressional committees that the Government of Indonesia and the Indonesian Armed Forces are—

- (1) taking effective measures to bring to justice members of the armed forces and militia groups against whom there is credible evidence of human rights violations in East Timor and Indonesia;
- (2) taking effective measures to bring to justice members of the armed forces against whom there is credible evidence of aiding or abetting illegal militia groups in East Timor and Indonesia;
- (3) allowing displaced persons and refugees to return home to East Timor, including providing safe passage for refugees returning from West Timor and demonstrating a commitment to preventing incursions into East Timor by members of militia groups in West Timor;
- (4) demonstrating a commitment to accountability by cooperating with investigations and prosecutions of members of the armed forces and militia groups responsible for human rights violations in East Timor and Indonesia;
- (5) demonstrating a commitment to civilian control of the armed forces by reporting to civilian authorities audits of receipts and expenditures of the armed forces;
- (6) allowing United Nations and other international humanitarian organizations and representatives of recognized human rights organizations access to West Timor, Aceh, West Papua, and Maluka; and
- (7) releasing political detainees.

BRIEFINGS ON POTENTIAL PURCHASES OF DEFENSE ARTICLES OR
DEFENSE SERVICES BY TAIWAN

SEC. 573. (a) BRIEFINGS.—Not later than 90 days after the date of enactment of this Act, and not later than every 120 days thereafter during fiscal year 2002, the Department of State, in consultation with the Department of Defense, shall provide detailed briefings to the appropriate congressional committees (including the Committees on Appropriations) on any discussions conducted between any executive branch agency and the government of Taiwan during the preceding 120 days (or, in the case of the Deadline.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

initial briefing, since the date of enactment of this Act) on any potential purchase of defense articles or defense services by the government of Taiwan.

(b) EXECUTIVE AGENCY DEFINED.—In this section, the term “executive branch agency” has the meaning given the term “agency” in section 551(1) of title 5, United States Code.

RESTRICTIONS ON ASSISTANCE TO GOVERNMENTS DESTABILIZING
SIERRA LEONE

SEC. 574. (a) None of the funds appropriated by this Act may be made available for assistance for the government of any country for which the Secretary of State determines there is credible evidence that such government has knowingly facilitated the safe passage of weapons or other equipment, or has provided lethal or non-lethal military support or equipment, directly or through intermediaries, within the previous six months to the Sierra Leone Revolutionary United Front (RUF), Liberian Security Forces, or any other group intent on destabilizing the democratically elected government of the Republic of Sierra Leone.

(b) None of the funds appropriated by this Act may be made available for assistance for the government of any country for which the Secretary of State determines there is credible evidence that such government has aided or abetted, within the previous six months, in the illicit distribution, transportation, or sale of diamonds mined in Sierra Leone.

Notification.

(c) Whenever the prohibition on assistance required under subsection (a) or (b) is exercised, the Secretary of State shall notify the Committees on Appropriations in a timely manner.

VOLUNTARY SEPARATION INCENTIVES

5 USC 5597 note.

SEC. 575. Section 579(c)(2)(D) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000, as enacted by section 1000(a)(2) of the Consolidated Appropriations Act, 2000 (Public Law 106-113), as amended, is amended by striking “December 31, 2001” and inserting in lieu thereof “December 31, 2002”.

UNITED NATIONS POPULATION FUND

SEC. 576. (a) LIMITATIONS ON AMOUNT OF CONTRIBUTION.—Of the amounts made available under “International Organizations and Programs”, not more than \$34,000,000 for fiscal year 2002 shall be made available for the United Nations Population Fund (hereafter in this section referred to as the “UNFPA”).

(b) PROHIBITION ON USE OF FUNDS IN CHINA.—None of the funds made available under “International Organizations and Programs” may be made available for the UNFPA for a country program in the People’s Republic of China.

(c) CONDITIONS ON AVAILABILITY OF FUNDS.—Amounts made available under “International Organizations and Programs” for fiscal year 2002 for the UNFPA may not be made available to UNFPA unless—

(1) the UNFPA maintains amounts made available to the UNFPA under this section in an account separate from other accounts of the UNFPA;

- (2) the UNFPA does not commingle amounts made available to the UNFPA under this section with other sums; and
 (3) the UNFPA does not fund abortions.

AMERICAN CHURCHWOMEN AND OTHER CITIZENS IN EL SALVADOR AND
 GUATEMALA

SEC. 577. (a) To the fullest extent possible information relevant to the December 2, 1980, murders of four American churchwomen in El Salvador, and the May 5, 2001, murder of Sister Barbara Ann Ford and the murders of six other American citizens in Guatemala since December 1999, should be investigated and made public.

Barbara Ann
 Ford.

(b) The Department of State is urged to pursue all reasonable avenues in assuring the collection and public release of information pertaining to the murders of the six American citizens in Guatemala.

Public
 information.

(c) The President shall order all Federal agencies and departments, including the Federal Bureau of Investigation, that possess relevant information, to expeditiously declassify and release to the victims' families such information, consistent with existing standards and procedures on classification.

President.

(d) In making determinations concerning declassification and release of relevant information, all Federal agencies and departments should use the discretion contained within such existing standards and procedures on classification in support of releasing, rather than withholding, such information.

(e) All reasonable efforts should be taken by the American Embassy in Guatemala to work with relevant agencies of the Guatemalan Government to protect the safety of American citizens in Guatemala, and to assist in the investigations of violations of human rights.

PROCUREMENT AND FINANCIAL MANAGEMENT REFORM

SEC. 578. (a) FUNDING CONDITIONS.—Of the funds made available under the heading “International Financial Institutions” in this Act, 10 percent of the United States portion or payment to such International Financial Institution shall be withheld by the Secretary of the Treasury, until the Secretary certifies to the Committees on Appropriations that, to the extent pertinent to its lending programs, the institution is—

Certification.

(1) implementing procedures for conducting annual audits by qualified independent auditors for all new investment lending;

(2) implementing procedures for annual independent external audits of central bank financial statements for countries making use of International Monetary Fund resources under new arrangements or agreements with the Fund;

(3) taking steps to establish an independent fraud and corruption investigative organization or office;

(4) implementing a process to assess a recipient country's procurement and financial management capabilities including an analysis of the risks of corruption prior to initiating new investment lending; and

(5) taking steps to fund and implement programs and policies to improve transparency and anti-corruption programs and procurement and financial management controls in recipient countries.

(b) DEFINITION.—The term “International Financial Institutions” means the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Inter-American Investment Corporation, the Enterprise for the Americas Multilateral Investment Fund, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the European Bank for Reconstruction and Development, and the International Monetary Fund.

BASIC EDUCATION ASSISTANCE FOR INDONESIA AND PAKISTAN

SEC. 579. (a) Of the funds made available under the heading “Development Assistance” for basic education, \$8,000,000 shall be made available to Indonesia and Pakistan.

(b) Of the funds made available under the heading “Economic Support Fund” for Pakistan, not less than \$2,500,000 shall be transferred to “Operating Expenses of the United States Agency for International Development” for the purpose of monitoring and implementing United States economic support, including that provided under the provisions of Public Law 107-38 and this general provision, of basic education, health, and democracy and governance activities in Pakistan.

Deadline.
Reports.

(c) Not more than 60 days after the enactment of this Act, the Administrator of the United States Agency for International Development shall report to the House Committees on Appropriations and International Relations and the Senate Committees on Appropriations and Foreign Relations on the Agency’s proposed allocation of basic education funding for Indonesia and Pakistan, including in-country monitoring of budget support for basic education provided under Public Law 107-38.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 580. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

WAR CRIMINALS

SEC. 581. (a)(1) None of the funds appropriated or otherwise made available pursuant to this Act may be made available for assistance, and the Secretary of the Treasury shall instruct the United States executive directors to the international financial institutions to vote against any new project involving the extension by such institutions of any financial or technical assistance, to any country, entity, or municipality whose competent authorities

have failed, as determined by the Secretary of State, to take necessary and significant steps to implement its international legal obligations to apprehend and transfer to the International Criminal Tribunal for the former Yugoslavia (the “Tribunal”) all persons in their territory who have been publicly indicted by the Tribunal and to otherwise cooperate with the Tribunal.

(2) The provisions of this subsection shall not apply to humanitarian assistance or assistance for democratization.

(b) The provisions of subsection (a) shall apply unless the Secretary of State determines and reports to the appropriate congressional committees that the competent authorities of such country, entity, or municipality are—

(1) cooperating with the Tribunal, including access for investigators, the provision of documents, and the surrender and transfer of publicly indicted persons or assistance in their apprehension; and

(2) are acting consistently with the Dayton Accords.

(c) Not less than 10 days before any vote in an international financial institution regarding the extension of any new project involving financial or technical assistance or grants to any country or entity described in subsection (a), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committees on Appropriations a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.

Deadline.

(d) In carrying out this section, the Secretary of State, the Administrator of the United States Agency for International Development, and the Secretary of the Treasury shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent publicly indicted war criminals from benefiting from any financial or technical assistance or grants provided to any country or entity described in subsection (a).

Human rights.

(e) The Secretary of State may waive the application of subsection (a) with respect to projects within a country, entity, or municipality upon a written determination to the Committees on Appropriations that such assistance directly supports the implementation of the Dayton Accords.

(f) DEFINITIONS.—As used in this section—

(1) COUNTRY.—The term “country” means Bosnia and Herzegovina, Croatia and Serbia.

(2) ENTITY.—The term “entity” refers to the Federation of Bosnia and Herzegovina, Kosovo, Montenegro and the Republika Srpska.

(3) MUNICIPALITY.—The term “municipality” means a city, town or other subdivision within a country or entity as defined herein.

(4) DAYTON ACCORDS.—The term “Dayton Accords” means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

USER FEES

SEC. 582. The Secretary of the Treasury shall instruct the United States Executive Director at each international financial

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) and the International Monetary Fund to oppose any loan of these institutions that would require user fees or service charges on poor people for primary education or primary healthcare, including prevention and treatment efforts for HIV/AIDS, malaria, tuberculosis, and infant, child, and maternal well-being, in connection with the institutions' lending programs.

HEAVILY INDEBTED POOR COUNTRIES TRUST FUND AUTHORIZATION

114 Stat.
1900A-64.

SEC. 583. Section 801(b)(1) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001 (Public Law 106-429) is amended by striking “\$435,000,000” and inserting “\$600,000,000”.

FUNDING FOR SERBIA

SEC. 584. (a) Funds appropriated by this Act may be made available for assistance for Serbia after March 31, 2002, if the President has made the determination and certification contained in subsection (c).

(b) After March 31, 2002, the Secretary of the Treasury should instruct the United States executive directors to the international financial institutions to support loans and assistance to the Government of the Federal Republic of Yugoslavia subject to the conditions in subsection (c): *Provided*, That section 576 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as amended, shall not apply to the provision of loans and assistance to the Federal Republic of Yugoslavia through international financial institutions.

President.

(c) The determination and certification referred to in subsection (a) is a determination by the President and a certification to the Committees on Appropriations that the Government of the Federal Republic of Yugoslavia is—

(1) cooperating with the International Criminal Tribunal for the former Yugoslavia including access for investigators, the provision of documents, and the surrender and transfer of indictees or assistance in their apprehension;

(2) taking steps that are consistent with the Dayton Accords to end Serbian financial, political, security and other support which has served to maintain separate Republika Srpska institutions; and

(3) taking steps to implement policies which reflect a respect for minority rights and the rule of law, including the release of political prisoners from Serbian jails and prisons.

(d) Subsections (b) and (c) shall not apply to Montenegro, Kosovo, humanitarian assistance or assistance to promote democracy in municipalities.

EL SALVADOR RECONSTRUCTION AND CENTRAL AMERICA DISASTER RELIEF

SEC. 585. (a) During fiscal year 2002, not less than \$100,000,000 shall be made available for rehabilitation and reconstruction assistance for El Salvador: *Provided*, That such funds shall be derived as follows: (1) from funds appropriated by this Act, not less than \$65,000,000, of which not less than \$25,000,000 shall be from funds appropriated under the heading “Economic Support Fund”,

\$25,000,000 should be from funds appropriated under the heading “International Disaster Assistance”, and not less than \$15,000,000 shall be from funds appropriated under the headings “Child Survival and Health Programs Fund” and “Development Assistance”; and (2) from funds appropriated under such headings in Acts making appropriations for foreign operations, export financing, and related programs for fiscal year 1999 and prior years, not to exceed \$35,000,000: *Provided further*, That none of the funds made available under this section may be obligated for nonproject assistance: *Provided further*, That prior to any obligation of funds made available under this section, the Administrator of the United States Agency for International Development (USAID) shall provide the Committees on Appropriations with a detailed report containing the amount of the proposed obligation and a description of the programs and projects, on a sector-by-sector basis, to be funded with such amount: *Provided further*, That of the funds made available under this section, up to \$2,500,000 may be used for administrative expenses, including auditing costs, of USAID.

Reports.

(b) During fiscal year 2002, not less than \$35,000,000 of the funds managed by the United States Agency for International Development should be made available for mitigation of the drought and rural food shortages elsewhere in Central America.

REPORTS ON CONDITIONS IN HONG KONG

SEC. 586. (a) Section 301 of the United States-Hong Kong Policy Act (22 U.S.C. 5731) is amended by striking “and March 31, 2000,” and inserting: “March 31, 2000, March 31, 2001, March 31, 2002, March 31, 2003, March 31, 2004, March 31, 2005, and March 31, 2006”.

(b) The requirement in section 301 of the United States-Hong Kong Policy Act, as amended by subsection (a), that a report under that section shall be transmitted not later than March 31, 2001, shall be considered satisfied by the transmittal of such report by August 7, 2001.

Deadline.
22 USC 5731
note.

COMMUNITY-BASED POLICE ASSISTANCE

SEC. 587. (a) AUTHORITY.—Of the funds made available to carry out the provisions of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, up to \$1,500,000 may be used, notwithstanding section 660 of that Act, to enhance the effectiveness and accountability of civilian police authority in Jamaica through training and technical assistance in internationally recognized human rights, the rule of law, strategic planning, and through the promotion of civilian police roles that support democratic governance including programs to prevent conflict and foster improved police relations with the communities they serve.

(b) REPORT.—Twelve months after the initial obligation of funds for Jamaica for activities authorized under subsection (a), the Administrator of the United States Agency for International Development shall submit a report to the appropriate congressional committees describing the progress the program is making toward improving police relations with the communities they serve and institutionalizing an effective community-based police program.

Deadline.
Jamaica.

(c) NOTIFICATION.—Assistance provided under subsection (a) shall be subject to the regular notification procedures of the Committees on Appropriations.

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

AUTHORIZATIONS

12 USC 635f
note.

SEC. 588. The Secretary of the Treasury may, to fulfill commitments of the United States, contribute on behalf of the United States to the fifth replenishment of the resources of the International Fund for Agricultural Development. The following amount is authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: \$30,000,000 for the International Fund for Agricultural Development: *Provided*, That notwithstanding the dates specified in section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) and section 1(c) of Public Law 103-428, the Export-Import Bank of the United States shall continue to exercise its functions in connection with and in furtherance of its objects and purposes through March 31, 2002.

EXCESS DEFENSE ARTICLES FOR CENTRAL AND SOUTHERN EUROPEAN COUNTRIES AND CERTAIN OTHER COUNTRIES

110 Stat. 1427.
110 Stat. 1427.

SEC. 589. Notwithstanding section 516(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal years 2002 and 2003, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to Albania, Bulgaria, Croatia, Estonia, Former Yugoslavia Republic of Macedonia, Georgia, India, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Mongolia, Pakistan, Romania, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan: *Provided*, That section 105 of Public Law 104-164 is amended by striking “2000 and 2001” and inserting “2002 and 2003”.

OVERSEAS PRIVATE INVESTMENT CORPORATION AND EXPORT-IMPORT BANK RESTRICTIONS

SEC. 590. (a) LIMITATION ON USE OF FUNDS BY OPIC.—None of the funds made available in this Act may be used by the Overseas Private Investment Corporation to insure, reinsure, guarantee, or finance any investment in connection with a project involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).

(b) LIMITATION ON USE OF FUNDS BY THE EXPORT-IMPORT BANK.—None of the funds made available in this Act may be used by the Export-Import Bank of the United States to guarantee, insure, extend credit, or participate in an extension of credit in connection with the export of any goods to a country for use in an enterprise involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).

(c) REQUIREMENTS.—The requirements referred to in subsection (a) and (b) are that the country concerned is implementing a system of controls, or taking other appropriate measures, that the Secretary of State determines to contribute effectively to preventing and eliminating the trade in conflict diamonds.

MODIFICATION TO THE ANNUAL DRUG CERTIFICATION PROCEDURES

President.

SEC. 591. During fiscal year 2002 funds in this Act that would otherwise be withheld from obligation or expenditure under section

490 of the Foreign Assistance Act of 1961 may be obligated or expended provided that:

(1) **REPORT.**—Not later than 45 days after enactment the President has submitted to the appropriate congressional committees a report identifying each country determined by the President to be a major drug-transit country or major illicit drug producing country. Deadline.

(2) **DESIGNATION AND JUSTIFICATION.**—In each report under paragraph (1), the President shall also—

(A) designate each country, if any, identified in such report that has failed demonstrably, during the previous 12 months, to make substantial efforts—

(i) to adhere to its obligations under international counternarcotics agreements; and

(ii) to take the counternarcotics measures set forth in section 489(a)(1) of the Foreign Assistance Act of 1961; and

(B) include a justification for each country so designated.

(3) **LIMITATION ON ASSISTANCE FOR DESIGNATED COUNTRIES.**—In the case of a country identified in a report for fiscal year 2002 under paragraph (1) that is also designated under paragraph (2) in the report, United States assistance may be provided under this Act to such country in fiscal year 2002 only if the President determines and reports to the appropriate congressional committees that—

(A) provision of such assistance to the country in such fiscal year is vital to the national interests of the United States; or

(B) commencing at any time 45 days after enactment, the country has made substantial efforts—

(i) to adhere to its obligations under international counternarcotics agreements; and

(ii) to take the counternarcotics measures set forth in section 489(a)(1) of the Foreign Assistance Act of 1961.

(4) **INTERNATIONAL COUNTERNARCOTICS AGREEMENT DEFINED.**—In this section, the term “international counternarcotics agreement” means—

(A) the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances; or

(B) any bilateral or multilateral agreement in force between the United States and another country or countries that addresses issues relating to the control of illicit drugs, such as—

(i) the production, distribution, and interdiction of illicit drugs;

(ii) demand reduction;

(iii) the activities of criminal organizations;

(iv) international legal cooperation among courts, prosecutors, and law enforcement agencies (including the exchange of information and evidence);

(v) the extradition of nationals and individuals involved in drug-related criminal activity;

115 STAT.

PUBLIC LAW 107-115—JAN. 10, 2002

(vi) the temporary transfer for prosecution of nationals and individuals involved in drug-related criminal activity;

(vii) border security;

(viii) money laundering;

(ix) illicit firearms trafficking;

(x) corruption;

(xi) control of precursor chemicals;

(xii) asset forfeiture; and

(xiii) related training and technical assistance,

and includes, where appropriate, timetables and objective and measurable standards to assess the progress made by participating countries with respect to such issues.

(5) APPLICATION.—Section 490(a) through (g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) shall not apply during fiscal year 2002 with respect to any country identified in paragraph (1) of this section.

Reports.
Deadline.

(6) STATUTORY CONSTRUCTION.—Nothing in this section supersedes or modifies the requirement in section 489(a) of the Foreign Assistance Act of 1961 (with respect to the International Control Strategy Report) for the transmittal of a report not later than March 1, 2002 under that section.

KENNETH M. LUDDEN

SEC. 592. This Act may be cited as the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 2002.

This Act may be cited as the “Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002”.

Approved January 10, 2002.

LEGISLATIVE HISTORY—H.R. 2506:

HOUSE REPORTS: Nos. 107-142 (Comm. on Appropriations) and 107-345 (Comm. of Conference).

SENATE REPORTS: No. 107-58 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

July 19, 24, considered and passed House.

Oct. 23, 24, considered and passed Senate, amended.

Dec. 19, House agreed to conference report.

Dec. 20, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 38 (2002):

Jan. 10, Presidential statement.

[In thousands of dollars]

| | |
|--|--------------|
| Grand total, Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 | \$15,390,780 |
| Consisting of: | |
| Foreign Assistance | 15,390,780 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**DEPARTMENT OF THE INTERIOR
AND RELATED AGENCIES
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-63

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

Public Law 107-63
107th Congress

An Act

Nov. 5, 2001
[H.R. 2217]Making appropriations for the Department of the Interior and related agencies
for the fiscal year ending September 30, 2002, and for other purposes.Department of
the Interior and
Related Agencies
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

\$775,632,000

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96-487 (16 U.S.C. 3150(a)), \$775,632,000, to remain available until expended, of which \$1,000,000 is for high priority projects which shall be carried out by the Youth Conservation Corps, defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act; of which \$4,000,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96-487 (16 U.S.C. 3150); and of which not to exceed \$1,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601-6a(i)); and of which \$3,000,000 shall be available in fiscal year 2002 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for cost-shared projects supporting conservation of Bureau lands and such funds shall be advanced to the Foundation as a lump sum grant without regard to when expenses are incurred; in addition, \$32,298,000 for Mining Law Administration program operations, including the cost of administering the mining claim fee program; to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation

from annual mining claim fees so as to result in a final appropriation estimated at not more than \$775,632,000, and \$2,000,000, to remain available until expended, from communication site rental fees established by the Bureau for the cost of administering communication site activities: *Provided*, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors: *Provided further*, That of the amount provided, \$28,000,000 is for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided further*, That fiscal year 2001 balances in the Federal Infrastructure Improvement account for the Bureau of Land Management shall be transferred to and merged with this appropriation, and shall remain available until expended.

WILDLAND FIRE MANAGEMENT

For necessary expenses for fire preparedness, suppression operations, fire science and research, emergency rehabilitation, hazardous fuels reduction, and rural fire assistance by the Department of the Interior, \$624,421,000, to remain available until expended, of which not to exceed \$19,774,000 shall be for the renovation or construction of fire facilities: *Provided*, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: *Provided further*, That unobligated balances of amounts previously appropriated to the “Fire Protection” and “Emergency Department of the Interior Firefighting Fund” may be transferred and merged with this appropriation: *Provided further*, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: *Provided further*, That notwithstanding 42 U.S.C. 1856d, sums received by a bureau or office of the Department of the Interior for fire protection rendered pursuant to 42 U.S.C. 1856 et seq., protection of United States property, may be credited to the appropriation from which funds were expended to provide that protection, and are available without fiscal year limitation: *Provided further*, That using the amounts designated under this title of this Act, the Secretary of the Interior may enter into procurement contracts, grants, or cooperative agreements, for hazardous fuels reduction activities, and for training and monitoring associated with such hazardous fuels reduction activities, on Federal land, or on adjacent non-Federal land for activities that benefit resources on Federal land: *Provided further*, That the costs of implementing any cooperative agreement between the Federal government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: *Provided further*, That in entering into such grants or cooperative agreements, the Secretary may consider the enhancement of local and small business employment opportunities for rural communities, and that in entering into procurement contracts under this section on a best value basis, the Secretary may take into account the ability of an entity to enhance local and small business employment opportunities in rural communities, and that the Secretary may award procurement contracts, grants, or cooperative agreements under this section to entities that include local non-profit entities, Youth Conservation Corps or related partnerships, or small or disadvantaged businesses: *Provided further*, That

¹\$678,421,000

¹Total.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

funds appropriated under this head may be used to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service for the costs of carrying out their responsibilities under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) to consult and conference, as required by section 7 of such Act in connection with wildland fire management activities.

For an additional amount to cover necessary expenses for burned areas rehabilitation and fire suppression by the Department of the Interior, \$54,000,000, to remain available until expended, of which \$34,000,000 is for wildfire suppression and \$20,000,000 is for burned areas rehabilitation: *Provided*, That the Congress designates the entire amount as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That \$54,000,000 shall be available only to the extent an official budget request, that includes designation of the \$54,000,000 as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

CENTRAL HAZARDOUS MATERIALS FUND

\$9,978,000 For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), \$9,978,000, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to section 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: *Provided further*, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

CONSTRUCTION

13,076,000 For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, \$13,076,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

210,000,000 For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901-6907), \$210,000,000, of which not to exceed \$400,000 shall be available for administrative expenses and of which \$50,000,000 is for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than \$100.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94-579, including administrative expenses and acquisition of lands or waters, or interests therein, \$49,920,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act. \$49,920,000

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; \$105,165,000, to remain available until expended: *Provided*, That 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876). 105,165,000

FOREST ECOSYSTEMS HEALTH AND RECOVERY FUND

(REVOLVING FUND, SPECIAL ACCOUNT)

In addition to the purposes authorized in Public Law 102-381, funds made available in the Forest Ecosystem Health and Recovery Fund can be used for the purpose of planning, preparing, and monitoring salvage timber sales and forest ecosystem health and recovery activities such as release from competing vegetation and density control treatments. The Federal share of receipts (defined as the portion of salvage timber receipts not paid to the counties under 43 U.S.C. 1181f and 43 U.S.C. 1181-1 et seq., and Public Law 103-66) derived from treatments funded by this account shall be deposited into the Forest Ecosystem Health and Recovery Fund.

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 percent of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than \$10,000,000, to remain available until expended: *Provided*, That not to exceed \$600,000 shall be available for administrative expenses. 10,000,000
(indefinite)

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

\$8,000,000
(indefinite)

43 USC 1735
note.

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94-579, as amended, and Public Law 93-153, to remain available until expended: *Provided*, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94-579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: *Provided further*, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

11,000,000
(indefinite)

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

30 USC 28f.

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to \$100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on her certificate, not to exceed \$10,000: *Provided*, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards: *Provided further*, That section 28f(a) of title 30, United States Code, is amended:

(1) In section 28f(a), by striking the first sentence and inserting, "The holder of each unpatented mining claim, mill,

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

or tunnel site, located pursuant to the mining laws of the United States, whether located before, on or after the enactment of this Act, shall pay to the Secretary of the Interior, on or before September 1 of each year for years 2002 through 2003, a claim maintenance fee of \$100 per claim or site"; and

(2) In section 28g, by striking "and before September 30, 2001" and inserting in lieu thereof "and before September 30, 2003".

30 USC 28g.

[Total, Bureau of Land Management, \$1,871,192,000.]

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For necessary expenses of the United States Fish and Wildlife Service, for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, general administration, and for the performance of other authorized functions related to such resources by direct expenditure, contracts, grants, cooperative agreements and reimbursable agreements with public and private entities, \$850,597,000, to remain available until September 30, 2003, except as otherwise provided herein, of which \$29,000,000 is for conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That fiscal year 2001 balances in the Federal Infrastructure Improvement account for the United States Fish and Wildlife Service shall be transferred to and merged with this appropriation, and shall remain available until expended: *Provided further*, That not less than \$2,000,000 shall be provided to local governments in southern California for planning associated with the Natural Communities Conservation Planning (NCCP) program and shall remain available until expended: *Provided further*, That \$2,000,000 is for high priority projects which shall be carried out by the Youth Conservation Corps, defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided further*, That not to exceed \$9,000,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act, as amended, for species that are indigenous to the United States (except for processing petitions, developing and issuing proposed and final regulations, and taking any other steps to implement actions described in subsection (c)(2)(A), (c)(2)(B)(i), or (c)(2)(B)(ii)), of which not to exceed \$6,000,000 shall be used for any activity regarding the designation of critical habitat, pursuant to subsection (a)(3), excluding litigation support, for species already listed pursuant to subsection (a)(1) as of the date of enactment this Act: *Provided further*, That of the amount available for law enforcement, up to \$400,000 to remain available until expended, may at the discretion of the Secretary, be used for payment for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activity, authorized or approved by the Secretary and to be accounted for solely on her certificate: *Provided further*, That of the amount provided for environmental contaminants, up to \$1,000,000 may remain available until expended for contaminant sample analyses.

\$850,597,000

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

CONSTRUCTION

For construction, improvement, acquisition, or removal of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; \$55,543,000 \$55,543,000, to remain available until expended.

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, \$99,135,000 \$99,135,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That none of the funds appropriated for specific land acquisition projects can be used to pay for any administrative overhead, planning or other management costs except that, in fiscal year 2002 only, not to exceed \$2,500,000 may be used consistent with the Service's cost allocation methodology: *Provided further*, That the United States Fish and Wildlife Service is authorized to purchase the common stock of Yauhannah Properties, Inc. for the purposes of inclusion of real property owned by that corporation into the Waccamaw National Wildlife Refuge.

16 USC 668dd
note.

LANDOWNER INCENTIVE PROGRAM

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for private conservation efforts to be carried out on private lands, \$40,000,000 \$40,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, and to be for conservation spending category activities pursuant to section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of discretionary spending limits: *Provided*, That the amount provided herein is for a Landowner Incentive Program established by the Secretary that provides matching, competitively awarded grants to States, the District of Columbia, Tribes, Puerto Rico, Guam, the United States Virgin Islands, the Northern Mariana Islands, and American Samoa, to establish, or supplement existing, landowner incentive programs that provide technical and financial assistance, including habitat protection and restoration, to private landowners for the protection and management of habitat to benefit federally listed, proposed, or candidate species, or other at-risk species on private lands.

STEWARDSHIP GRANTS

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for private conservation efforts to be carried out on private lands, \$10,000,000 \$10,000,000, to be derived from the Land and Water Conservation Fund, to remain available

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

until expended, and to be for conservation spending category activities pursuant to section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of discretionary spending limits: *Provided*, That the amount provided herein is for the Secretary to establish a Private Stewardship Grants Program to provide grants and other assistance to individuals and groups engaged in private conservation efforts that benefit federally listed, proposed, or candidate species, or other at-risk species.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out section 6 of the Endangered Species Act of 1973 (16 U.S.C. 1531-1543), as amended, \$96,235,000, to be derived from the Cooperative Endangered Species Conservation Fund, to remain available until expended, and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act. \$96,235,000

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), \$14,414,000. 14,414,000

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101-233, as amended, \$43,500,000, to remain available until expended and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That, notwithstanding any other provision of law, amounts in excess of funds provided in fiscal year 2001 shall be used only for projects in the United States. 43,500,000

NEOTROPICAL MIGRATORY BIRD CONSERVATION

For financial assistance for projects to promote the conservation of neotropical migratory birds in accordance with the Neotropical Migratory Bird Conservation Act, Public Law 106-247 (16 U.S.C. 6101-6109), \$3,000,000, to remain available until expended. 3,000,000

MULTINATIONAL SPECIES CONSERVATION FUND

For expenses necessary to carry out the African Elephant Conservation Act (16 U.S.C. 4201-4203, 4211-4213, 4221-4225, 4241-4245, and 1538), the Asian Elephant Conservation Act of 1997 (Public Law 105-96; 16 U.S.C. 4261-4266), the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5301-5306), and the Great Ape Conservation Act of 2000 (16 U.S.C. 6301), \$4,000,000, to remain available until expended: *Provided*, That funds made available under this Act, Public Law 106-291, and Public Law 106-554 and hereafter in annual appropriations Acts for rhinoceros, tiger, Asian elephant, and great ape conservation programs are exempt from any sanctions imposed against any country under section 102 of the Arms Export Control Act (22 U.S.C. 2799aa-1). 4,000,000
22 USC 2799aa-1 note.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

STATE WILDLIFE GRANTS

(INCLUDING RESCISSION OF FUNDS)

For wildlife conservation grants to States and to the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, the Northern Mariana Islands, American Samoa, and federally recognized Indian tribes under the provisions of the Fish and Wildlife Act of 1956 and the Fish and Wildlife Coordination Act, for the development and implementation of programs for the benefit of wildlife and their habitat, including species that are not hunted or fished, \$85,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That of the amount provided herein, \$5,000,000 is for a competitive grant program for Indian tribes not subject to the remaining provisions of this appropriation: *Provided further*, That the Secretary shall, after deducting said \$5,000,000 and administrative expenses, apportion the amount provided herein in the following manner: (A) to the District of Columbia and to the Commonwealth of Puerto Rico, each a sum equal to not more than one-half of 1 percent thereof; and (B) to Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, each a sum equal to not more than one-fourth of 1 percent thereof: *Provided further*, That the Secretary shall apportion the remaining amount in the following manner: (A) one-third of which is based on the ratio to which the land area of such State bears to the total land area of all such States; and (B) two-thirds of which is based on the ratio to which the population of such State bears to the total population of all such States: *Provided further*, That the amounts apportioned under this paragraph shall be adjusted equitably so that no State shall be apportioned a sum which is less than 1 percent of the amount available for apportionment under this paragraph for any fiscal year or more than 5 percent of such amount: *Provided further*, That the Federal share of planning grants shall not exceed 75 percent of the total costs of such projects and the Federal share of implementation grants shall not exceed 50 percent of the total costs of such projects: *Provided further*, That the non-Federal share of such projects may not be derived from Federal grant programs: *Provided further*, That no State, territory, or other jurisdiction shall receive a grant unless it has developed, or committed to develop by October 1, 2005, a comprehensive wildlife conservation plan, consistent with criteria established by the Secretary of the Interior, that considers the broad range of the State, territory, or other jurisdiction's wildlife and associated habitats, with appropriate priority placed on those species with the greatest conservation need and taking into consideration the relative level of funding available for the conservation of those species: *Provided further*, That any amount apportioned in 2002 to any State, territory, or other jurisdiction that remains unobligated as of September 30, 2003, shall be reapportioned, together with funds appropriated in 2004, in the manner provided herein.

Of the amounts appropriated in title VIII of Public Law 106-25,000,000 291, \$25,000,000 for State Wildlife Grants are rescinded.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 74 passenger motor vehicles, of which 69 are for replacement only (including 32 for police-type use); repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed \$1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are used pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: *Provided further*, That the Service may accept donated aircraft as replacements for existing aircraft: *Provided further*, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in Senate Report 105-56.

[*Total, United States Fish and Wildlife Service, \$1,276,424,000.*]

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, \$1,476,977,000, of which \$10,869,000 for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended; and of which \$72,640,000, to remain available until September 30, 2003, is for maintenance repair or rehabilitation projects for constructed assets, operation of the National Park Service automated facility management software system, and comprehensive facility condition assessments; and of which \$2,000,000 is for the Youth Conservation Corps, defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act, for high priority projects: *Provided*, That the only funds in this account which may be made available to support United States Park Police are those funds approved for emergency law and order incidents pursuant to established National Park Service procedures, those funds needed to maintain and repair United States Park Police administrative facilities, and those funds necessary to reimburse the United States Park Police account for the unbudgeted overtime and travel costs associated with special

\$1,476,977,000

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

events for an amount not to exceed \$10,000 per event subject to the review and concurrence of the Washington headquarters office: *Provided further*, That none of the funds in this or any other Act may be used to fund a new Associate Director position for Partnerships.

UNITED STATES PARK POLICE

\$65,260,000 For expenses necessary to carry out the programs of the United States Park Police, \$65,260,000.

CONTRIBUTION FOR ANNUITY BENEFITS

16 USC 14e.

For reimbursement (not heretofore made), pursuant to provisions of Public Law 85-157, to the District of Columbia on a monthly basis for benefit payments by the District of Columbia to United States Park Police annuitants under the provisions of the Policeman and Fireman's Retirement and Disability Act (Act), to the extent those payments exceed contributions made by active Park Police members covered under the Act, such amounts as hereafter may be necessary: *Provided*, That hereafter the appropriations made to the National Park Service shall not be available for this purpose.

NATIONAL RECREATION AND PRESERVATION

66,159,000 For expenses necessary to carry out recreation programs, natural programs, cultural programs, heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, \$66,159,000, of which \$500,000 are for grants pursuant to the National Underground Railroad Network to Freedom Act of 1988 (16 U.S.C. 469l, as amended).

URBAN PARK AND RECREATION FUND

30,000,000 For expenses necessary to carry out the provisions of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.), \$30,000,000, to remain available until expended and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act.

HISTORIC PRESERVATION FUND

74,500,000 For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104-333), \$74,500,000, to be derived from the Historic Preservation Fund, to remain available until September 30, 2003, and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That, of the amount provided herein, \$2,500,000, to remain available until expended, is for a grant for the perpetual care and maintenance of National Trust Historic Sites, as authorized under 16 U.S.C. 470a(e)(2), to be made available in full upon signing of a grant agreement: *Provided further*, That, notwithstanding any other provision of law, these funds shall be available for investment

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

with the proceeds to be used for the same purpose as set out herein: *Provided further*, That of the total amount provided, \$30,000,000 shall be for Save America's Treasures for priority preservation projects, including preservation of intellectual and cultural artifacts, preservation of historic structures and sites, and buildings to house cultural and historic resources and to provide educational opportunities: *Provided further*, That any individual Save America's Treasures grant shall be matched by non-Federal funds: *Provided further*, That individual projects shall only be eligible for one grant, and all projects to be funded shall be approved by the House and Senate Committees on Appropriations prior to the commitment of grant funds: *Provided further*, That Save America's Treasures funds allocated for Federal projects shall be available by transfer to appropriate accounts of individual agencies, after approval of such projects by the Secretary of the Interior: *Provided further*, That none of the funds provided for Save America's Treasures may be used for administrative expenses, and staffing for the program shall be available from the existing staffing levels in the National Park Service.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, \$366,044,000, to remain available until expended, of which \$66,851,000 is for conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That of the amount provided for Cuyahoga National Park, \$200,000 may be used for the Cuyahoga Valley Scenic Railroad platform and station in Canton, Ohio. \$366,044,000

LAND AND WATER CONSERVATION FUND

(RESCISSION)

1 - 30,000,000

The contract authority provided for fiscal year 2002 by 16 U.S.C. 4601-10a is rescinded. 16 USC 4601-10a note.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with the statutory authority applicable to the National Park Service, \$274,117,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control of 1985, as amended, for the purposes of such Act, of which \$144,000,000 is for the State assistance program including \$4,000,000 to administer the State assistance program, and of which \$11,000,000 shall be for grants, not covering more than 50 percent of the total cost of any acquisition to be made with such funds, to States and local communities for purposes of acquiring lands or interests in lands to preserve and protect Civil War battlefield sites identified in the July 1993 Report on the Nation's Civil War Battlefields prepared by the Civil War Sites 274,117,000

¹ Rescission of contract authority.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

Advisory Commission: *Provided*, That lands or interests in land acquired with Civil War battlefield grants shall be subject to the requirements of paragraph 6(f)(3) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-8(f)(3)): *Provided further*, That of the amounts provided under this heading, \$15,000,000 may be for Federal grants to the State of Florida for the acquisition of lands or waters, or interests therein, within the Everglades watershed (consisting of lands and waters within the boundaries of the South Florida Water Management District, Florida Bay and the Florida Keys, including the areas known as the Frog Pond, the Rocky Glades and the Eight and One-Half Square Mile Area) under terms and conditions deemed necessary by the Secretary to improve and restore the hydrological function of the Everglades watershed; and \$16,000,000 may be for project modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act: *Provided further*, That funds provided under this heading for assistance to the State of Florida to acquire lands within the Everglades watershed are contingent upon new matching non-Federal funds by the State and shall be subject to an agreement that the lands to be acquired will be managed in perpetuity for the restoration of the Everglades: *Provided further*, That none of the funds provided for the State Assistance program may be used to establish a contingency fund.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 315 passenger motor vehicles, of which 256 shall be for replacement only, including not to exceed 237 for police-type use, 11 buses, and 8 ambulances: *Provided*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than 3 calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

Reports.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.

Notwithstanding any other provision of law, the National Park Service may convey a leasehold or freehold interest in Cuyahoga NP to allow for the development of utilities and parking needed to support the historic Everett Church in the village of Everett, Ohio.

[Total, National Park Service (net), \$2,323,057,000.]

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

UNITED STATES GEOLOGICAL SURVEY
SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, biology, and the mineral and water resources of the United States, its territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332, and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; \$914,002,000, of which \$64,318,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which \$16,400,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which \$8,000,000 shall remain available until expended for satellite operations; and of which \$26,374,000 shall be available until September 30, 2003 for the operation and maintenance of facilities and deferred maintenance; and of which \$166,389,000 shall be available until September 30, 2003 for the biological research activity and the operation of the Cooperative Research Units: *Provided*, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: *Provided further*, That of the amount provided herein, \$25,000,000 is for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

\$914,002,000

43 USC 50.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302 et seq.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only, \$150,667,000, of which \$83,344,000, shall be available for royalty management activities; and an amount not to exceed \$102,730,000, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for Outer Continental Shelf administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for Outer Continental Shelf administrative activities established after September 30, 1993: *Provided*, That to the extent \$102,730,000 in additions to receipts are not realized from the sources of receipts stated above, the amount needed to reach \$102,730,000 shall be credited to this appropriation from receipts resulting from rental rates for Outer Continental Shelf leases in effect before August 5, 1993: *Provided further*, That \$3,000,000 for computer acquisitions shall remain available until September 30, 2003: *Provided further*, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721(b) and (d): *Provided further*, That not to exceed \$3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: *Provided further*, That notwithstanding any other provision of law, \$15,000 under this heading shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service (MMS) concurred with the claimed refund due, to pay amounts owed to Indian allottees or tribes, or to correct prior unrecoverable erroneous payments: *Provided further*, That MMS may under the royalty-in-kind pilot program use a portion of the revenues from royalty-in-kind sales, without regard to fiscal year limitation, to pay for transportation to wholesale market centers or upstream pooling points, and to process or otherwise dispose of royalty production taken in kind: *Provided further*, That MMS shall analyze and document the expected return in advance of any royalty-in-kind sales to assure to the maximum extent practicable that royalty income under the pilot program is equal to or greater than royalty income recognized under a comparable royalty-in-value program.

¹ \$253,397,000
 - 102,730,000
 (receipts)

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, \$6,105,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

[Total, Minerals Management Service, \$156,772,000.]

¹Total.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; \$102,800,000: *Provided*, That the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected in fiscal year 2002 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training. [Total, \$103,075,000.]

\$102,800,000

275,000
(indefinite)30 USC 1211
note.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, \$203,455,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to \$10,000,000, to be derived from the Federal Expenses Share of the Fund, shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines, and for associated activities, through the Appalachian Clean Streams Initiative: *Provided*, That grants to minimum program States will be \$1,500,000 per State in fiscal year 2002: *Provided further*, That of the funds herein provided up to \$18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95-87, as amended, of which no more than 25 percent shall be used for emergency reclamation projects in any one State and funds for federally administered emergency reclamation projects under this proviso shall not exceed \$11,000,000: *Provided further*, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 percent limitation per State and may be used without fiscal year limitation for emergency projects: *Provided further*, That pursuant to Public Law 97-365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That funds made available under title IV of Public Law 95-87 may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: *Provided further*, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: *Provided further*, That, in addition to the amount granted to the Commonwealth of Pennsylvania under sections 402 (g)(1) and 402(g)(5) of the Surface Mining Control and Reclamation Act (Act), an additional \$500,000 will be specifically used for the purpose

203,455,000

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

of conducting a demonstration project in accordance with section 401(c)(6) of the Act to determine the efficacy of improving water quality by removing metals from eligible waters polluted by acid mine drainage: *Provided further*, That the State of Maryland may set aside the greater of \$1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects.

[*Total, Office of Surface Mining Reclamation and Enforcement, \$306,530,000.*]

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001-2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, \$1,799,809,000, to remain available until September 30, 2003 except as otherwise provided herein, of which not to exceed \$89,864,000 shall be for welfare assistance payments and notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed \$130,209,000 shall be available for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau prior to or during fiscal year 2002, as authorized by such Act, except that tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, or compacts, or annual funding agreements and for unmet welfare assistance costs; and up to \$3,000,000 shall be for the Indian Self-Determination Fund which shall be available for the transitional cost of initial or expanded tribal contracts, grants, compacts or cooperative agreements with the Bureau under such Act; and of which not to exceed \$436,427,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 2002, and shall remain available until September 30, 2003; and of which not to exceed \$58,540,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, the Indian Self-Determination Fund, land records improvement, and the Navajo-Hopi Settlement Program: *Provided*, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed \$43,065,000 within and only from such amounts made available for school operations shall be available to tribes and tribal organizations for administrative cost

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

grants associated with the operation of Bureau-funded schools: *Provided further*, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 2003, may be transferred during fiscal year 2004 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: *Provided further*, That any such unobligated balances not so transferred shall expire on September 30, 2004.

Expiration date.

CONSTRUCTION

For construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87-483, \$357,132,000, to remain available until expended: *Provided*, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: *Provided further*, That not to exceed 6 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: *Provided further*, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a nonreimbursable basis: *Provided further*, That for fiscal year 2002, in implementing new construction or facilities improvement and repair project grants in excess of \$100,000 that are provided to tribally controlled grant schools under Public Law 100-297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: *Provided further*, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: *Provided further*, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: *Provided further*, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): *Provided further*, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e): *Provided further*, That notwithstanding any other provision of law, not to exceed \$450,000 in collections from settlements between the United States and contractors concerning the Dunseith Day School are to be made available for school construction in fiscal year 2002 and thereafter.

\$357,132,000

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, \$60,949,000, to remain available until expended; of which \$24,870,000 shall be available

60,949,000

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101-618 and 102-575, and for implementation of other enacted water rights settlements; of which \$7,950,000 shall be available for future water supplies facilities under Public Law 106-163; of which \$21,875,000 shall be available pursuant to Public Laws 99-264, 100-580, 106-263, 106-425, 106-554, and 106-568; and of which \$6,254,000 shall be available for the consent decree entered by the U.S. District Court, Western District of Michigan in *United States v. Michigan*, Case No. 2:73 CV 26.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

\$4,500,000 For the cost of guaranteed loans, \$4,500,000, as authorized by the Indian Financing Act of 1974, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$75,000,000.

¹75,000,000

486,000 In addition, for administrative expenses to carry out the guaranteed loan programs, \$486,000.
[*Total, \$4,986,000.*]

ADMINISTRATIVE PROVISIONS

The Bureau of Indian Affairs may carry out the operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts and grants, either directly or in cooperation with States and other organizations.

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations, pooled overhead general administration (except facilities operations and maintenance), or provided to implement the recommendations of the National Academy of Public Administration's August 1999 report shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103-413).

In the event any tribe returns appropriations made available by this Act to the Bureau of Indian Affairs for distribution to other tribes, this action shall not diminish the Federal Government's trust responsibility to that tribe, or the government-to-government relationship between the United States and that tribe, or that tribe's ability to access future appropriations.

Notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska.

Appropriations made available in this or any other Act for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996. No funds

¹Limitation.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995. Funds made available under this Act may not be used to establish a charter school at a Bureau-funded school (as that term is defined in section 1146 of the Education Amendments of 1978 (25 U.S.C. 2026)), except that a charter school that is in existence on the date of the enactment of this Act and that has operated at a Bureau-funded school before September 1, 1999, may continue to operate during that period, but only if the charter school pays to the Bureau a pro rata share of funds to reimburse the Bureau for the use of the real and personal property (including buses and vans), the funds of the charter school are kept separate and apart from Bureau funds, and the Bureau does not assume any obligation for charter school programs of the State in which the school is located if the charter school loses such funding. Employees of Bureau-funded schools sharing a campus with a charter school and performing functions related to the charter school's operation and employees of a charter school shall not be treated as Federal employees for purposes of chapter 171 of title 28, United States Code (commonly known as the "Federal Tort Claims Act").

[Total, Bureau of Indian Affairs, \$2,222,876,000.]

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, \$78,950,000, of which: (1) \$74,422,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, coral reef initiative activities, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94-241; 90 Stat. 272); and (2) \$4,528,000 shall be available for salaries and expenses of the Office of Insular Affairs: *Provided*, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: *Provided further*, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 104-134: *Provided further*, That of the funds provided herein for American Samoa government operations, the Secretary is directed to use up to \$20,000 to increase compensation of the American Samoa High Court Justices: *Provided further*, That of the amounts provided for technical assistance, not to exceed

\$78,950,000

48 USC 1469b.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

Grants.
Close Up
Foundation.

\$2,000,000 shall be made available for transfer to the Disaster Assistance Direct Loan Financing Account of the Federal Emergency Management Agency for the purpose of covering the cost of forgiving the repayment obligation of the Government of the Virgin Islands on Community Disaster Loan 841, as required by section 504 of the Congressional Budget Act of 1974, as amended (2 U.S.C. 661c): *Provided further*, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: *Provided further*, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure (with territorial participation and cost sharing to be determined by the Secretary based on the grantees commitment to timely maintenance of its capital assets): *Provided further*, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, \$23,245,000, to remain available until expended, as authorized by Public Law 99-239 and Public Law 99-658.

[*Total, Insular Affairs, \$102,195,000.*]

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

67,741,000 For necessary expenses for management of the Department of the Interior, \$67,741,000, of which not to exceed \$8,500 may be for official reception and representation expenses, and of which up to \$1,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

45,000,000 For necessary expenses of the Office of the Solicitor, \$45,000,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

34,302,000 For necessary expenses of the Office of Inspector General, \$34,302,000, of which \$3,812,000 shall be for procurement by contract of independent auditing services to audit the consolidated Department of the Interior annual financial statement and the

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

annual financial statement of the Department of the Interior bureaus and offices funded in this Act.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, \$99,224,000, to remain available until expended: *Provided*, That funds for trust management improvements may be transferred, as needed, to the Bureau of Indian Affairs "Operation of Indian Programs" account and to the Departmental Management "Salaries and Expenses" account: *Provided further*, That funds made available to Tribes and Tribal organizations through contracts or grants obligated during fiscal year 2002, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: *Provided further*, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: *Provided further*, That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 18 months and has a balance of \$1.00 or less: *Provided further*, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder.

\$99,224,000

25 USC 4011
note.

Records.

INDIAN LAND CONSOLIDATION

For consolidation of fractional interests in Indian lands and expenses associated with redetermining and redistributing escheated interests in allotted lands, and for necessary expenses to carry out the Indian Land Consolidation Act of 1983, as amended, by direct expenditure or cooperative agreement, \$10,980,000, to remain available until expended and which may be transferred to the Bureau of Indian Affairs and Departmental Management.

10,980,000

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (Public Law 101-380) (33 U.S.C. 2701 et seq.), and Public Law 101-337, as amended (16 U.S.C. 19jj et seq.), \$5,497,000, to remain available until expended.

5,497,000

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: *Provided*, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: *Provided further*, That no programs funded with appropriated funds in the “Departmental Management”, “Office of the Solicitor”, and “Office of Inspector General” may be augmented through the Working Capital Fund or the Consolidated Working Fund.

[*Total, Department Offices, \$364,939,000.*]

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be “emergency requirements” pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of wildland fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oil spills; for response and natural resource damage assessment activities related to actual oil spills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99-198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95-87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for wildland fire operations shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for wildland fire operations, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That for wildland fire operations, no funds shall be made available

under this authority until the Secretary determines that funds appropriated for “wildland fire operations” shall be exhausted within 30 days: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be “emergency requirements” pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: *Provided further*, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed \$500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

SEC. 106. Annual appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of 12 months beginning at any time during the fiscal year.

SEC. 107. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore preleasing, leasing and related activities placed under restriction in the President’s moratorium statement of June 12, 1998, in the areas of northern, central, and southern California; the North Atlantic; Washington and Oregon; and the eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.

SEC. 108. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore oil and natural gas preleasing, leasing, and related activities, on lands within the North Aleutian Basin planning area.

SEC. 109. No funds provided in this title may be expended by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing and related activities in the eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997-2002.

SEC. 110. No funds provided in this title may be expended by the Department of the Interior to conduct oil and natural gas preleasing, leasing and related activities in the Mid-Atlantic and South Atlantic planning areas.

SEC. 111. Advance payments made under this title to Indian tribes, tribal organizations, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are—

(1) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States or securities that are guaranteed or insured by the United States; or

(2) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

SEC. 112. Notwithstanding any other provisions of law, the National Park Service shall not develop or implement a reduced entrance fee program to accommodate non-local travel through a unit. The Secretary may provide for and regulate local non-recreational passage through units of the National Park System, allowing each unit to develop guidelines and permits for such activity appropriate to that unit.

SEC. 113. Appropriations made in this Act under the headings Bureau of Indian Affairs and Office of Special Trustee for American Indians and any available unobligated balances from prior appropriations Acts made under the same headings, shall be available for expenditure or transfer for Indian trust management activities pursuant to the Trust Management Improvement Project High Level Implementation Plan.

SEC. 114. A grazing permit or lease that expires (or is transferred) during fiscal year 2002 shall be renewed under section 402 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1752) or if applicable, section 510 of the California Desert Protection Act (16 U.S.C. 410aaa-50). The terms and conditions contained in the expiring permit or lease shall continue in effect under the new permit or lease until such time as the Secretary of the Interior completes processing of such permit or lease in compliance with all applicable laws and regulations, at which time such permit or lease may be canceled, suspended or modified, in whole or in part, to meet the requirements of such applicable laws and regulations. Nothing in this section shall be deemed to alter the Secretary's statutory authority: *Provided*, That any Federal lands included within the boundary of Lake Roosevelt National Recreation Area, as designated by the Secretary of the Interior on April 5, 1990, (Lake Roosevelt Cooperative Management Agreement) that were utilized as of March 31, 1997, for grazing purposes pursuant to a permit issued by the National Park Service, the person or persons so utilizing such lands as of March 31, 1997, shall be entitled to renew said permit under

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

such terms and conditions as the Secretary may prescribe, for the lifetime of the permittee or 20 years, whichever is less.

SEC. 115. Notwithstanding any other provision of law, for the purpose of reducing the backlog of Indian probate cases in the Department of the Interior, the hearing requirements of chapter 10 of title 25, United States Code, are deemed satisfied by a proceeding conducted by an Indian probate judge, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing the appointments in the competitive service, for such period of time as the Secretary determines necessary: *Provided*, That the basic pay of an Indian probate judge so appointed may be fixed by the Secretary without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5, United States Code, governing the classification and pay of General Schedule employees, except that no such Indian probate judge may be paid at a level which exceeds the maximum rate payable for the highest grade of the General Schedule, including locality pay.

SEC. 116. Notwithstanding any other provision of law, the Secretary of the Interior is authorized to redistribute any Tribal Priority Allocation funds, including tribal base funds, to alleviate tribal funding inequities by transferring funds to address identified, unmet needs, dual enrollment, overlapping service areas or inaccurate distribution methodologies. No tribe shall receive a reduction in Tribal Priority Allocation funds of more than 10 percent in fiscal year 2002. Under circumstances of dual enrollment, overlapping service areas or inaccurate distribution methodologies, the 10 percent limitation does not apply.

SEC. 117. None of the funds in this Act may be used to establish a new National Wildlife Refuge in the Kankakee River basin that is inconsistent with the United States Army Corps of Engineers' efforts to control flooding and siltation in that area. Written certification of consistency shall be submitted to the House and Senate Committees on Appropriations prior to refuge establishment.

SEC. 118. Funds appropriated for the Bureau of Indian Affairs for postsecondary schools for fiscal year 2002 shall be allocated among the schools proportionate to the unmet need of the schools as determined by the Postsecondary Funding Formula adopted by the Office of Indian Education Programs.

SEC. 119. (a) The Secretary of the Interior shall take such action as may be necessary to ensure that the lands comprising the Huron Cemetery in Kansas City, Kansas (as described in section 123 of Public Law 106-291) are used only in accordance with this section.

(b) The lands of the Huron Cemetery shall be used only: (1) for religious and cultural uses that are compatible with the use of the lands as a cemetery; and (2) as a burial ground.

SEC. 120. No funds appropriated for the Department of the Interior by this Act or any other Act shall be used to study or implement any plan to drain Lake Powell or to reduce the water level of the lake below the range of water levels required for the operation of the Glen Canyon Dam.

SEC. 121. Notwithstanding any other provision of law, in conveying the Twin Cities Research Center under the authority provided by Public Law 104-134, as amended by Public Law 104-208, the Secretary may accept and retain land and other forms of reimbursement: *Provided*, That the Secretary may retain and use any such reimbursement until expended and without further

appropriation: (1) for the benefit of the National Wildlife Refuge System within the State of Minnesota; and (2) for all activities authorized by Public Law 100-696; 16 U.S.C. 460zz.

SEC. 122. Section 412(b) of the National Parks Omnibus Management Act of 1998, as amended (16 U.S.C. 5961) is amended by striking “2001” and inserting “2002”.

SEC. 123. Notwithstanding other provisions of law, the National Park Service may authorize, through cooperative agreement, the Golden Gate National Parks Association to provide fee-based education, interpretive and visitor service functions within the Crissy Field and Fort Point areas of the Presidio.

SEC. 124. Notwithstanding 31 U.S.C. 3302(b), sums received by the Bureau of Land Management for the sale of seeds or seedlings including those collected in fiscal year 2001, may be credited to the appropriation from which funds were expended to acquire or grow the seeds or seedlings and are available without fiscal year limitation.

SEC. 125. TRIBAL SCHOOL CONSTRUCTION DEMONSTRATION PROGRAM. (a) DEFINITIONS.—In this section:

(1) CONSTRUCTION.—The term “construction”, with respect to a tribally controlled school, includes the construction or renovation of that school.

(2) INDIAN TRIBE.—The term “Indian tribe” has the meaning given that term in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).

(3) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(4) TRIBALLY CONTROLLED SCHOOL.—The term “tribally controlled school” has the meaning given that term in section 5212 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2511).

(5) DEPARTMENT.—The term “Department” means the Department of the Interior.

(6) DEMONSTRATION PROGRAM.—The term “demonstration program” means the Tribal School Construction Demonstration Program.

(b) IN GENERAL.—The Secretary shall carry out a demonstration program to provide grants to Indian tribes for the construction of tribally controlled schools.

(1) IN GENERAL.—Subject to the availability of appropriations, in carrying out the demonstration program under subsection (b), the Secretary shall award a grant to each Indian tribe that submits an application that is approved by the Secretary under paragraph (2). The Secretary shall ensure that an eligible Indian tribe currently on the Department’s priority list for construction of replacement educational facilities receives the highest priority for a grant under this section.

(2) GRANT APPLICATIONS.—An application for a grant under the section shall—

(A) include a proposal for the construction of a tribally controlled school of the Indian tribe that submits the application; and

(B) be in such form as the Secretary determines appropriate.

(3) GRANT AGREEMENT.—As a condition to receiving a grant under this section, the Indian tribe shall enter into an agreement with the Secretary that specifies—

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

- (A) the costs of construction under the grant;
- (B) that the Indian tribe shall be required to contribute towards the cost of the construction a tribal share equal to 50 percent of the costs; and
- (C) any other term or condition that the Secretary determines to be appropriate.

(4) ELIGIBILITY.—Grants awarded under the demonstration program shall only be for construction of replacement tribally controlled schools.

(c) EFFECT OF GRANT.—A grant received under this section shall be in addition to any other funds received by an Indian tribe under any other provision of law. The receipt of a grant under this section shall not affect the eligibility of an Indian tribe receiving funding, or the amount of funding received by the Indian tribe, under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) or the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

SEC. 126. WHITE RIVER OIL SHALE MINE, UTAH. (a) SALE.—The Administrator of General Services (referred to in this section as the “Administrator”) shall sell all right, title, and interest of the United States in and to the improvements and equipment described in subsection (b) that are situated on the land described in subsection (c) (referred to in this section as the “Mine”).

(b) DESCRIPTION OF IMPROVEMENTS AND EQUIPMENT.—The improvements and equipment referred to in subsection (a) are the following improvements and equipment associated with the Mine:

- (1) Mine Service Building.
- (2) Sewage Treatment Building.
- (3) Electrical Switchgear Building.
- (4) Water Treatment Building/Plant.
- (5) Ventilation/Fan Building.
- (6) Water Storage Tanks.
- (7) Mine Hoist Cage and Headframe.
- (8) Miscellaneous Mine-related equipment.

(c) DESCRIPTION OF LAND.—The land referred to in subsection (a) is the land located in Uintah County, Utah, known as the “White River Oil Shale Mine” and described as follows:

- (1) T. 10 S., R. 24 E., Salt Lake Meridian, sections 12 through 14, 19 through 30, 33, and 34.
- (2) T. 10 S., R. 25 E., Salt Lake Meridian, sections 18 and 19.

(d) USE OF PROCEEDS.—The proceeds of the sale under subsection (a)—

- (1) shall be deposited in a special account in the Treasury of the United States; and
- (2) shall be available until expended, without further Act of appropriation—

(A) first, to reimburse the Administrator for the direct costs of the sale; and

(B) second, to reimburse the Bureau of Land Management Utah State Office for the costs of closing and rehabilitating the Mine.

(e) MINE CLOSURE AND REHABILITATION.—The closing and rehabilitation of the Mine (including closing of the mine shafts, site grading, and surface revegetation) shall be conducted in accordance with—

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

(1) the regulatory requirements of the State of Utah, the Mine Safety and Health Administration, and the Occupational Safety and Health Administration; and

(2) other applicable law.

SEC. 127. The Secretary of the Interior may use or contract for the use of helicopters or motor vehicles on the Sheldon and Hart National Wildlife Refuges for the purpose of capturing and transporting horses and burros. The provisions of subsection (a) of the Act of September 8, 1959 (73 Stat. 470; 18 U.S.C. 47(a)) shall not be applicable to such use. Such use shall be in accordance with humane procedures prescribed by the Secretary.

SEC. 128. The Lytton Rancheria of California shall not conduct Class III gaming as defined in Public Law 100-497 on land taken into trust for the tribe pursuant to Public Law 106-568 except in compliance with all required compact provisions of section 2710(d) of Public Law 100-497 or any relevant Class III gaming procedures.

SEC. 129. Moore's Landing at the Cape Romain National Wildlife Refuge in South Carolina is hereby named for George Garris and shall hereafter be referred to in any law, document, or records of the United States as "Garris Landing".

SEC. 130. From within funds available to the National Park Service, such sums as may be necessary shall be used for expenses necessary to complete and issue, no later than January 1, 2004, an Environmental Impact Statement (EIS) to identify and analyze the possible effects of the 1996 increases in the number of vessel entries issued for Glacier Bay National Park and Preserve: *Provided*, That such EIS, upon its completion, shall be used by the Secretary to set the maximum level of vessel entries: *Provided further*, That until the Secretary sets the level of vessel entries based on the new EIS, the number of vessel entries into the Park shall be the same as that in effect during the 2000 calendar year and the National Park Service approval of modified Alternative 5 and promulgation of the final rule issued on May 30, 1996, relating to vessel entries, including the number of such entries, for Glacier Bay National Park and Preserve are hereby approved and shall be in effect notwithstanding any other provision of law until the Secretary sets the maximum level of vessel entries consistent with this section: *Provided further*, That nothing in this section shall preclude the Secretary from suspending or revoking any vessel entry if the Secretary determines that it is necessary to protect Park resources.

SEC. 131. No funds contained in this Act shall be used to approve the transfer of lands on South Fox Island, Michigan until Congress has authorized such transfer.

SEC. 132. Funds provided in this Act for Federal land acquisition by the National Park Service for Brandywine Battlefield, Mississippi National River and Recreation Area, Shenandoah Valley Battlefields National Historic District, and Ice Age National Scenic Trail may be used for a grant to a State, a local government, or any other governmental land management entity for the acquisition of lands without regard to any restriction on the use of Federal land acquisition funds provided through the Land and Water Conservation Fund Act of 1965 as amended.

SEC. 133. Section 902(b)(5) of Public Law 106-568 is hereby amended by inserting a comma after "N^{1/2}".

SEC. 134. CLARIFICATION OF THE SECRETARY OF THE INTERIOR'S AUTHORITY UNDER SECTIONS 2701-2721 OF TITLE 25, UNITED

National Wildlife
Refuge.
South Carolina.
16 USC 668dd
note.
Deadline.
16 USC 410hh-2
note.

114 Stat. 2922.

STATES CODE. The authority to determine whether a specific area of land is a “reservation” for purposes of sections 2701–2721 of title 25, United States Code, was delegated to the Secretary of the Interior on October 17, 1988: *Provided*, That nothing in this section shall be construed to permit gaming under the Indian Gaming Regulatory Act on the lands described in section 123 of Public Law 106–291 or any lands contiguous to such lands that have not been taken into trust by the Secretary of the Interior.

SEC. 135. BLACK ROCK DESERT-HIGH ROCK CANYON EMIGRANT TRAILS NATIONAL CONSERVATION AREA. (a) AREAS INCLUDED.—The Black Rock Desert-High Rock Canyon Emigrant Trails National Conservation Area Act of 2000 is amended in sections 4(b) (16 U.S.C. 460ppp–2(b)) and 8(a) (16 U.S.C. 460ppp–6(a)) by striking “July 19, 2000” each place it appears and inserting “October 3, 2001”.

16 USC 1132
note.

(b) ROAD MAINTENANCE.—Section 5 of the Black Rock Desert-High Rock Canyon Emigrant Trails National Conservation Area Act of 2000 (16 U.S.C. 460ppp–3) is amended by adding at the end the following:

“(h) ROAD MAINTENANCE.—Within the conservation area the Secretary may permit the use of gravel pits for the maintenance of roads within the conservation area under the Materials Act of 1947 (30 U.S.C. 601 et seq.) to the extent consistent with this Act and subject to such regulations, policies, and practices as the Secretary considers necessary.”

(c) HUNTING, TRAPPING, AND FISHING.—Section 8 of the Black Rock Desert-High Rock Canyon Emigrant Trails National Conservation Area Act of 2000 (16 U.S.C. 460ppp–6) is amended by adding at the end the following:

“(e) HUNTING, TRAPPING, AND FISHING.—

“(1) IN GENERAL.—Nothing in this Act diminishes the jurisdiction of the State of Nevada with respect to fish and wildlife management, including regulation of hunting and fishing on public land in the areas designated as wilderness under subsection (a).

“(2) APPLICABLE LAW.—Any action in the areas designated as wilderness under subsection (a) shall be consistent with the Wilderness Act (16 U.S.C. 1131 et seq.).”

(d) WILDLAND FIRE PROTECTION.—Section 8 of the Black Rock Desert-High Rock Canyon Emigrant Trails National Conservation Area Act of 2000 (16 U.S.C. 460ppp–6) (as amended by subsection (c)) is amended by adding at the end the following:

“(f) WILDLAND FIRE PROTECTION.—Nothing in this Act or the Wilderness Act (16 U.S.C. 1131 et seq.) precludes a Federal, State, or local agency from conducting wildland fire management operations (including prescribed burns) within the areas designated as wilderness under subsection (a), subject to any conditions that the Secretary considers appropriate.”

(e) WILDERNESS STUDY RELEASE.—Section 8 of the Black Rock Desert-High Rock Canyon Emigrant Trails National Conservation Area Act of 2000 (16 U.S.C. 460ppp–6) (as amended by subsection (d)) is amended by adding at the end the following:

“(g) WILDERNESS STUDY RELEASE.—Congress—

“(1) finds that the parcels of land in the wilderness study areas referred to in subsection (a) that are not designated as wilderness by subsection (a) have been adequately studied for wilderness designation under section 603 of the Federal

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

Land Policy and Management Act of 1976 (43 U.S.C. 1782); and

“(2) declares that those parcels are no longer subject to the requirement of subsection (c) of that section pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.”

[*Net total, title I, Department of the Interior, \$9,435,792,000.*]

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

\$241,304,000 For necessary expenses of forest and rangeland research as authorized by law, \$241,304,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

291,221,000 For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities and conducting an international program as authorized, \$291,221,000, to remain available until expended, as authorized by law, of which \$65,000,000 is for the Forest Legacy Program, and \$36,000,000 is for the Urban and Community Forestry Program, defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That none of the funds provided under this heading for the acquisition of lands or interests in lands shall be available until the Forest Service notifies the House Committee on Appropriations and the Senate Committee on Appropriations, in writing, of specific acquisition of lands or interests in lands to be undertaken with such funds: *Provided further*, That notwithstanding any other provision of law, of the funds provided under this heading, \$4,500,000 shall be made available to Kake Tribal Corporation as an advanced direct lump sum payment to implement the Kake Tribal Corporation Land Transfer Act (Public Law 106-283).

NATIONAL FOREST SYSTEM

1,331,439,000 For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, \$1,331,439,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601-6a(i)): *Provided*, That unobligated balances available at the start of fiscal year 2002 shall be displayed by budget line item in the fiscal year 2003 budget justification: *Provided further*, That the Secretary may authorize the expenditure or transfer of such sums as necessary to the Department of the Interior, Bureau of Land Management for removal, preparation, and adoption of excess wild horses and

burros from National Forest System lands: *Provided further*, That of the funds provided under this heading for Forest Products, \$5,000,000 shall be allocated to the Alaska Region, in addition to its normal allocation for the purposes of preparing additional timber for sale, to establish a 3-year timber supply and such funds may be transferred to other appropriations accounts as necessary to maximize accomplishment.

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, hazardous fuel reduction on or adjacent to such lands, and for emergency rehabilitation of burned-over National Forest System lands and water, \$1,214,349,000, to remain available until expended: *Provided*, That such funds including unobligated balances under this head, are available for repayment of advances from other appropriations accounts previously transferred for such purposes: *Provided further*, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 2001 shall be transferred, as repayment for past advances that have not been repaid, to the fund established pursuant to section 3 of Public Law 71-319 (16 U.S.C. 576 et seq.): *Provided further*, That notwithstanding any other provision of law, \$8,000,000 of funds appropriated under this appropriation shall be used for Fire Science Research in support of the Joint Fire Science Program: *Provided further*, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research: *Provided further*, That funds provided shall be available for emergency rehabilitation and restoration, hazard reduction activities in the urban-wildland interface, support to Federal emergency response, and wildfire suppression activities of the Forest Service; *Provided further*, That of the funds provided, \$209,010,000 is for hazardous fuel treatment, \$3,668,000 is for rehabilitation and restoration, \$10,376,000 is for capital improvement and maintenance of fire facilities, \$22,265,000 is for research activities and to make competitive research grants pursuant to the Forest and Rangeland Renewable Resources Research Act, as amended (16 U.S.C. 1641 et seq.), \$50,383,000 is for state fire assistance, \$8,262,000 is for volunteer fire assistance, \$11,974,000 is for forest health activities on state, private, and Federal lands, and \$12,472,000 is for economic action programs: *Provided further*, That amounts in this paragraph may be transferred to the "State and Private Forestry", "National Forest System", "Forest and Rangeland Research", and "Capital Improvement and Maintenance" accounts to fund state fire assistance, volunteer fire assistance, and forest health management, vegetation and watershed management, heritage site rehabilitation, wildlife and fish habitat management, trails and facilities maintenance and restoration: *Provided further*, That transfers of any amounts in excess of those authorized in this paragraph, shall require approval of the House and Senate Committees on Appropriations in compliance with reprogramming procedures contained in House

¹\$1,560,349,000

¹Total.

Report No. 105-163: *Provided further*, That the costs of implementing any cooperative agreement between the Federal government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: *Provided further*, That in entering into such grants or cooperative agreements, the Secretary may consider the enhancement of local and small business employment opportunities for rural communities, and that in entering into procurement contracts under this section on a best value basis, the Secretary may take into account the ability of an entity to enhance local and small business employment opportunities in rural communities, and that the Secretary may award procurement contracts, grants, or cooperative agreements under this section to entities that include local non-profit entities, Youth Conservation Corps or related partnerships with State, local or non-profit youth groups, or small or disadvantaged businesses: *Provided further*, That in addition to funds provided for State Fire Assistance programs, and subject to all authorities available to the Forest Service under the State and Private Forestry Appropriation, up to \$15,000,000 may be used on adjacent non-Federal lands for the purpose of protecting communities when hazard reduction activities are planned on national forest lands that have the potential to place such communities at risk: *Provided further*, That included in funding for hazardous fuel reduction is \$5,000,000 for implementing the Community Forest Restoration Act, Public Law 106-393, title VI, and any portion of such funds shall be available for use on non-Federal lands in accordance with authorities available to the Forest Service under the State and Private Forestry Appropriation: *Provided further*, That:

(1) In expending the funds provided with respect to this Act for hazardous fuels reduction, the Secretary of the Interior and the Secretary of Agriculture may conduct fuel reduction treatments on Federal lands using all contracting and hiring authorities available to the Secretaries applicable to hazardous fuel reduction activities under the wildland fire management accounts. Notwithstanding Federal government procurement and contracting laws, the Secretaries may conduct fuel reduction treatments on Federal lands using grants and cooperative agreements. Notwithstanding Federal government procurement and contracting laws, in order to provide employment and training opportunities to people in rural communities, the Secretaries may award contracts, including contracts for monitoring activities, to—

- (A) local private, nonprofit, or cooperative entities;
- (B) Youth Conservation Corps crews or related partnerships, with State, local and non-profit youth groups;
- (C) small or micro-businesses; or
- (D) other entities that will hire or train a significant percentage of local people to complete such contracts. The authorities described above relating to contracts, grants, and cooperative agreements are available until all funds provided in this title for hazardous fuels reduction activities in the urban wildland interface are obligated.

(2)(A) The Secretary of Agriculture may transfer or reimburse funds to the United States Fish and Wildlife Service of the Department of the Interior, or the National Marine Fisheries Service of the Department of Commerce, for the costs of carrying out their responsibilities under the Endangered

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

Species Act of 1973 (16 U.S.C. 1531 et seq.) to consult and conference as required by section 7 of such Act in connection with wildland fire management activities in fiscal years 2001 and 2002.

(B) Only those funds appropriated for fiscal years 2001 and 2002 to Forest Service (USDA) for wildland fire management are available to the Secretary of Agriculture for such transfer or reimbursement.

(C) The amount of the transfer or reimbursement shall be as mutually agreed by the Secretary of Agriculture and the Secretary of the Interior or Secretary of Commerce, as applicable, or their designees. The amount shall in no case exceed the actual costs of consultation and conferencing in connection with wildland fire management activities affecting National Forest System lands.

For an additional amount to cover necessary expenses for emergency rehabilitation, wildfire suppression and other fire operations of the Forest Service, \$346,000,000, to remain available until expended, of which \$200,000,000 is for repayment of prior year advances from other appropriations and accounts within the Wildland Fire appropriation previously transferred for fire suppression, \$66,000,000 is for wildfire suppression operations, \$59,000,000 is for land rehabilitation and restoration, \$5,000,000 is for research activities and to make competitive research grants pursuant to the Forest and Rangeland Renewable Resources Research Act, as amended (16 U.S.C. 1641 et seq.), \$10,000,000 is for capital improvement and maintenance of fire facilities, \$6,000,000 is for state fire assistance: *Provided*, That the Congress designates the entire amount as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That \$346,000,000 shall be available only to the extent that an official budget request, that includes designation of the \$346,000,000 as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

For an additional amount, to liquidate obligations previously incurred, \$274,147,000.

CAPITAL IMPROVEMENT AND MAINTENANCE

For necessary expenses of the Forest Service, not otherwise provided for, \$546,188,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205, of which, \$61,000,000 is for conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *Provided*, That fiscal year 2001 balances in the Federal Infrastructure Improvement account for the Forest Service shall be transferred to and merged with this appropriation and shall remain available until expended: *Provided further*, That up to \$15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed:

\$546,188,000

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

Provided further, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided on each decommissioning project: *Provided further*, That the Forest Service shall transfer \$300,000, appropriated in Public Law 106-291 within the Capital Improvement and Maintenance appropriation, to the State and Private Forestry appropriation, and shall provide these funds in an advance direct lump sum payment to Purdue University for planning and construction of a hardwood tree improvement and generation facility: *Provided further*, That from funds provided to the Forest Service in Public Law 106-291, \$500,000 is hereby transferred from the Capital Improvement and Maintenance appropriation to the State and Private Forestry appropriation.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, \$149,742,000 to be derived from the Land and Water Conservation Fund, to remain available until expended, and to be for the conservation activities defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act.

\$149,742,000

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, \$1,069,000, to be derived from forest receipts.

1,069,000

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

234,000
(indefinite)

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

3,290,000
(indefinite)

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND
RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), \$92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act. \$92,000

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES

For necessary expenses of the Forest Service to manage federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96-487), \$5,488,000, to remain available until expended. 5,488,000

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed 132 passenger motor vehicles of which eight will be used primarily for law enforcement purposes and of which 130 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed seven for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 195 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901-5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions if and only if all previously appropriated emergency contingent funds under the heading "Wildland Fire Management" have been released by the President and apportioned.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and

its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report No. 105-163.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report No. 105-163.

No funds available to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture that exceed the total amount transferred during fiscal year 2000 for such purposes without the advance approval of the House and Senate Committees on Appropriations.

Funds available to the Forest Service shall be available to conduct a program of not less than \$2,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps, defined in section 250(c)(4)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act.

Of the funds available to the Forest Service, \$2,500 is available to the Chief of the Forest Service for official reception and representation expenses.

Pursuant to sections 405(b) and 410(b) of Public Law 101-593, of the funds available to the Forest Service, up to \$2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That of the Federal funds made available to the Foundation, no more than \$400,000 shall be available for administrative expenses: *Provided further*, That section 403(a) of the National Forest Foundation Act (16 U.S.C. 583j-1(a)) is amended by inserting after the first sentence the following new sentence: "At the discretion of the Secretary of Agriculture, the Secretary may increase the number of Directors to not more than twenty.": *Provided further*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further*, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of the enactment of this Act) on Federal funds to carry out the purposes of Public Law 101-593: *Provided further*, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

Pursuant to section 2(b)(2) of Public Law 98-244, \$2,650,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701-3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the "National Forest System" and "Capital Improvement and Maintenance" accounts and planned to be allocated to activities under the "Jobs in the Woods" program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99-663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: *Provided*, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: *Provided further*, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101-612).

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed \$500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews,

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

land purchase negotiations and similar non-litigation related matters. Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.

16 USC 579d.

The Forest Service shall fund indirect expenses, that is expenses not directly related to specific programs or to the accomplishment of specific work on-the-ground, from any funds available to the Forest Service: *Provided*, That the Forest Service shall implement and adhere to the definitions of indirect expenditures established pursuant to Public Law 105-277 on a nationwide basis without flexibility for modification by any organizational level except the Washington Office, and when changed by the Washington Office, such changes in definition shall be reported in budget requests submitted by the Forest Service: *Provided further*, That the Forest Service shall provide in all future budget justifications, planned indirect expenditures in accordance with the definitions, summarized and displayed to the Regional, Station, Area, and detached unit office level. The justification shall display the estimated source and amount of indirect expenditures, by expanded budget line item, of funds in the agency's annual budget justification. The display shall include appropriated funds and the Knutson-Vandenberg, Brush Disposal, Cooperative Work-Other, and Salvage Sale funds. Changes between estimated and actual indirect expenditures shall be reported in subsequent budget justifications: *Provided*, That during fiscal year 2002 the Secretary shall limit total annual indirect obligations from the Brush Disposal, Knutson-Vandenberg, Reforestation, Salvage Sale, and Roads and Trails funds to 20 percent of the total obligations from each fund. Obligations in excess of 20 percent which would otherwise be charged to the above funds may be charged to appropriated funds available to the Forest Service subject to notification of the Committees on Appropriations of the House and Senate.

Any appropriations or funds available to the Forest Service may be used for necessary expenses in the event of law enforcement emergencies as necessary to protect natural resources and public or employee safety: *Provided*, That such amounts shall not exceed \$750,000.

The Secretary of Agriculture may authorize the sale of excess buildings, facilities, and other properties owned by the Forest Service and located on the Green Mountain National Forest, the revenues of which shall be retained by the Forest Service and available to the Secretary without further appropriation and until expended for maintenance and rehabilitation activities on the Green Mountain National Forest.

[*Total, Forest Service, \$4,130,416,000.*]

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(DEFERRAL)

-\$40,000,000
(*deferral*)

Of the funds made available under this heading for obligation in prior years, \$40,000,000 shall not be available until October 1, 2002: *Provided*, That funds made available in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95-91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), \$616,490,000, to remain available until expended, of which \$11,000,000 is to begin a 7-year project for construction, renovation, furnishing, and demolition or removal of buildings at National Energy Technology Laboratory facilities in Morgantown, West Virginia and Pittsburgh, Pennsylvania; and for acquisition of lands, and interests therein, in proximity to the National Energy Technology Laboratory, and of which \$33,700,000 shall be derived by transfer from funds appropriated in prior years under the heading "Clean Coal Technology", and of which \$150,000,000 and such sums as may be appropriated in fiscal year 2003 are to be made available, after coordination with the private sector, for a request for proposals for a Clean Coal Power Initiative providing for competitively-awarded demonstrations of commercial scale technologies to reduce the barriers to continued and expanded coal use: *Provided*, That the request for proposals shall be issued no later than 120 days following enactment of this Act, proposals shall be submitted no later than 150 days after the issuance of the request for proposals, and the Department of Energy shall make project selections no later than 160 days after the receipt of proposals: *Provided further*, That no project may be selected for which sufficient funding is not available to provide for the total project: *Provided further*, That funds shall be expended in accordance with the provisions governing the use of funds contained under the heading "Clean Coal Technology" in prior appropriations: *Provided further*, That the Department may include provisions for repayment of Government contributions to individual projects in an amount up to the Government contribution to the project on terms and conditions that are acceptable to the Department including repayments from sale and licensing of technologies from both domestic and foreign transactions: *Provided further*, That such repayments shall be retained by the Department for future coal-related research, development and demonstration projects: *Provided further*, That any technology selected under this program shall be considered a Clean Coal Technology, and any project selected under this program shall be considered a Clean Coal Technology Project, for the purposes of 42 U.S.C. §7651n, and Chapters 51, 52, and 60 of title 40 of the Code of Federal Regulations: *Provided further*, That funds excess to the needs of the Power Plant Improvement Initiative procurement provided for under this heading in Public Law 106-291 shall be made available for the Clean Coal Power Initiative provided for under this heading in this Act: *Provided further*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas: *Provided further*, That up to 4 percent of program direction funds available to the

¹\$582,790,00033,700,000
(transfer)

Deadlines.

¹Total.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

National Energy Technology Laboratory may be used to support Department of Energy activities not included in this account.

ALTERNATIVE FUELS PRODUCTION

(RESCISSION)

-\$2,000,000 Of the unobligated balances under this heading, \$2,000,000
(*rescission*) are rescinded.

NAVAL PETROLEUM AND OIL SHALE RESERVES

17,371,000 For expenses necessary to carry out naval petroleum and oil shale reserve activities, \$17,371,000, to remain available until expended: *Provided*, That, notwithstanding any other provision of law, unobligated funds remaining from prior years shall be available for all naval petroleum and oil shale reserve activities.

ELK HILLS SCHOOL LANDS FUND

36,000,000 For necessary expenses in fulfilling installment payments under
(*fiscal year 2003*) the Settlement Agreement entered into by the United States and the State of California on October 11, 1996, as authorized by section 3415 of Public Law 104-106, \$36,000,000, to become available on October 1, 2002 for payment to the State of California for the State Teachers' Retirement Fund from the Elk Hills School Lands Fund.

ENERGY CONSERVATION

912,805,000 For necessary expenses in carrying out energy conservation activities, \$912,805,000, to remain available until expended: *Provided*, That \$275,000,000 shall be for use in energy conservation grant programs as defined in section 3008(3) of Public Law 99-509 (15 U.S.C. 4507): *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99-509, such sums shall be allocated to the eligible programs as follows: \$230,000,000 for weatherization assistance grants and \$45,000,000 for State energy conservation grants: *Provided further*, That 50 percent of the funds provided for the Energy Efficiency Science Initiative for fiscal year 2002 and thereafter shall be made available to the Fossil Energy Research and Development account.

ECONOMIC REGULATION

1,996,000 For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, \$1,996,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

179,009,000 For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), \$179,009,000, to remain available until expended, of which not to exceed \$8,000,000 shall be available for maintenance of a Northeast Home Heating Oil Reserve.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, \$78,499,000, to remain available until expended. \$78,499,000

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than 3 calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

Reports.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

[*Total, Department of Energy, \$1,766,470,000.*]

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, \$2,389,614,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: *Provided*, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That \$15,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: *Provided further*, That \$445,776,000 for contract medical care shall remain available for obligation until September 30, 2003: *Provided further*, That of the funds provided, up to \$22,000,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: *Provided further*, That funds provided in this Act may be used for 1-year contracts and grants which are to be performed in 2 fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further*, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): *Provided further*, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 2003: *Provided further*, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: *Provided further*, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed \$268,234,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year 2002, of which not to exceed \$20,000,000 may be used for contract support costs associated with new or expanded self-determination contracts, grants, self-governance compacts or annual funding agreements: *Provided further*, That funds available for the Indian Health Care Improvement Fund may be used, as needed, to carry out activities typically funded under the Indian Health Facilities account.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, \$369,487,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities: *Provided further*, That from the funds appropriated herein, \$5,000,000 shall be designated by the Indian Health Service as a contribution to the Yukon-Kuskokwim Health Corporation (YKHC) to continue a priority project for the acquisition of land, planning, design and construction of 79 staff quarters in the Bethel service area, pursuant to the negotiated project agreement between the YKHC and the Indian Health Service: *Provided further*, That this project shall not be subject to the construction provisions of the Indian Self-Determination and Education Assistance Act and shall be removed from the Indian Health Service priority list upon completion: *Provided further*, That the Federal Government shall not be liable for any property damages or other construction claims that may arise from YKHC undertaking this project: *Provided further*, That the land shall be owned or leased by the YKHC and title to quarters shall remain vested with the YKHC: *Provided further*, That \$5,000,000 shall remain available until expended for the purpose of funding up to two joint venture health care facility projects authorized under the Indian Health Care Improvement Act, as amended: *Provided further*, That priority, by rank order, shall be given to tribes with outpatient projects on the existing Indian Health Services priority list that have Service-approved planning documents, and can demonstrate by March 1, 2002, the financial capability necessary to provide an appropriate facility: *Provided further*, That joint venture funds unallocated after March 1, 2002, shall be made available for joint venture projects on a competitive basis giving priority to tribes that currently have no existing Federally-owned health care facility, have planning documents meeting Indian Health Service requirements prepared for approval by the Service and can demonstrate the financial capability needed to provide an appropriate facility: *Provided further*, That the Indian Health Service shall request additional staffing, operation and maintenance funds for these facilities in future budget requests: *Provided further*, That not to exceed \$500,000 shall be used by the Indian Health Service to purchase TRANSAM equipment from the Department of Defense for distribution to the Indian Health Service and tribal facilities: *Provided further*, That not to exceed \$500,000 shall be used by the Indian Health Service to obtain ambulances for the Indian Health Service and tribal facilities in conjunction with an existing interagency

\$369,487,000

agreement between the Indian Health Service and the General Services Administration: *Provided further*, That not to exceed \$500,000 shall be placed in a Demolition Fund, available until expended, to be used by the Indian Health Service for demolition of Federal buildings: *Provided further*, That notwithstanding the provisions of title III, section 306, of the Indian Health Care Improvement Act (Public Law 94-437, as amended), construction contracts authorized under title I of the Indian Self-Determination and Education Assistance Act of 1975, as amended, may be used rather than grants to fund small ambulatory facility construction projects: *Provided further*, That if a contract is used, the IHS is authorized to improve municipal, private, or tribal lands, and that at no time, during construction or after completion of the project will the Federal Government have any rights or title to any real or personal property acquired as a part of the contract: *Provided further*, That notwithstanding any other provision of law or regulation, for purposes of acquiring sites for a new clinic and staff quarters in St. Paul Island, Alaska, the Secretary of Health and Human Services may accept land donated by the Tanadgusix Corporation.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901-5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

In accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651-2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation. Notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86-121 (the Indian Sanitation Facilities Act) and Public Law 93-638, as amended.

Funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation.

Notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation.

None of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law.

Funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act.

With respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment. The reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding. Such amounts shall remain available until expended.

Reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance.

The appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

[Total, Indian Health Service, \$2,759,101,000.]

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93-531, \$15,148,000, to remain available until expended: *Provided*, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: *Provided further*, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further*, That no relocatee will be provided with more than one new or replacement home: *Provided further*, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d-10.

\$15,148,000

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND
ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

For payment to the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by title XV of Public Law 99-498, as amended (20 U.S.C. 56 part A), \$4,490,000.

\$4,490,000

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed \$100,000 for services as authorized by 5 U.S.C. 3109; up to five replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees, \$399,253,000, of which not to exceed \$37,508,000 for the instrumentation program, collections acquisition, exhibition reinstallation, the National Museum of the American Indian, and the repatriation of skeletal remains program shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of \$125,000 for the Council of American Overseas Research Centers: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations: *Provided further*, That the Smithsonian Institution may expend Federal appropriations designated in this Act for lease or rent payments for long term and swing space, as rent payable to the Smithsonian Institution, and such rent payments may be deposited into the general trust funds of the Institution to the extent that federally supported activities are housed in the 900 H Street, N.W. building in the District of Columbia: *Provided further*, That this use of Federal appropriations shall not be construed as debt service, a Federal guarantee of, a transfer of risk to, or an obligation of, the Federal Government: *Provided further*, That no appropriated funds may be used to service debt which is incurred to finance the costs of acquiring the 900 H Street building or of planning, designing, and constructing improvements to such building.

399,253,000

REPAIR, RESTORATION AND ALTERATION OF FACILITIES

For necessary expenses of maintenance, repair, restoration, and alteration of facilities owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed \$10,000 for services as authorized by 5 U.S.C. 3109, \$67,900,000, to remain available until expended, of which \$10,000,000 is provided for maintenance, repair, rehabilitation and alteration of facilities at the National Zoological Park: *Provided*,

67,900,000

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

That contracts awarded for environmental systems, protection systems, and repair or restoration of facilities of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses for construction, \$30,000,000, to remain available until expended. \$30,000,000

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

None of the funds in this or any other Act may be used to make any changes to the existing Smithsonian science programs including closure of facilities, relocation of staff or redirection of functions and programs without approval by the Board of Regents of recommendations received from the Science Commission.

None of the funds in this or any other Act may be used to initiate the design for any proposed expansion of current space or new facility without consultation with the House and Senate Appropriations Committees.

None of the funds in this or any other Act may be used for the Holt House located at the National Zoological Park in Washington, D.C., unless identified as repairs to minimize water damage, monitor structure movement, or provide interim structural support.

None of the funds available to the Smithsonian may be reprogrammed without the advance written approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report No. 105-163.

[*Total, Smithsonian Institution, \$497,153,000.*]

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, \$68,967,000, of which not to exceed \$3,026,000 for the special exhibition program shall remain available until expended.

68,967,000

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

\$14,220,000 For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, \$14,220,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.
 [Total, National Gallery of Art, \$83,187,000.]

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

15,000,000 For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, \$15,000,000.

CONSTRUCTION

19,000,000 For necessary expenses for capital repair and restoration of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, \$19,000,000, to remain available until expended.
 [Total, \$34,000,000.]

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

7,796,000 For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, \$7,796,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

98,234,000 For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, \$98,234,000, shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to sections 5(c) and 5(g) of the Act, for program support, and for administering the functions of the Act, to remain available until expended: *Provided*, That funds previously appropriated to the National Endowment for the Arts "Matching Grants" account may be transferred to and merged with this account.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

108,382,000 For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, \$108,382,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, \$16,122,000, to remain available until expended, of which \$12,122,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

[*Total, National Endowment for the Humanities, \$124,504,000.*]

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out subtitle C of the Museum and Library Services Act of 1996, as amended, \$26,899,000, to remain available until expended.

CHALLENGE AMERICA ARTS FUND

CHALLENGE AMERICA GRANTS

For necessary expenses as authorized by Public Law 89-209, as amended, \$17,000,000, for support for arts education and public outreach activities to be administered by the National Endowment for the Arts, to remain available until expended.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: *Provided further*, That funds from nonappropriated sources may be used as necessary for official reception and representation expenses.

[*Total, National Foundation on the Arts and the Humanities, \$266,637,000.*]

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), \$1,224,000: *Provided*, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

\$7,000,000 For necessary expenses as authorized by Public Law 99-190 (20 U.S.C. 956(a)), as amended, \$7,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

3,400,000 For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89-665, as amended), \$3,400,000: *Provided*, That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

7,253,000 For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, \$7,253,000: *Provided*, That all appointed members of the Commission will be compensated at a rate not to exceed the daily equivalent of the annual rate of pay for positions at level IV of the Executive Schedule for each day such member is engaged in the actual performance of duties.

UNITED STATES HOLOCAUST MEMORIAL MUSEUM

HOLOCAUST MEMORIAL MUSEUM

36,028,000 For expenses of the Holocaust Memorial Museum, as authorized by Public Law 106-292 (36 U.S.C. 2301-2310), \$36,028,000, of which \$1,900,000 for the museum's repair and rehabilitation program and \$1,264,000 for the museum's exhibitions program shall remain available until expended.

PRESIDIO TRUST

PRESIDIO TRUST FUND

23,125,000 For necessary expenses to carry out title I of the Omnibus Parks and Public Lands Management Act of 1996, \$23,125,000 shall be available to the Presidio Trust, to remain available until expended.

[*Total, title II, related agencies, \$9,642,428,000.*]

TITLE III—GENERAL PROVISIONS

Contracts.
Public
information.

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

SEC. 303. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 304. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 305. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such committees.

SEC. 306. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (*Sequoiadendron giganteum*) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 2001.

SEC. 307. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 308. None of the funds made available in this Act may be used: (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when such pedestrian use is consistent with generally accepted safety standards.

SEC. 309. (a) LIMITATION OF FUNDS.—None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) EXCEPTIONS.—The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994; and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) REPORT.—On September 30, 2002, the Secretary of the Interior shall file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on actions taken by the Department under the plan submitted pursuant to section 314(c) of the Department of the Interior and Related Agencies Appropriations Act, 1997 (Public Law 104-208).

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected

by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 310. Notwithstanding any other provision of law, amounts appropriated to or earmarked in committee reports for the Bureau of Indian Affairs and the Indian Health Service by Public Laws 103-138, 103-332, 104-134, 104-208, 105-83, 105-277, 106-113, and 106-291 for payments to tribes and tribal organizations for contract support costs associated with self-determination or self-governance contracts, grants, compacts, or annual funding agreements with the Bureau of Indian Affairs or the Indian Health Service as funded by such Acts, are the total amounts available for fiscal years 1994 through 2001 for such purposes, except that, for the Bureau of Indian Affairs, tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, self-governance compacts or annual funding agreements.

SEC. 311. Notwithstanding any other provision of law, for fiscal year 2002 the Secretaries of Agriculture and the Interior are authorized to limit competition for watershed restoration project contracts as part of the "Jobs in the Woods" Program established in Region 10 of the Forest Service to individuals and entities in historically timber-dependent areas in the States of Washington, Oregon, northern California and Alaska that have been affected by reduced timber harvesting on Federal lands. The Secretaries shall consider the benefits to the local economy in evaluating bids and designing procurements which create economic opportunities for local contractors.

SEC. 312. (a) RECREATIONAL FEE DEMONSTRATION PROGRAM.—Subsection (f) of section 315 of the Department of the Interior and Related Agencies Appropriations Act, 1996 (as contained in section 101(c) of Public Law 104-134; 110 Stat. 1321-200; 16 U.S.C. 4601-6a note), is amended—

(1) by striking "commence on October 1, 1995, and end on September 30, 2002" and inserting "end on September 30, 2004"; and

(2) by striking "September 30, 2005" and inserting "September 30, 2007".

(b) EXPANSION OF PROGRAM.—Subsection (b) of such section is amended by striking "no fewer than 10, but as many as 100,".

(c) REVENUE SHARING.—Subsection (d)(1) of such section is amended by inserting "the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106-393; 16 U.S.C. 500 note)," before "and any other provision".

(d) DISCOUNTED FEES.—Subsection (b)(2) of such section is amended by inserting after "testing" the following: ", including the provision of discounted or free admission or use as the Secretary considers appropriate".

(e) CAPITAL PROJECTS.—Subsection (c)(2) of such section is amended by adding at the end the following new subparagraph:

"(D) None of the funds collected under this section may be used to plan, design, or construct a visitor center or any other permanent structure without prior approval of the Committee on

16 USC 4601-6a
note.

16 USC 4601-6a
note.

16 USC 4601-6a
note.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

Appropriations of the House of Representatives and the Committee on Appropriations of the Senate if the estimated total cost of the structure exceeds \$500,000.”

SEC. 313. None of the funds made available in this or any other Act for any fiscal year may be used to designate, or to post any sign designating, any portion of Canaveral National Seashore in Brevard County, Florida, as a clothing-optional area or as an area in which public nudity is permitted, if such designation would be contrary to county ordinance.

16 USC 459j-4
note.

SEC. 314. Of the funds provided to the National Endowment for the Arts—

(1) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.

(2) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State or local arts agency, or regional group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.

(3) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.

SEC. 315. The National Endowment for the Arts and the National Endowment for the Humanities are authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such in furtherance of the functions of the National Endowment for the Arts and the National Endowment for the Humanities. Any proceeds from such gifts, bequests, or devises, after acceptance by the National Endowment for the Arts or the National Endowment for the Humanities, shall be paid by the donor or the representative of the donor to the Chairman. The Chairman shall enter the proceeds in a special interest-bearing account to the credit of the appropriate endowment for the purposes specified in each case.

SEC. 316. (a) In providing services or awarding financial assistance under the National Foundation on the Arts and the Humanities Act of 1965 from funds appropriated under this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that serve underserved populations.

(b) In this section:

(1) The term “underserved population” means a population of individuals, including urban minorities, who have historically been outside the purview of arts and humanities programs due to factors such as a high incidence of income below the poverty line or to geographic isolation.

(2) The term “poverty line” means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

(c) In providing services and awarding financial assistance under the National Foundation on the Arts and Humanities Act of 1965 with funds appropriated by this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that will encourage public knowledge, education, understanding, and appreciation of the arts.

(d) With funds appropriated by this Act to carry out section 5 of the National Foundation on the Arts and Humanities Act of 1965—

(1) the Chairperson shall establish a grant category for projects, productions, workshops, or programs that are of national impact or availability or are able to tour several States;

(2) the Chairperson shall not make grants exceeding 15 percent, in the aggregate, of such funds to any single State, excluding grants made under the authority of paragraph (1);

Reports.

(3) the Chairperson shall report to the Congress annually and by State, on grants awarded by the Chairperson in each grant category under section 5 of such Act; and

(4) the Chairperson shall encourage the use of grants to improve and support community-based music performance and education.

SEC. 317. No part of any appropriation contained in this Act shall be expended or obligated to complete and issue the 5-year program under the Forest and Rangeland Renewable Resources Planning Act.

SEC. 318. None of the funds in this Act may be used to support Government-wide administrative functions unless such functions are justified in the budget process and funding is approved by the House and Senate Committees on Appropriations.

SEC. 319. Notwithstanding any other provision of law, none of the funds in this Act may be used for GSA Telecommunication Centers.

SEC. 320. None of the funds in this Act may be used for planning, design or construction of improvements to Pennsylvania Avenue in front of the White House without the advance approval of the House and Senate Committees on Appropriations.

SEC. 321. Amounts deposited during fiscal year 2001 in the roads and trails fund provided for in the 14th paragraph under the heading "FOREST SERVICE" of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), shall be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to repair or reconstruct roads, bridges, and trails on National Forest System lands or to carry out and administer projects to improve forest health conditions, which may include the repair or reconstruction of roads, bridges, and trails on National Forest System lands in the wildland-community interface where there is an abnormally high risk of fire. The projects shall emphasize reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity, and biological integrity. The projects may be completed in a subsequent fiscal year. Funds shall not be expended under this section to replace funds which would otherwise appropriately be expended from the timber salvage sale fund. Nothing in this section shall be construed to exempt any project from any environmental law.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

SEC. 322. Other than in emergency situations, none of the funds in this Act may be used to operate telephone answering machines during core business hours unless such answering machines include an option that enables callers to reach promptly an individual on-duty with the agency being contacted.

SEC. 323. No timber sale in Region 10 shall be advertised if the indicated rate is deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar: *Provided*, That sales which are deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar may be advertised upon receipt of a written request by a prospective, informed bidder, who has the opportunity to review the Forest Service's cruise and harvest cost estimate for that timber. Program accomplishments shall be based on volume sold. Should Region 10 sell, in fiscal year 2002, the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, all of the western red cedar timber from those sales which is surplus to the needs of domestic processors in Alaska, shall be made available to domestic processors in the contiguous 48 United States at prevailing domestic prices. Should Region 10 sell, in fiscal year 2002, less than the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, the volume of western red cedar timber available to domestic processors at prevailing domestic prices in the contiguous 48 United States shall be that volume: (i) which is surplus to the needs of domestic processors in Alaska; and (ii) is that percent of the surplus western red cedar volume determined by calculating the ratio of the total timber volume which has been sold on the Tongass to the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan. The percentage shall be calculated by Region 10 on a rolling basis as each sale is sold (for purposes of this amendment, a "rolling basis" shall mean that the determination of how much western red cedar is eligible for sale to various markets shall be made at the time each sale is awarded). Western red cedar shall be deemed "surplus to the needs of domestic processors in Alaska" when the timber sale holder has presented to the Forest Service documentation of the inability to sell western red cedar logs from a given sale to domestic Alaska processors at price equal to or greater than the log selling value stated in the contract. All additional western red cedar volume not sold to Alaska or contiguous 48 United States domestic processors may be exported to foreign markets at the election of the timber sale holder. All Alaska yellow cedar may be sold at prevailing export prices at the election of the timber sale holder.

SEC. 324. The Forest Service, in consultation with the Department of Labor, shall review Forest Service campground concessions policy to determine if modifications can be made to Forest Service contracts for campgrounds so that such concessions fall within the regulatory exemption of 29 CFR 4.122(b). The Forest Service shall offer in fiscal year 2002 such concession prospectuses under the regulatory exemption, except that, any prospectus that does

115 STAT.

PUBLIC LAW 107-63—NOV. 5, 2001

not meet the requirements of the regulatory exemption shall be offered as a service contract in accordance with the requirements of 41 U.S.C. 351-358.

16 USC 4607-6a
note.

SEC. 325. A project undertaken by the Forest Service under the Recreation Fee Demonstration Program as authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1996, as amended, shall not result in—

(1) displacement of the holder of an authorization to provide commercial recreation services on Federal lands. Prior to initiating any project, the Secretary shall consult with potentially affected holders to determine what impacts the project may have on the holders. Any modifications to the authorization shall be made within the terms and conditions of the authorization and authorities of the impacted agency.

(2) the return of a commercial recreation service to the Secretary for operation when such services have been provided in the past by a private sector provider, except when—

(A) the private sector provider fails to bid on such opportunities;

(B) the private sector provider terminates its relationship with the agency; or

(C) the agency revokes the permit for non-compliance with the terms and conditions of the authorization.

In such cases, the agency may use the Recreation Fee Demonstration Program to provide for operations until a subsequent operator can be found through the offering of a new prospectus.

SEC. 326. For fiscal years 2002 and 2003, the Secretary of Agriculture is authorized to limit competition for fire and fuel treatment and watershed restoration contracts in the Giant Sequoia National Monument and the Sequoia National Forest. Preference for employment shall be given to dislocated and displaced workers in Tulare, Kern and Fresno Counties, California, for work associated with the establishment of the Giant Sequoia National Monument.

16 USC 1604
note.

SEC. 327. REVISION OF FOREST PLANS. Prior to October 1, 2002, the Secretary of Agriculture shall not be considered to be in violation of subparagraph 6(f)(5)(A) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604(f)(5)(A)) solely because more than 15 years have passed without revision of the plan for a unit of the National Forest System. Nothing in this section exempts the Secretary from any other requirement of the Forest and Rangeland Renewable Resources Planning Act (16 U.S.C. 1600 et seq.) or any other law: *Provided*, That if the Secretary is not acting expeditiously and in good faith, within the funding available, to revise a plan for a unit of the National Forest System, this section shall be void with respect to such plan and a court of proper jurisdiction may order completion of the plan on an accelerated basis.

16 USC 565a-1
note.

SEC. 328. Until September 30, 2003, the authority of the Secretary of Agriculture to enter into a cooperative agreement under the first section of Public Law 94-148 (16 U.S.C. 565a-1) for a purpose described in such section includes the authority to use that legal instrument when the principal purpose of the resulting relationship is to the mutually significant benefit of the Forest Service and the other party or parties to the agreement, including nonprofit entities.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

SEC. 329. (a) PILOT PROGRAM AUTHORIZING CONVEYANCE OF EXCESS FOREST SERVICE STRUCTURES.—The Secretary of Agriculture may convey, by sale or exchange, any or all right, title, and interest of the United States in and to excess buildings and other structures located on National Forest System lands and under the jurisdiction of the Forest Service. The conveyance may include the land on which the building or other structure is located and such other land immediately adjacent to the building or structure as the Secretary considers necessary.

16 USC 580d
note.

(b) LIMITATION.—Conveyances on not more than 10 sites may be made under the authority of this section, and the Secretary of Agriculture shall obtain the concurrence of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate in advance of each conveyance.

(c) USE OF PROCEEDS.—The proceeds derived from the sale of a building or other structure under this section shall be retained by the Secretary of Agriculture and shall be available to the Secretary, without further appropriation until expended, for maintenance and rehabilitation activities within the Forest Service Region in which the building or structure is located.

(d) DURATION OF AUTHORITY.—The authority provided by this section expires on September 30, 2005.

SEC. 330. Section 323(a) of the Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, Div. A, section 101(e) is amended by inserting “and fiscal years 2002 through 2005,” before “to the extent funds are otherwise available”.

16 USC 1011
note.

SEC. 331. No funds provided in this Act may be expended to conduct preleasing, leasing and related activities under either the Mineral Leasing Act (30 U.S.C. 181 et seq.) or the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) within the boundaries of a National Monument established pursuant to the Act of June 8, 1906 (16 U.S.C. 431 et seq.) as such boundary existed on January 20, 2001, except where such activities are allowed under the Presidential proclamation establishing such monument.

SEC. 332. Section 347(a) of the Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, is amended by striking “2002” and inserting “2004”. The authority to enter into stewardship and end result contracts provided to the Forest Service in accordance with section 347 of title III of section 101(e) of division A of Public Law 105-277 is hereby expanded to authorize the Forest Service to enter into an additional 28 contracts subject to the same terms and conditions as provided in that section: *Provided*, That of the additional contracts authorized by this section at least 9 shall be allocated to Region 1 and at least 3 to Region 6.

16 USC 2104
note.
16 USC 2104
note.

SEC. 333. Any regulations or policies promulgated or adopted by the Departments of Agriculture or the Interior regarding recovery of costs for processing authorizations to occupy and use Federal lands under their control shall adhere to and incorporate the following principle arising from Office of Management and Budget Circular, A-25; no charge should be made for a service when the identification of the specific beneficiary is obscure, and the service can be considered primarily as benefiting broadly the general public.

SEC. 334. The Chief of the Forest Service shall issue a special use permit for the Sioux Charlie Cabin within the boundary of

Permits.

the Custer National Forest, Montana, to Montana State University-Billings, for a term of 20 years for educational purposes compatible with the cabin's location. The permit shall be administered under normal national forest system authorities and regulations, with an additional review after 10 years to ensure the facility is being used for educational purposes.

SEC. 335. Section 551(c) of the Land Between the Lakes Protection Act of 1998 (16 U.S.C. 460lll-61(c)) is amended by striking "2002" and inserting "2004".

SEC. 336. MODIFICATION TO STEEL LOAN GUARANTEE PROGRAM. (a) IN GENERAL.—Section 101 of the Emergency Steel Loan Guarantee Act of 1999 (Public Law 106-51; 15 U.S.C. 1841 note) is amended as follows:

(1) TERMS AND CONDITIONS.—Subsection (h) is amended—

(A) in paragraph (1), by striking "2005" and inserting "2015"; and

(B) by amending paragraph (4) to read as follows:

"(4) GUARANTEE LEVEL.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), any loan guarantee provided under this section shall not exceed 85 percent of the amount of principal of the loan.

"(B) INCREASED LEVEL ONE.—A loan guarantee may be provided under this section in excess of 85 percent, but not more than 90 percent, of the amount of principal of the loan, if—

"(i) the aggregate amount of loans guaranteed at such percentage and outstanding under this section at any one time does not exceed \$100,000,000; and

"(ii) the aggregate amount of loans guaranteed at such percentage under this section with respect to a single qualified steel company does not exceed \$50,000,000.

"(C) INCREASED LEVEL TWO.—A loan guarantee may be provided under this section in excess of 85 percent, but not more than 95 percent, of the amount of principal of the loan, if—

"(i) the aggregate amount of loans guaranteed at such percentage and outstanding under this section at any one time does not exceed \$100,000,000; and

"(ii) the aggregate amount of loans guaranteed at such percentage under this section with respect to a single qualified steel company does not exceed \$50,000,000."

(2) TERMINATION OF GUARANTEE AUTHORITY.—Subsection (k) is amended by striking "2001" and inserting "2003".

(b) APPLICABILITY.—The amendments made by this section shall apply only with respect to any guarantee issued on or after the date of the enactment of this Act.

PUBLIC LAW 107-63—NOV. 5, 2001

115 STAT.

This Act may be cited as the “Department of the Interior and Related Agencies Appropriations Act, 2002”.

Approved November 5, 2001.

LEGISLATIVE HISTORY—H.R. 2217:

HOUSE REPORTS: No. 107-103 (Comm. on Appropriations) and 107-234 (Comm. of Conference).

SENATE REPORTS: No. 107-36 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

June 21, considered and passed House.

July 11, 12, considered and passed Senate, amended.

Oct. 17, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Nov. 5, Presidential statement.

[In thousands of dollars]

| | |
|---|--------------|
| Net grand total, Department of the Interior and Related Agencies Appropriations Act, 2002 | \$19,101,220 |
| Current year, FY 2002 (net) | 19,065,220 |
| Appropriations | (17,444,220) |
| Conservation | (1,318,000) |
| Emergency appropriations | (400,000) |
| Rescissions | (- 57,000) |
| Deferral | (- 40,000) |
| Advance appropriation, FY 2003 | 36,000 |
| Consisting of: | |
| Department of Agriculture: | |
| Forest Service | 4,130,416 |
| Department of Energy (net) | 1,730,470 |
| Advance appropriation, FY 2003 | 36,000 |
| General Government—Independent Agencies ... | 986,441 |
| Department of Health and Human Services: | |
| Indian health service | 2,759,101 |
| Department of the Interior (net) | 9,435,792 |
| Other budget adjustments | 23,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**DEPARTMENTS OF LABOR, HEALTH AND
HUMAN SERVICES, AND EDUCATION,
AND RELATED AGENCIES
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-116

LABOR, HHS, AND EDUCATION APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

Public Law 107-116
107th Congress

An Act

Jan. 10, 2002
[H.R. 3061]

Making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

Departments of
Labor, Health
and Human
Services, and
Education, and
Related Agencies
Appropriations
Act, 2002.

Department of
Labor
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

\$3,167,282,000

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; the Women in Apprenticeship and Nontraditional Occupations Act; and the National Skill Standards Act of 1994; \$3,167,282,000 plus reimbursements, of which \$1,779,342,000 is available for obligation for the period July 1, 2002 through June 30, 2003; of which \$1,353,065,000 is available for obligation for the period April 1, 2002 through June 30, 2003, including \$1,127,965,000 to carry out chapter 4 of the Workforce Investment Act and \$225,100,000 to carry out section 169 of such Act; and of which \$3,500,000 is available for obligation October 1, 2001 until expended for carrying out the National Skills Standards Act of 1994; and of which \$30,375,000 is available for the period July 1, 2002 through June 30, 2005 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers: *Provided*, That \$9,098,000 shall be for carrying out section 172 of the Workforce Investment Act: *Provided further*, That, notwithstanding any other provision of law or related regulation, \$80,770,000 shall be for carrying out section 167 of the Workforce Investment Act, including \$74,965,000 for formula grants, \$4,786,000 for migrant and seasonal housing, and \$1,019,000 for other discretionary purposes: *Provided further*, That funding provided herein under section 166 of the Workforce Investment Act shall include \$1,711,000 for use under section 166(j)(1) of the Act: *Provided further*, That funds provided to carry out section 171(d)

of the Workforce Investment Act may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: *Provided further*, That funding provided to carry out projects under section 171 of the Workforce Investment Act that are identified in the Conference Agreement, shall not be subject to the requirements of section 171(b)(2)(B) of such Act, the requirements of section 171(c)(4)(D) of such Act, or the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of such Act: *Provided further*, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers.

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; \$2,463,000,000 plus reimbursements, of which \$2,363,000,000 is available for obligation for the period October 1, 2002 through June 30, 2003, and of which \$100,000,000 is available for the period October 1, 2002 through June 30, 2005, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers.

[Total, \$5,630,282,000.]

\$2,463,000,000
(fiscal year 2003)

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title V of the Older Americans Act of 1965, as amended, \$445,100,000.

445,100,000

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I; and for training, allowances for job search and relocation, and related State administrative expenses under part II, subchapters B and D, chapter 2, title II of the Trade Act of 1974, as amended, \$415,650,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

415,650,000
(indefinite)

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, \$163,452,000, together with not to exceed \$3,237,886,000 (including not to exceed \$1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund including the cost of administering section 51 of the Internal Revenue Code of 1986, as amended, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, 2002, except that funds used for automation acquisitions shall be available for obligation by

163,452,000
3,237,886,000

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

the States through September 30, 2004; and of which \$163,452,000, together with not to exceed \$773,283,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 2002 through June 30, 2003, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose: *Provided*, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2002 is projected by the Department of Labor to exceed 2,622,000, an additional \$28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: *Provided further*, That funds appropriated in this Act which are used to establish a national one-stop career center system, or which are used to support the national activities of the Federal-State unemployment insurance programs, may be obligated in contracts, grants or agreements with non-State entities: *Provided further*, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A-87: *Provided further*, That notwithstanding any other provisions of law, the portion of the funds received by the State of Mississippi in the settlement of litigation with a contractor relating to the acquisition of an automated system for benefit payments under the unemployment compensation program that is attributable to the expenditure of Federal grant funds awarded to the State shall be transferred to the account under this heading and shall be made available by the Department of Labor to the State of Mississippi for obligation by the State through fiscal year 2004 to carry out automation and related activities under the unemployment compensation program.

Mississippi.

[Total, \$3,401,338,000.]

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 2003,

\$464,000,000

\$464,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2002, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$113,356,000, including \$5,934,000 to administer welfare-to-work grants, together with not to exceed \$48,507,000, which

113,356,000

48,507,000

may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

[Total, \$161,863,000.]

[Total, Employment and Training Administration, \$10,518,233,000.]

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Pension and Welfare Benefits Administration, \$109,866,000. \$109,866,000

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96-364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 2002, for such Corporation: *Provided*, That not to exceed \$11,690,000 shall be available for administrative expenses of the Corporation: *Provided further*, That expenses of such Corporation in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation. Contracts.
11,690,000

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, \$369,220,000, together with \$1,981,000 which may be expended from the Special Fund in accordance with sections 39(c), 44(d) and 44(j) of the Longshore and Harbor Workers' Compensation Act: *Provided*, That \$2,000,000 shall be for the development of an alternative system for the electronic submission of reports required to be filed under the Labor-Management Reporting and Disclosure Act of 1959, as amended, and for a computer database of the information for each submission by whatever means, that is indexed and easily searchable by the public via the Internet: *Provided further*, That the Secretary of Labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91-0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): *Provided further*, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 211(d) and 214) and for processing applications and issuing registrations under title I of the 369,220,000
1,981,000
Reports.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

[Total, \$371,201,000.]

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

\$121,000,000

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United States Code; continuation of benefits as provided for under the heading "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 percent of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, \$121,000,000 together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: *Provided*, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary of Labor to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: *Provided further*, That balances of reimbursements unobligated on September 30, 2001, shall remain available until expended for the payment of compensation, benefits, and expenses: *Provided further*, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, 2002: *Provided further*, That of those funds transferred to this account from the fair share entities to pay the cost of administration of the Federal Employees' Compensation Act, \$36,696,000 shall be made available to the Secretary as follows: (1) for the operation of and enhancement to the automated data processing systems, including document imaging and conversion to a paperless office, \$24,522,000; (2) for medical bill review and periodic roll management, \$11,474,000; (3) for communications redesign, \$700,000; and (4) the remaining funds shall be paid into the Treasury as miscellaneous receipts: *Provided further*, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or 33 U.S.C. 901 et seq., provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION FUND

(INCLUDING TRANSFER OF FUNDS)

136,000,000

For necessary expenses to administer the Energy Employees Occupational Illness Compensation Act, \$136,000,000, to remain available until expended: *Provided*, That the Secretary of Labor is authorized to transfer to any Executive agency with authority under the Energy Employees Occupational Illness Compensation

Act, including within the Department of Labor, such sums as may be necessary in fiscal year 2002 to carry out those authorities: *Provided further*, That the Secretary may require that any person filing a claim for benefits under the Act provide as part of such claim, such identifying information (including Social Security account number) as may be prescribed.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, \$1,036,115,000, of which \$981,283,000 shall be available until September 30, 2003, for payment of all benefits as authorized by section 9501(d)(1), (2), (4), and (7) of the Internal Revenue Code of 1954, as amended, and interest on advances as authorized by section 9501(c)(2) of that Act, and of which \$31,558,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, \$22,590,000 for transfer to Departmental Management, Salaries and Expenses, \$328,000 for transfer to Departmental Management, Office of Inspector General, and \$356,000 for payment into miscellaneous receipts for the expenses of the Department of Treasury, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5) of that Act: *Provided*, That, in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation, interest, or other benefits for any period subsequent to August 15 of the current year.

\$1,036,115,000

[*Total, Employment Standards Administration, \$1,664,316,000.*]

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, \$443,651,000, including not to exceed \$89,747,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than 50 percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to \$750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: *Provided*, That, notwithstanding 31 U.S.C. 3302, the Secretary of Labor is authorized, during the fiscal year ending September 30, 2002, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable

443,651,000

29 USC 670 note.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: *Provided further*, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of 10 or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

\$254,768,000 For necessary expenses for the Mine Safety and Health Administration, \$254,768,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles; including up to \$1,000,000 for mine rescue and recovery activities, which shall be available only to the extent that fiscal year 2002 obligations for these activities exceed \$1,000,000; in addition, not to exceed \$750,000 may be collected by the National Mine Health and Safety Academy for room, board, tuition, and the sale of training materials, otherwise authorized by law to be collected, to be available for mine safety and health education and training activities, notwithstanding 31 U.S.C. 3302; and, in addition, the Mine Safety and Health Administration may retain up to \$1,000,000 from fees collected for the approval and certification of equipment, materials, and explosives for use in mines, and may utilize such sums for such activities; the Secretary is authorized to accept lands,

30 USC 962.

buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, \$397,142,000, together with not to exceed \$69,132,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund; and \$10,280,000 which shall be available for obligation for the period July 1, 2002 through June 30, 2003, for Occupational Employment Statistics.

| | |
|--|---------------|
| | \$397,142,000 |
| | 69,132,000 |
| | 10,280,000 |

[Total, \$476,554,000.]

OFFICE OF DISABILITY EMPLOYMENT POLICY

SALARIES AND EXPENSES

For necessary expenses for the Office of Disability Employment Policy to provide leadership, develop policy and initiatives, and award grants furthering the objective of eliminating barriers to the training and employment of people with disabilities, \$38,158,000, of which \$2,640,000 shall be for the President's Task Force on the Employment of Adults with Disabilities.

| | |
|--|------------|
| | 38,158,000 |
|--|------------|

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, and including the management or operation, through contracts, grants or other arrangements of Departmental activities conducted by or through the Bureau of International Labor Affairs, including bilateral and multilateral technical assistance and other international labor activities, of which the funds designated to carry out bilateral assistance under the international child labor initiative shall be available for obligation through September 30, 2003, and \$50,000,000, for the acquisition of Departmental information technology, architecture, infrastructure, equipment, software and related needs which will be allocated by the Department's Chief Information Officer in accordance with the Department's capital investment management process to assure a sound investment strategy; \$378,778,000; together with not to exceed \$310,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund: *Provided*, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review Board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such

| | |
|--|-------------|
| | 378,778,000 |
| | 310,000 |

33 USC 921 note.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

participation is precluded by the decision of the United States Supreme Court in *Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding*, 115 S. Ct. 1278 (1995), notwithstanding any provisions to the contrary contained in Rule 15 of the Federal Rules of Appellate Procedure: *Provided further*, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: *Provided further*, That any such decision pending a review by the Benefits Review Board for more than 1 year shall be considered affirmed by the Benefits Review Board on the 1-year anniversary of the filing of the appeal, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: *Provided further*, That these provisions shall not be applicable to the review or appeal of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.).

[Total, \$379,088,000.]

VETERANS EMPLOYMENT AND TRAINING

\$186,903,000 Not to exceed \$186,903,000 may be derived from the Employment Security Administration Account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100-4110A, 4212, 4214, and 4321-4327, and Public Law 103-353, and which shall be available for obligation by the States through December 31, 2002. To carry out the Stewart B. McKinney Homeless Assistance Act and section 168 of the Workforce Investment Act of 1998, 25,800,000 \$25,800,000, of which \$7,550,000 shall be available for obligation for the period July 1, 2002 through June 30, 2003.

[Total, \$212,703,000.]

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, 52,182,000 \$52,182,000, together with not to exceed 4,951,000 \$4,951,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

[Total, \$57,133,000.]

[Total, Departmental Management, \$648,924,000.]

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level II.

(TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

Notification.

This title may be cited as the "Department of Labor Appropriations Act, 2002".

[Total, title I, Department of Labor, \$14,166,160,000.]

PUBLIC LAW 107-116—JAN. 10, 2002

115 STAT.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

Department of Health and Human Services Appropriations Act, 2002.

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and sections 1128E and 1820 of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, the Native Hawaiian Health Care Act of 1988, as amended, the Cardiac Arrest Survival Act of 2000, and the Poison Control Center Enhancement and Awareness Act, \$6,081,237,000, of which \$311,978,000 shall be available for construction and renovation of health care and other facilities, and of which \$40,000,000 from general revenues, notwithstanding section 1820(j) of the Social Security Act, shall be available for carrying out the Medicare rural hospital flexibility grants program under section 1820 of such Act: *Provided*, That of the funds made available under this heading, \$250,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: *Provided further*, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: *Provided further*, That fees collected for the full disclosure of information under the "Health Care Fraud and Abuse Data Collection Program", authorized by section 1128E(d)(2) of the Social Security Act, shall be sufficient to recover the full costs of operating the program, and shall remain available until expended to carry out that Act: *Provided further*, That no more than \$15,000,000 is available for carrying out the provisions of Public Law 104-73: *Provided further*, That of the funds made available under this heading, \$265,085,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: *Provided further*, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: *Provided further*, That \$639,000,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act: *Provided further*, That of the amount provided under this heading, \$80,000 shall be for the Wausau Health Foundation in Wausau, Wisconsin, for a survey and analysis of local health professionals' career paths to better understand entry into and exit from health professions, \$100,000 shall be for the University of San Diego Institute for the Advancement of Health Policy to assess through teaching, research and delivery of services the impact of public policy on families from vulnerable populations, \$200,000 shall be for the Luna County, New Mexico and the Columbus Volunteer Fire Department to provide emergency medical services to immigrants, \$350,000 shall be for the Clinical Pharmacy Training Program at the University of Hawaii at Hilo, \$475,000 shall be

\$6,081,237,000

Fees.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

for the American Federation of Negro Affairs, \$500,000 shall be for the University of Washington Center for Health Workforce Studies in Seattle, Washington, for a demonstration project to collect and analyze health workforce data, \$800,000 shall be for the University of Iowa for the training of Certified Registered Nurse Anesthetists, \$1,000,000 shall be for the Washington Health Foundation for a comprehensive demonstration project on improving nurse retention, and \$1,100,000 shall be for the Iowa Department of Public Health to create a Center for Health Care Workforce Shortage: *Provided further*, That, notwithstanding section 502(a)(1) of the Social Security Act, not to exceed \$115,236,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act, of which \$50,000 is for the Center for Great Expectations, Somerville, New Jersey to provide prenatal health care, education and counseling for pregnant teens, \$565,000 is for the Milwaukee Health Department for a pilot program providing health care services to at-risk children in day care, and \$4,000,000 is for the Columbia Hospital for Women Medical Center in Washington, D.C., to support community outreach programs for women: *Provided further*, That \$10,000,000 is available for special projects of regional and national significance under section 501(a)(2) of the Social Security Act, which shall not be counted toward compliance with the allocation required in section 502(a)(1) of such Act, and which shall be used only for making competitive grants to provide abstinence education (as defined in section 510(b)(2) of such Act) to adolescents and for evaluations (including longitudinal evaluations) of activities under the grants and for Federal costs of administering the grants: *Provided further*, That grants under the immediately preceding proviso shall be made only to public and private entities which agree that, with respect to an adolescent to whom the entities provide abstinence education under such grant, the entities will not provide to that adolescent any other education regarding sexual conduct, except that, in the case of an entity expressly required by law to provide health information or services the adolescent shall not be precluded from seeking health information or services from the entity in a different setting than the setting in which the abstinence education was provided: *Provided further*, That the funds expended for such evaluations may not exceed 3.5 percent of such amount.

Grants.
Abstinence.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

Such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended. For administrative expenses to carry out the guaranteed loan program, including section 709 of the Public Health Service Act, \$3,792,000.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: *Provided*, That for necessary administrative expenses, not to exceed \$2,992,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.
[Total, HRSA, \$6,202,876,000.]

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, XIX, and XXVI of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act, and section 501 of the Refugee Education Assistance Act of 1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, \$4,293,151,000, of which \$250,000,000 shall remain available until expended for equipment and construction and renovation of facilities, and of which \$143,763,000 for international HIV/AIDS shall remain available until September 30, 2003, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account: *Provided*, That in addition to amounts provided herein, up to \$23,286,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out the National Center for Health Statistics surveys: *Provided further*, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used to advocate or promote gun control: *Provided further*, That the Director may redirect the total amount made available under authority of Public Law 101-502, section 3, dated November 3, 1990, to activities the Director may so designate: *Provided further*, That the Congress is to be notified promptly of any such transfer: *Provided further*, That not to exceed \$10,000,000 may be available for making grants under section 1509 of the Public Health Service Act to not more than 15 States: *Provided further*, That notwithstanding any other provision of law, a single contract or related contracts for development and construction of facilities may be employed which collectively include the full scope of the project: *Provided further*, That the solicitation and contract shall contain the clause “availability of funds” found at 48 CFR 52.232-18.

\$4,293,151,000

Gun control.

Notification.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, \$4,190,405,000.

4,190,405,000

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, \$2,576,125,000.

2,576,125,000

NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, \$343,327,000.

343,327,000

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY
DISEASES

\$1,466,833,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, \$1,466,833,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

1,328,188,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, \$1,328,188,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

(INCLUDING TRANSFER OF FUNDS)

2,373,278,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, \$2,372,278,000: *Provided*, That the Director may transfer up to \$25,000,000 to International Assistance Programs, "Global Fund to Fight HIV/AIDS, Malaria, and Tuberculosis", to remain available until expended.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

1,725,263,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, \$1,725,263,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

1,113,605,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, \$1,113,605,000.

NATIONAL EYE INSTITUTE

581,366,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, \$581,366,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

566,639,000 For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, \$566,639,000.

NATIONAL INSTITUTE ON AGING

893,443,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, \$893,443,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN
DISEASES

448,865,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, \$448,865,000.

PUBLIC LAW 107-116—JAN. 10, 2002

115 STAT.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION
DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, \$342,072,000. \$342,072,000

NATIONAL INSTITUTE OF NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, \$120,451,000. 120,451,000

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, \$384,238,000. 384,238,000

NATIONAL INSTITUTE ON DRUG ABUSE

For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, \$888,105,000. 888,105,000

NATIONAL INSTITUTE OF MENTAL HEALTH

For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, \$1,248,626,000. 1,248,626,000

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, \$429,515,000. 429,515,000

NATIONAL INSTITUTE OF BIOMEDICAL IMAGING AND BIOENGINEERING

For carrying out section 301 and title IV of the Public Health Service Act with respect to biomedical imaging and bioengineering research, \$111,984,000. 111,984,000

NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, \$1,011,594,000: *Provided*, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: *Provided further*, That \$110,000,000 shall be for extramural facilities construction grants, of which \$5,000,000 shall be for beginning construction of facilities for a Chimp Sanctuary system as authorized in Public Law 106-551. 1,011,594,000

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE
MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to complementary and alternative medicine, \$104,644,000. 104,644,000

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

NATIONAL CENTER ON MINORITY HEALTH AND HEALTH DISPARITIES

\$157,812,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to minority health and health disparities research, \$157,812,000.

JOHN E. FOGARTY INTERNATIONAL CENTER

56,940,000 For carrying out the activities at the John E. Fogarty International Center, \$56,940,000.

NATIONAL LIBRARY OF MEDICINE

277,658,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, \$277,658,000, of which \$4,000,000 shall be available until expended for improvement of information systems: *Provided*, That in fiscal year 2002, the Library may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

235,540,000 For carrying out the responsibilities of the Office of the Director, National Institutes of Health, \$235,540,000, of which \$53,540,000 shall be for the Office of AIDS Research: *Provided*, That funding shall be available for the purchase of not to exceed 29 passenger motor vehicles for replacement only: *Provided further*, That the Director may direct up to 1 percent of the total amount made available in this or any other Act to all National Institutes of Health appropriations to activities the Director may so designate: *Provided further*, That no such appropriation shall be decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: *Provided further*, That the National Institutes of Health is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: *Provided further*, That all funds credited to the National Institutes of Health Management Fund shall remain available for 1 fiscal year after the fiscal year in which they are deposited.

Notification.

BUILDINGS AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

309,600,000 For the study of, construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, \$309,600,000, to remain available until expended, of which \$26,000,000 shall be for the John Edward Porter Neuroscience Research Center: *Provided*, That notwithstanding any other provision of law, single contracts or related contracts, which collectively include the full scope of the project, may be employed for the development and construction of the first and second phases of the John Edward Porter Neuroscience Research Center: *Provided further*, That the solicitations and contracts shall contain the clause “availability of funds” found at 48 CFR 52.232-18: *Provided further*, That the Director may

transfer up to \$75,000,000 to International Assistance Programs, “Global Fund to Fight HIV/AIDS, Malaria, and Tuberculosis”, to remain available until expended.

[Total, N. I. H., \$23,285,116,000.]

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, and section 301 of the Public Health Service Act with respect to program management, \$3,138,279,000, of which \$28,721,000 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act. \$3,138,279,000

AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

HEALTHCARE RESEARCH AND QUALITY

For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, \$2,600,000; in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data shall be credited to this appropriation and shall remain available until expended: *Provided*, That the amount made available pursuant to section 926(b) of the Public Health Service Act shall not exceed \$296,145,000. 2,600,000

[Total, Public Health Service, \$36,922,022,000.] 1296,145,000

CENTERS FOR MEDICARE AND MEDICAID SERVICES

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, \$106,821,882,000, to remain available until expended. 106,821,882,000

For making, after May 31, 2002, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 2002 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or in the case of section 1928 on behalf of States under title XIX of the Social Security Act for the first quarter of fiscal year 2003, \$46,601,937,000, to remain available until expended. 46,601,937,000
(fiscal year 2003)

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

[Total, Grants to States for Medicaid, \$153,423,819,000.]

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under section 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97-248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, \$81,979,200,000. 81,979,200,000

¹ 1% evaluation funding (non-add).

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, XIX, and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed \$2,440,798,000, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and section 1857(e)(2) of the Social Security Act, and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended, and together with administrative fees collected relative to Medicare overpayment recovery activities, which shall remain available until expended: *Provided*, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: *Provided further*, That \$18,200,000 appropriated under this heading for the managed care system redesign shall remain available until expended: *Provided further*, That \$100,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Regional Nursing Centers Consortium in Philadelphia to initiate a demonstration project to evaluate 15 nurse-managed health centers in urban and rural areas across Pennsylvania: *Provided further*, That \$200,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Madonna Rehabilitation Center in Lincoln, Nebraska to create a new standard of rehabilitation practice and program design for children and adults with disabilities: *Provided further*, That \$250,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Cook County, Illinois Bureau of Health for the Asthma Champion Initiative to reduce morbidity and mortality from asthma in high prevalence areas: *Provided further*, That \$250,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Illinois Primary Health Care Association to implement the Shared Integrated Management Information System providing centralized case management, reimbursement and administrative support services: *Provided further*, That \$500,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Project Access in Muskegon, Michigan to offer affordable insurance to uninsured workers, primarily in small business, and low-income individuals: *Provided further*, That \$590,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Santa Clara County, California, for the outreach and application assistance aspects of its Children's Health Initiative, to demonstrate means of expanding enrollment of eligible children in Medicaid, SCHIP and other available health care programs: *Provided further*, That \$800,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Fishing Partnership Health Plan, based in Boston, Massachusetts, for a demonstration project on the efficacy of using a community-based health benefit program to provide health care coverage for lower-income independently employed workers and their families: *Provided further*, That \$800,000 of

the amount available for research, demonstration, and evaluation activities shall be awarded to the Mind-Body Institute of Boston, Massachusetts to continue and expand a demonstration project: *Provided further*, That \$900,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Children's Hospice International demonstration program to provide a continuum of care for children with life-threatening conditions and their families: *Provided further*, That \$1,500,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Iowa Department of Public Health for the continuation of a prescription drug cooperative demonstration: *Provided further*, That \$2,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the AIDS Healthcare Foundation in Los Angeles for a demonstration of residential and outpatient treatment facilities: *Provided further*, That the Secretary of Health and Human Services is directed to collect fees in fiscal year 2002 from Medicare + Choice organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE
FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of outstanding obligations. During fiscal year 2002, no commitments for direct loans or loan guarantees shall be made.

[*Total, Center for Medicare and Medicaid Services, \$237,843,817,000.*]

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND
FAMILY SUPPORT PROGRAMS

For making payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), \$2,447,800,000, to remain available until expended; and for such purposes for the first quarter of fiscal year 2003, \$1,100,000,000, to remain available until expended.

\$2,907,800,000

1,100,000,000
(fiscal year 2003)

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV-A of the Social Security Act before the effective date of the program of Temporary Assistance to Needy Families (TANF) with respect to such State, such sums as may be necessary: *Provided*, That the sum of the amounts available to a State with respect to expenditures under such title IV-A in fiscal year 1997 under this appropriation and under such title IV-A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last 3 months of the current

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.
[Total, \$4,007,800,000.]

LOW INCOME HOME ENERGY ASSISTANCE

\$1,700,000,000 For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, \$1,700,000,000.

300,000,000 For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, \$300,000,000: *Provided*, That these funds are for the unanticipated home energy assistance needs of one or more States, as authorized by section 2604(e) of the Act: *Provided further*, That these funds are hereby designated by Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That these funds shall be made available only after submission to Congress of an official budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985.
[Total, \$2,000,000,000.]

REFUGEE AND ENTRANT ASSISTANCE

450,203,000 For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-422), \$450,203,000: *Provided*, That funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act for fiscal year 2002 shall be available for the costs of assistance provided and other activities through September 30, 2004: *Provided further*, That up to \$10,000,000 is available to carry out the Trafficking Victims Protection Act of 2000.

10,000,000 For carrying out section 5 of the Torture Victims Relief Act of 1998 (Public Law 105-320), \$10,000,000.
[Total, \$460,203,000.]

PAYMENTS TO STATES FOR THE CHILD CARE AND DEVELOPMENT
BLOCK GRANT

2,099,994,000 For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), \$2,099,994,000 shall be used to supplement, not supplant state general revenue funds for child care assistance for low-income families: *Provided*, That \$19,120,000 shall be available for child care resource and referral and school-aged child care activities, of which \$1,000,000 shall be for the Child Care Aware toll free hotline: *Provided further*, That, in addition to the amounts required to be reserved by the States under section 658G, \$272,672,000 shall be reserved by the States for activities authorized under section 658G, of which \$100,000,000 shall be for activities that improve the quality of infant and toddler care: *Provided further*, That \$10,000,000 shall be for use by the Secretary for child care research, demonstration, and evaluation activities.

SOCIAL SERVICES BLOCK GRANT

1,700,000,000 For making grants to States pursuant to section 2002 of the Social Security Act, \$1,700,000,000: *Provided*, That notwithstanding subparagraph (B) of section 404(d)(2) of such Act, the applicable percent specified under such subparagraph for a State to carry

out State programs pursuant to title XX of such Act shall be 10 percent.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, sections 310 and 316 of the Family Violence Prevention and Services Act, as amended, the Native American Programs Act of 1974, title II of Public Law 95-266 (adoption opportunities), the Adoption and Safe Families Act of 1997 (Public Law 105-89), sections 1201 and 1211 of the Children's Health Act of 2000, the Abandoned Infants Assistance Act of 1988, the Early Learning Opportunities Act, part B(1) of title IV and sections 413, 429A, 1110, and 1115 of the Social Security Act, and sections 40155, 40211, and 40241 of Public Law 103-322; for making payments under the Community Services Block Grant Act, section 473A of the Social Security Act, and title IV of Public Law 105-285, and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, section 5 of the Torture Victims Relief Act of 1998 (Public Law 105-320), sections 40155, 40211, and 40241 of Public Law 103-322, sections 310 and 316 of the Family Violence Prevention and Services Act, as amended, and section 126 and titles IV and V of Public Law 100-485, \$8,429,183,000, of which \$43,000,000, to remain available until September 30, 2003, shall be for grants to States for adoption incentive payments, as authorized by section 473A of title IV of the Social Security Act (42 U.S.C. 670-679) and may be made for adoptions completed in fiscal years 2000 and 2001; of which \$738,821,000 shall be for making payments under the Community Services Block Grant Act; and of which \$6,537,906,000 shall be for making payments under the Head Start Act, of which \$1,400,000,000 shall become available October 1, 2002 and remain available through September 30, 2003: *Provided*, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: *Provided further*, That all eligible entities currently in good standing in the Community Services Block Grant program shall receive an increase in funding proportionate to the increase provided in this Act for the Community Services Block Grant: *Provided further*, That \$88,133,000 shall be for activities authorized by the Runaway and Homeless Youth Act, notwithstanding the allocation requirements of section 388(a) of such Act, of which \$39,739,900 is for the transitional living program: *Provided further*, That \$30,000,000 is for a compassion capital fund to provide grants to charitable organizations to emulate model social service programs and to encourage research on the best practices of social service organizations: *Provided further*, That the Secretary shall establish procedures regarding the disposition of intangible property

\$7,029,183,000

1,400,000,000
(fiscal year 2003)

Procedures.
42 USC 9921
note.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act, as amended, to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes and uses consistent with the original grant: *Provided further*, That funds appropriated for section 680(a)(2) of the Community Services Block Grant Act, as amended, shall be available for financing construction and rehabilitation and loans or investments in private business enterprises owned by community development corporations.

[*Total, \$8,429,183,000.*]

¹—\$21,000,000

Funds appropriated for fiscal year 2002 under section 429A(e), part B of title IV of the Social Security Act shall be reduced by \$6,000,000.

Funds appropriated for fiscal year 2002 under section 413(h)(1) of the Social Security Act shall be reduced by \$15,000,000.

PROMOTING SAFE AND STABLE FAMILIES

305,000,000 For carrying out subpart 2 of part B of title IV of the Social
70,000,000 Security Act, \$305,000,000. In addition, for such purposes,
\$70,000,000 to carry out such subpart.

[*Total, \$375,000,000.*]

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

4,885,600,000 For making payments to States or other non-Federal entities
under title IV–E of the Social Security Act, \$4,885,600,000.

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, for the first quarter of fiscal year 2003, \$1,754,000,000.

1,754,000,000
(fiscal year 2003)

[*Total, Payments to States for foster care, \$6,639,600,000.*]

[*Total, Administration for Children and Families, \$25,690,780,000.*]

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

1,199,814,000 For carrying out, to the extent not otherwise provided, the Older Americans Act of 1965, as amended, and section 398 of the Public Health Service Act, \$1,199,814,000, of which \$5,000,000 shall be available for activities regarding medication management, screening, and education to prevent incorrect medication and adverse drug reactions.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

341,703,000 For necessary expenses, not otherwise provided, for general
5,851,000 departmental management, including hire of six sedans, and for carrying out titles III, XVII, and XX of the Public Health Service Act, and the United States-Mexico Border Health Commission Act, \$341,703,000, together with \$5,851,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: *Provided*, That of the funds made available under this heading for carrying out title XX of the Public Health Service Act, \$11,885,000 shall be for activities specified under section 2003(b)(2), of which \$10,157,000 shall be for prevention service demonstration grants under section 510(b)(2) of title V of the Social Security Act, as amended, without application of the limitation of section 2010(c) of said title XX: *Provided further*

¹Total rescissions.

That of this amount, \$50,000,000 is for minority AIDS prevention and treatment activities; and \$21,998,000 shall be for an Information Technology Security and Innovation Fund for Department-wide activities involving cybersecurity, information technology security, and related innovation projects.

[Total, \$347,554,000.]

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$35,786,000: *Provided*, That, of such amount, necessary sums are available for providing protective services to the Secretary and investigating non-payment of child support cases for which non-payment is a Federal offense under 18 U.S.C. 228.

\$35,786,000

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, \$28,691,000, together with not to exceed \$3,314,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

28,691,000

3,314,000

[Total, \$32,005,000.]

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act and title III of the Public Health Service Act, \$2,500,000: *Provided*, That in addition to amounts provided herein, funds from amounts available under section 241 of the Public Health Service Act may be used to carry out national health or human services research and evaluation activities: *Provided further*, That the expenditure of any funds available under section 241 of the Public Health Service Act are subject to the requirements of section 205 of this Act.

2,500,000

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan, for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

242,577,000
(indefinite)

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For expenses necessary to support activities related to countering potential biological, disease and chemical threats to civilian populations, \$242,949,000: *Provided*, That this amount is distributed as follows: Centers for Disease Control and Prevention, \$181,919,000, of which \$52,000,000 shall remain available until expended for the National Pharmaceutical Stockpile; and Office of Emergency Preparedness, \$61,030,000.

242,949,000

[Total, Office of the Secretary, \$903,371,000.]

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed \$37,000 for official reception and representation expenses when specifically approved by the Secretary.

Children, youth
and families.
AIDS.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399L(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103-43.

SEC. 204. None of the funds appropriated in this Act for the National Institutes of Health, the Agency for Healthcare Research and Quality, and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level I.

Reports.

SEC. 205. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the Secretary's preparation and submission of a report to the Committee on Appropriations of the Senate and of the House detailing the planned uses of such funds.

SEC. 206. Notwithstanding section 241(a) of the Public Health Service Act, such portion as the Secretary shall determine, but not more than 1.25 percent, of any amounts appropriated for programs authorized under said Act shall be made available for the evaluation (directly, or by grants or contracts) of the implementation and effectiveness of such programs.

(TRANSFER OF FUNDS)

SEC. 207. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That an appropriation may be increased by up to an additional 2 percent subject to approval by the House and Senate Committees on Appropriations: *Provided further*, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

Notification.

SEC. 208. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: *Provided*, That the Congress is promptly notified of the transfer.

Notification.
HIV.

SEC. 209. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the

Director of the National Institutes of Health and the Director of the Office of AIDS Research, shall be made available to the “Office of AIDS Research” account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 210. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities. Family planning.

SEC. 211. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: *Provided*, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity’s enrollees): *Provided further*, That nothing in this section shall be construed to change the Medicare program’s coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services. Abortion.

SEC. 212. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual abuse, rape, or incest.

SEC. 213. The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101-167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking “1997, 1998, 1999, 2000, and 2001” and inserting “1997, 1998, 1999, 2000, 2001, and 2002”; and

(B) in subsection (e), by striking “October 1, 2001” each place it appears and inserting “October 1, 2002”; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking “September 30, 2001” and inserting “September 30, 2002”.

SEC. 214. (a) Except as provided by subsection (e) none of the funds appropriated by this Act may be used to withhold substance abuse funding from a State pursuant to section 1926 of the Public Health Service Act (42 U.S.C. 300x-26) if such State certifies to the Secretary of Health and Human Services by May 1, 2002 that the State will commit additional State funds, in accordance with subsection (b), to ensure compliance with State laws prohibiting the sale of tobacco products to individuals under 18 years of age.

(b) The amount of funds to be committed by a State under subsection (a) shall be equal to 1 percent of such State’s substance abuse block grant allocation for each percentage point by which

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

the State misses the retailer compliance rate goal established by the Secretary of Health and Human Services under section 1926 of such Act.

Inter-
governmental
relations.
Tobacco.

(c) The State is to maintain State expenditures in fiscal year 2002 for tobacco prevention programs and for compliance activities at a level that is not less than the level of such expenditures maintained by the State for fiscal year 2001, and adding to that level the additional funds for tobacco compliance activities required under subsection (a). The State is to submit a report to the Secretary on all fiscal year 2001 State expenditures and all fiscal year 2002 obligations for tobacco prevention and compliance activities by program activity by July 31, 2002.

Reports.
Deadline.

Deadline.

(d) The Secretary shall exercise discretion in enforcing the timing of the State obligation of the additional funds required by the certification described in subsection (a) as late as July 31, 2002.

(e) None of the funds appropriated by this Act may be used to withhold substance abuse funding pursuant to section 1926 from a territory that receives less than \$1,000,000.

SEC. 215. In order for the Centers for Disease Control and Prevention to carry out international health activities, including HIV/AIDS and other infectious disease, chronic and environmental disease, and other health activities abroad during fiscal year 2002, the Secretary of Health and Human Services is authorized to—

(1) utilize the authorities contained in subsection 2(c) of the State Department Basic Authorities Act of 1956, as amended; and

(2) utilize the authorities contained in 22 U.S.C. 291 and 292 and directly or through contract or cooperative agreement to lease, alter or renovate facilities in foreign countries, to carry out programs supported by this appropriation notwithstanding PHS Act section 307.

In exercising the authority set forth in paragraphs (1) and (2), the Secretary of Health and Human Services shall consult with the Department of State to assure that planned activities are within the legal strictures of the State Department Basic Authorities Act of 1956, as amended, and other applicable parts of title 22, United States Code.

SEC. 216. The Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals.

SEC. 217. Notwithstanding any other provision of law relating to vacancies in offices for which appointments must be made by the President, including any time limitation on serving in an acting capacity, the Acting Director of the National Institutes of Health as of January 12, 2000, may serve in that position until a new Director of the National Institutes of Health is confirmed by the Senate.

Popular name.

SEC. 218. Section 582 of the Public Health Service Act (42 U.S.C. 290hh-1(f)) is amended by adding at the end the following: “(g) SHORT TITLE.—This section may be cited as the ‘Donald J. Cohen National Child Traumatic Stress Initiative.’”

This title may be cited as the “Department of Health and Human Services Appropriations Act, 2002”.

[*Net total, title II, Department of Health and Human Services, \$302,559,804,000.*]

PUBLIC LAW 107-116—JAN. 10, 2002

115 STAT.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION FOR THE DISADVANTAGED

Department of
Education
Appropriations
Act, 2002.

For carrying out title I of the Elementary and Secondary Education Act of 1965 (“ESEA”) and section 418A of the Higher Education Act of 1965, \$12,346,900,000, of which \$4,777,199,000 shall become available on July 1, 2002, and shall remain available through September 30, 2003, and of which \$7,383,301,000 shall become available on October 1, 2002, and shall remain available through September 30, 2003, for academic year 2002–2003: *Provided*, That \$235,000,000 shall be available for comprehensive school reform grants under part F of the ESEA: *Provided further*, That \$15,000,000 of the amount appropriated for title I, part B, subpart 1 shall become available October 1, 2001, and shall remain available through September 30, 2003, for evaluation and technical assistance: *Provided further*, That the funds provided for title I, part B, subpart 2 shall become available October 1, 2001, and shall remain available through September 30, 2003: *Provided further*, That \$7,172,971,000 shall be available for basic grants under section 1124: *Provided further*, That up to \$3,500,000 of these funds shall be available to the Secretary of Education on October 1, 2001, to obtain updated educational-agency-level census poverty data from the Bureau of the Census: *Provided further*, That \$1,365,031,000 shall be available for concentration grants under section 1124A: *Provided further*, That \$1,018,499,000 shall be available for targeted grants under section 1125: *Provided further*, That \$793,499,000 shall be available for education finance incentive grants under section 1125A.

[Total, \$12,346,900,000.]

\$4,963,599,000

7,383,301,000
(fiscal year 2003)

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, \$1,143,500,000, of which \$982,500,000 shall be for basic support payments under section 8003(b), \$50,000,000 shall be for payments for children with disabilities under section 8003(d), \$48,000,000 shall be for construction under section 8007 and shall remain available through September 30, 2003, \$55,000,000 shall be for Federal property payments under section 8002, and \$8,000,000, to remain available until expended, shall be for facilities maintenance under section 8008: *Provided*, That \$3,000,000 of the funds for section 8007 shall be available for the local educational agencies and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

1,143,500,000

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by titles II, IV, V, VI, and parts B and C of title VII of the Elementary and Secondary Education Act of 1965; part B of title II of the Higher Education Act; the McKinney-Vento Homeless Assistance Act; and the Civil Rights Act of 1964, \$7,827,473,000, of which \$1,717,609,000 shall become available October 1, 2001, and shall remain available through September 30, 2003, of which \$2,801,597,000 shall become available on July 1, 2002, and remain available through September 30, 2003, and of which \$1,765,000,000

6,062,473,000

1,765,000,000
(fiscal year 2003)

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

shall become available on October 1, 2002, and shall remain available through September 30, 2003, for academic year 2002–2003: *Provided*, That \$75,000,000 for continuing and new grants to demonstrate effective approaches to comprehensive school reform shall be allocated and expended in the same manner as the funds provided under the Fund for the Improvement of Education for this purpose were allocated and expended in fiscal year 2001: *Provided further*, That \$142,189,000 shall be available to support the activities authorized under subpart 4 of part D of title V of the ESEA, of which up to 5 percent shall become available on October 1, 2001, for evaluation, technical assistance, school networking, peer review of applications, and program outreach activities and of which not less than 95 percent shall become available on July 1, 2002, and remain available through September 30, 2003, for grants to local educational agencies: *Provided further*, That funds made available to local educational agencies under this subpart shall be used only for activities related to establishing smaller learning communities in high schools: *Provided further*, That of the amount made available for subpart 3, part C, of title II of the ESEA, \$2,000,000 shall be used by the Center for Civic Education to implement a comprehensive program to improve public knowledge, understanding, and support of the Congress and the state legislatures: *Provided further*, That \$269,906,000 of the funds for subpart 1, part D of title V of the ESEA shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

[Total, \$7,827,473,000.]

INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title VII, part A of the Elementary and Secondary Education Act of 1965, \$120,368,000.

BILINGUAL AND IMMIGRANT EDUCATION

665,000,000 For carrying out title III, part A of the ESEA, \$665,000,000, of which \$415,000,000 shall become available on July 1, 2002, and shall remain available through September 30, 2003.

SPECIAL EDUCATION

3,600,804,000 For carrying out the Individuals with Disabilities Education Act, \$8,672,804,000, of which \$3,315,233,000 shall become available for obligation on July 1, 2002, and shall remain available through September 30, 2003, and of which \$5,072,000,000 shall become available on October 1, 2002, and shall remain available through September 30, 2003, for academic year 2002–2003: *Provided*, That \$9,500,000 shall be for Recording for the Blind and Dyslexic to support the development, production, and circulation of recorded educational materials: *Provided further*, That \$1,500,000 shall be for the recipient of funds provided by Public Law 105–78 under section 687(b)(2)(G) of the Act to provide information on diagnosis, intervention, and teaching strategies for children with disabilities: *Provided further*, That the amount for section 611(c) of the Act shall be equal to the amount available for that section under Public Law 106–554, increased by the amount of inflation as specified in section 611(f)(1)(B)(ii) of the Act: *Provided further*, That \$8,380,000 of the funds for section 672 of the Act shall be available

5,072,000,000
(fiscal year 2003)

for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.
[Total, \$8,672,804,000.]

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, \$2,945,813,000, of which \$56,552,000 shall remain available through September 30, 2003: *Provided*, That the funds provided for title I of the Assistive Technology Act of 1998 (“the AT Act”) shall be allocated notwithstanding section 105(b)(1) of the AT Act: *Provided further*, That in the case of a State that was in the third year of a 3-year extension grant made pursuant to section 101(f) of the Assistive Technology Act of 1998 for fiscal year 2001, the Secretary of Education shall award under such section an additional 1-year extension of the grant to such State for fiscal year 2002 in an amount equal to the amount the State received under such section for fiscal year 2001: *Provided further*, That each State shall be provided \$50,000 for activities under section 102 of the AT Act: *Provided further*, That \$36,552,000 shall be used to support grants for up to 3 years to States under title III of the AT Act, of which the Federal share shall not exceed 75 percent in the first year, 50 percent in the second year, and 25 percent in the third year, and that the requirements in section 301(c)(2) and section 302 of that Act shall not apply to such grants: *Provided further*, That \$3,746,000 of the funds for section 303 of the Rehabilitation Act of 1973 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

Grants.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), \$14,000,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), \$55,376,000, of which \$5,376,000 shall be for construction and shall remain available until expended: *Provided*, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), \$96,938,000: *Provided*, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

[Total, \$166,314,000.]

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education and Family Literacy Act, and title VIII—D of the Higher Education Act of 1965, as amended, and Public Law 102-73, \$1,934,060,000, of which \$1,136,560,000 shall become available on July 1, 2002 and shall remain available through September 30, 2003 and of which \$791,000,000 shall become available on October 1, 2002 and shall remain available through September 30, 2003: *Provided*, That of the amounts made available for the Carl D. Perkins Vocational and Applied Technology Education Act, \$6,500,000 shall be for tribally controlled postsecondary vocational and technical institutions under section 117: *Provided further*, That notwithstanding any other provision of law or any regulation, the Secretary of Education shall not require the use of a restricted indirect cost rate for grants issued pursuant to section 117 of the Carl D. Perkins Vocational and Applied Technology Education Act: *Provided further*, That \$9,500,000 shall be for carrying out section 118 of such Act: *Provided further*, That of the amounts made available for the Carl D. Perkins Vocational and Applied Technology Education Act, \$5,000,000 shall be for demonstration activities authorized by section 207: *Provided further*, That of the amount provided for Adult Education State Grants, \$70,000,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited English proficient populations: *Provided further*, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the Adult Education and Family Literacy Act, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the Immigration and Naturalization Service data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which Immigration and Naturalization Service data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than \$60,000: *Provided further*, That of the amounts made available for the Adult Education and Family Literacy Act, \$9,500,000 shall be for national leadership activities under section 243 and \$6,560,000 shall be for the National Institute for Literacy under section 242: *Provided further*, That \$22,000,000 shall be for Youth Offender Grants, of which \$5,000,000 shall be used in accordance with section 601 of Public Law 102-73 as that section was in effect prior to the enactment of Public Law 105-220.

[Total, \$1,934,060,000.]

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 3 and 4 of part A, section 428K, part C and part E of title IV of the Higher Education Act of 1965, as amended, \$12,285,500,000, which shall remain available through September 30, 2003.

20 USC 1070a
note.

The maximum Pell Grant for which a student shall be eligible during award year 2002-2003 shall be \$4,000.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act of 1965, as amended, \$49,636,000.

\$49,636,000

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, section 121 and titles II, III, IV, V, VI, and VII of the Higher Education Act of 1965, as amended, section 1543 of the Higher Education Amendments of 1992, title VIII of the Higher Education Amendments of 1998, and the Mutual Educational and Cultural Exchange Act of 1961, \$2,031,048,000, of which \$5,000,000 for interest subsidies authorized by section 121 of the Higher Education Act of 1965, shall remain available until expended: *Provided*, That \$10,000,000, to remain available through September 30, 2003, shall be available to fund fellowships for academic year 2003–2004 under part A, subpart 1 of title VII of said Act, under the terms and conditions of part A, subpart 1: *Provided further*, That \$1,000,000 is for data collection and evaluation activities for programs under the Higher Education Act of 1965, including such activities needed to comply with the Government Performance and Results Act of 1993: *Provided further*, That \$17,500,000 shall be available for tribally controlled colleges and universities under section 316 of the Higher Education Act of 1965: *Provided further*, That notwithstanding any other provision of law, funds made available in this Act to carry out title VI of the Higher Education Act of 1965, as amended, and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 may be used to support visits and study in foreign countries by individuals who are participating in advanced foreign language training and international studies in areas that are vital to United States national security and who plan to apply their language skills and knowledge of these countries in the fields of government, the professions, or international development: *Provided further*, That up to one percent of the funds referred to in the preceding proviso may be used for program evaluation, national outreach, and information dissemination activities: *Provided further*, That \$149,722,000 of the funds for part B of title VII of the Higher Education Act of 1965 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

2,031,048,000

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), \$237,474,000, of which not less than \$3,600,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended.

237,474,000

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses authorized under section 121 of the Higher Education Act of 1965, \$762,000 to carry out activities related to existing facility loans entered into under the Higher Education Act of 1965.

762,000

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING
PROGRAM ACCOUNT

The total amount of bonds insured pursuant to section 344 of title III, part D of the Higher Education Act of 1965 shall not exceed \$357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

\$208,000 For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title III, part D of the Higher Education Act of 1965, as amended, \$208,000.

EDUCATION RESEARCH, STATISTICS, AND ASSESSMENT

443,870,000 For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994, including sections 411 and 412; section 4 of the No Child Left Behind Act of 2001; and title VI, part A of the Elementary and Secondary Education Act, \$443,870,000: *Provided*, That \$58,000,000 of the amount available for the national education research institutes shall be allocated notwithstanding section 912(m)(1)(B-F) and subparagraphs (B) and (C) of section 931(c)(2) of Public Law 103-227.

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

424,212,000 For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, \$424,212,000.

OFFICE FOR CIVIL RIGHTS

79,934,000 For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, \$79,934,000.

OFFICE OF THE INSPECTOR GENERAL

38,720,000 For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, \$38,720,000.
[Total, \$542,866,000.]

GENERAL PROVISIONS

Busing.
Desegregation.

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

Busing.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the

student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

School prayer.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

Notification.

SEC. 305. (a) Section 1543(a) of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is amended by striking paragraph (2) and inserting the following:

“(2) AWARD DETERMINATION.—The amount of the financial assistance provided to an athlete described in paragraph (1) shall be determined in accordance with criteria, and in amounts, specified in the application of the center under subsection (c). Such assistance shall not exceed the athlete's cost of attendance as determined under section 472 of the Higher Education Act of 1965 (20 U.S.C. 10871l).

“(3) INFORMATION ON DISTRIBUTION OF ASSISTANCE.—Each center providing such assistance shall annually report to the Secretary such information as the Secretary may reasonably require on the distribution of such assistance among athletes and institutions of higher education. The Secretary shall compile such reports and submit them to the Committees on Education and the Workforce and Appropriations of the House of Representatives and the Committees on Health, Education, Labor, and Pensions and Appropriations of the Senate.”

Reports.

(b) The amendments made by subsection (a) shall apply with respect to any funds appropriated pursuant to section 1543(d) of the Higher Education Amendments of 1992, including funds appropriated pursuant to that section in fiscal years 2000 and 2001, that are available for financial assistance under section 1543 on or after the date of enactment of this Act.

Applicability.
20 USC 1070
note.

SEC. 306. (a) Notwithstanding sections 413D, 442, and 488 of the Higher Education Act of 1965, the Secretary of Education may reallocate, from funds made available under the heading “Student Financial Assistance” to carry out part C of title IV of that Act, excess allocations for fiscal year 2002 in an amount not to exceed \$1,000,000 in the aggregate to institutions of higher education described in subsection (b) for the purposes described in subsection (c). The reallocation to each such institution shall be made in accordance with subsection (d). Such excess allocations shall remain available for obligation until March 31, 2004.

(b) An institution of higher education may receive a reallocation under subsection (a) if the institution—

(1) is, on the date of enactment of this Act, participating in the Federal Supplemental Educational Opportunity Grant and Federal Work Study programs under subpart 3 of part A, and part C of title IV of that Act, respectively;

(2) initially began participating in both such programs during or after 1989, but not later than 1999;

(3) has a current enrollment of not less than 2,000 students;

(4) provides educational programs for which the institution awards baccalaureate and graduate degrees;

(5) has experienced an actual enrollment increase of 75 percent or more since the institution began participating in such programs; and

(6) charged, for academic year 2000–2001, in-State tuition and fees for a full-time undergraduate student that were less than such tuition and fees charged by the institution for academic year 1998–1999.

(c) An institution of higher education that receives a reallocation under subsection (a) may use that reallocation for Federal Supplemental Educational Opportunity Grants or Federal Work Study awards.

(d)(1) A reallocation made under subsection (a) to an institution described in subsection (b) shall be determined by calculating the difference between—

(A) the amount (commonly referred to as the “base guarantee”) that the institution received under section 413D(a) or 442(a) of that Act, as the case may be; and

(B) the amount that the institution would receive pursuant to section 413D(a)(2)(B)(ii) or 442(a)(2)(B)(ii) of that Act, as the case may be, if the institution were beginning its program participation in the 2002–2003 academic year.

(2) If the amounts available for reallocation under subsection (a) are insufficient to fully fund the amounts determined under paragraph (1) of this subsection to each institution described in subsection (b), then the amount to be reallocated to each such institution shall be ratably reduced.

(e) The Secretary may use such data as he determines appropriate in order to carry out this section.

SEC. 307. If this Act is enacted before H.R. 1, the No Child Left Behind Act of 2001, is enacted, then references to the Elementary and Secondary Education Act of 1965 or to any other Acts that would be amended by H.R. 1 shall be read to be references to those Acts as they would be amended by H.R. 1 (including amendments made by H. Con. Res. 289, as passed by the House and the Senate).

This title may be cited as the “Department of Education Appropriations Act, 2002”.

[Total, title III, Department of Education, \$51,413,596,000.]

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the United States Soldiers’ and Airmen’s Home and the United States Naval Home, to be paid from funds available in the Armed Forces Retirement Home Trust Fund,

PUBLIC LAW 107-116—JAN. 10, 2002

115 STAT.

\$71,440,000, of which \$9,812,000 shall remain available until expended for construction and renovation of the physical plants at the United States Soldiers' and Airmen's Home and the United States Naval Home: *Provided*, That, notwithstanding any other provision of law, a single contract or related contracts for development and construction, to include construction of a long-term care facility at the United States Naval Home, may be employed which collectively include the full scope of the project: *Provided further*, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232-18 and 252.232-7007, Limitation of Government Obligations.

\$71,440,000

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, \$328,895,000: *Provided*, That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by part E of title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends or other monetary incentives to volunteers or volunteer leaders whose incomes exceed 125 percent of the national poverty level.

328,895,000

CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2004, \$380,000,000: *Provided*, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: *Provided further*, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: *Provided further*, That in addition to the amounts provided above, \$25,000,000, for costs related to digital program production, development, and distribution, associated with the transition of public broadcasting to digital broadcasting, to be awarded as determined by the Corporation in consultation with public radio and television licensees or permittees, or their designated representatives.

380,000,000
(fiscal year 2004)

Discrimination.

25,000,000

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171-180, 182-183), including hire of passenger motor vehicles; for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

\$39,982,000 Law 95-454 (5 U.S.C. ch. 71), \$39,982,000, including \$1,500,000, to remain available through September 30, 2003, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): *Provided*, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and other conflict resolution services and technical assistance, including those provided to foreign governments and international organizations, and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: *Provided further*, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: *Provided further*, That the Director of the Service is authorized to accept and use on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

6,939,000 For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), \$6,939,000.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF LIBRARY SERVICES: GRANTS AND ADMINISTRATION

197,602,000 For carrying out subtitle B of the Museum and Library Services Act, \$197,602,000: *Provided*, That of the amount provided, \$2,000,000 shall be awarded to the National Museum of African American History and Culture Plan for Action Presidential Commission, \$250,000 shall be awarded to American Village Project in Montevallo, Alabama, \$20,000 shall be awarded to Evergreen-Conecuh Public Library, Alabama, \$50,000 shall be awarded to Gordo Public Library, Pickens County Commission, Alabama, \$300,000 shall be awarded to Mobile Museum of Art, Mobile, Alabama, \$1,500,000 shall be awarded to National Museum for Women in the Arts, \$300,000 shall be awarded to Tuskegee Human and Civil Rights Multicultural Center, \$50,000 shall be awarded to Heard Museum, Phoenix, Arizona, \$800,000 shall be awarded to Children's Museum of Los Angeles, California, \$150,000 shall be awarded to Chinese American Museum, Los Angeles, California, \$750,000 shall be awarded to Natural History Museum of Los Angeles County, California, \$290,000 Santa Barbara Maritime Museum, \$25,000 Santa Maria Valley Discovery Museum, California, \$1,000,000 shall be awarded to The Fine Arts Museums of San Francisco, \$150,000 shall be awarded to Bethel Public Library, Connecticut, \$500,000 shall be awarded to Mattatuck Museum in Waterbury, Connecticut, \$250,000 shall be awarded to Museum of Aviation, Warner Robins, Georgia, \$700,000 shall be awarded to Bishops Museum in Honolulu, Hawaii, \$500,000 shall be awarded to Grout Museum in Waterloo, Iowa, \$61,000 shall be awarded to Iowa State Historical Society, \$389,000 shall be awarded to The National Audobon Society's ARK Museum in Dubuque, Iowa, \$750,000 shall be awarded to University of Idaho Performance and Education Facility, \$50,000 shall be awarded to Adler Planetarium and Astronomy Museum, \$100,000 shall be awarded to Johnson County Museum of History, Franklin, Indiana,

\$125,000 shall be awarded to Plimoth Plantation, Plymouth, Massachusetts, \$1,000,000 shall be awarded to Shakespeare Rose Theater, \$150,000 shall be awarded to Springfield-Greene County Library, Springfield, Missouri, \$1,160,000 shall be awarded to Webster University, St. Louis, Missouri, \$850,000 shall be awarded to University of Mississippi Foundation, Oxford, Mississippi, \$350,000 shall be awarded to University of Mississippi, Oxford, Mississippi, \$132,000 shall be awarded to Lois Morgan Edward Memorial Library, Nashville, North Carolina, \$100,000 shall be awarded to Rocky Mount Children's Museum, \$100,000 shall be awarded to Confluence Visitor Center in Williston, North Dakota and the North Dakota State Historical Society, \$100,000 shall be awarded to Fort Mandan Visitor's Center, \$100,000 shall be awarded to Mandan-on-a-Slant Museum, \$1,000,000 shall be awarded to Franklin Pierce College, \$160,000 shall be awarded to Monmouth University, West Long Branch, New Jersey, \$100,000 shall be awarded to Princeton Public Library, Mercer County, New Jersey, \$125,000 shall be awarded to Albany Institute for History and Art, \$1,000,000 shall be awarded to Brooklyn Historical Society, New York, \$22,500 shall be awarded to Buffalo and Erie County Library System, Buffalo, New York, \$250,000 shall be awarded to Center for Jewish History, New York, New York, \$150,000 shall be awarded to Children's Museum of Manhattan, New York, \$105,000 shall be awarded to Four County Library System, Vestal, New York, \$500,000 shall be awarded to Hunter College, New York, \$200,000 shall be awarded to Long Island Maritime Museum in West Sayville, New York, \$750,000 shall be awarded to Lower East Side Tenement Museum, New York, \$1,000,000 shall be awarded to New York Hall of Science, \$22,500 shall be awarded to NIOGA Library System of Niagara and Orleans County, New York, \$100,000 shall be awarded to The Woodstock Guild of Craftsmen, Inc., Woodstock, New York, \$100,000 shall be awarded to Clark County Historical Museum, \$40,000 shall be awarded to Cleveland Botanical Garden, Cleveland, Ohio, \$500,000 shall be awarded to Crawford Museum, Cleveland, Ohio, \$42,000 shall be awarded to Farmer's Castle Museum in Belpre, \$500,000 shall be awarded to MAPS Air Museum, Canton Ohio, \$44,000 shall be awarded to McKinley Museum, Canton, Ohio, \$50,000 shall be awarded to University of Oregon Museum of Natural History in Eugene, Oregon, \$150,000 shall be awarded to Academy of Natural Sciences in Philadelphia County, \$100,000 shall be awarded to Beaver Area Memorial Library, Beaver County, Pennsylvania, \$300,000 shall be awarded to Delaware Valley Historical Aircraft Association, \$100,000 shall be awarded to Discovery Square, Inc. in Erie, Pennsylvania, \$200,000 shall be awarded to Everhart Museum in Scranton, Pennsylvania, \$300,000 shall be awarded to National Liberty Museum in Philadelphia, Pennsylvania, \$126,000 shall be awarded to Northland Public Library Authority, Pittsburgh, Pennsylvania, \$235,000 shall be awarded to Penn Hills Public Library in Pittsburgh, Pennsylvania, \$250,000 shall be awarded to Philadelphia Zoo, \$100,000 shall be awarded to Pittsburgh Children's Museum, \$700,000 shall be awarded to Please Touch Museum at the Children's Museum of Philadelphia, Pennsylvania, \$50,000 shall be awarded to Wayne Art Center in Wayne, Pennsylvania, \$50,000 shall be awarded to Bamberg County Library in Bamberg, South Carolina, \$50,000 shall be awarded to Clarendon County Library in Manning, South Carolina, \$500,000 shall be

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

awarded to Marion Wright Edelman Public Library, Bennettsville, South Carolina, \$600,000 shall be awarded to The Children's Discovery House, Murfreesboro, Tennessee, \$150,000 shall be awarded to The International Storytelling Center in Jonesborough, Tennessee, \$500,000 shall be awarded to El Progreso Library, Uvalde, Texas, \$500,000 shall be awarded to Vietnam Archive Center, Texas Tech University, Lubbock, Texas, \$800,000 shall be awarded to Children's Museum of Virginia, Portsmouth, Virginia, \$325,000 shall be awarded to Virginia Living Museum, \$100,000 shall be awarded to Burlington City Arts in Burlington, Vermont, \$125,000 shall be awarded to Lake Champlain Science Center in Burlington, Vermont, \$175,000 shall be awarded to Vermont Historical Society in Montpelier, Vermont, \$100,000 shall be awarded to Beaver Creek Reserve Education Center, Fall Creek, Wisconsin, \$500,000 shall be awarded to The Kenosha Civil War Museum in Kenosha, Wisconsin, \$75,000 shall be awarded to Village of Hawkins, Wisconsin, and \$500,000 shall be awarded to Weis Earth Science Museum in Menasha, Wisconsin.

MEDICARE PAYMENT ADVISORY COMMISSION

SALARIES AND EXPENSES

\$8,250,000 For expenses necessary to carry out section 1805 of the Social Security Act, \$8,250,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

1,000,000 For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345, as amended), \$1,000,000.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

2,830,000 For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, \$2,830,000.

NATIONAL EDUCATION GOALS PANEL

400,000 For expenses necessary for costs associated with the termination of the National Education Goals Panel, \$400,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

226,438,000 For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, \$226,438,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural

laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, \$10,635,000. \$10,635,000

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), \$8,964,000. 8,964,000

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, \$146,000,000, which shall include amounts becoming available in fiscal year 2002 pursuant to section 224(c)(1)(B) of Public Law 98-76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds \$146,000,000: *Provided*, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year. 146,000,000

[*Total, \$137,000,000.*]

¹ - 9,000,000

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, \$150,000, to remain available through September 30, 2003, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98-76. 150,000

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, \$97,700,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund. 97,700,000

¹ Less income tax receipts on dual benefits.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than \$6,261,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: *Provided*, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office.

[*Total, Railroad Retirement Board, \$241,111,000.*]

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance trust funds, as provided under sections 201(m), 217(g), 228(g), and 1131(b)(2) of the Social Security Act, \$434,400,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, \$332,840,000, to remain available until expended.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 2003, \$108,000,000, to remain available until expended.

[*Total, \$440,840,000.*]

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, \$21,227,412,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

In addition, \$200,000,000, to remain available until September 30, 2003, for payment to the Social Security trust funds for administrative expenses for continuing disability reviews as authorized by section 103 of Public Law 104-121 and section 10203 of Public Law 105-33. The term “continuing disability reviews” means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

¹User fee activities.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2003, \$10,790,000,000, to remain available until expended.

[Total, \$32,367,412,000.]

\$10,790,000,000
(fiscal year 2003)

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed \$35,000 for official reception and representation expenses, not more than \$7,035,000,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That not less than \$1,800,000 shall be for the Social Security Advisory Board: *Provided further*, That unobligated balances at the end of fiscal year 2002 not needed for fiscal year 2002 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: *Provided further*, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

7,568,000,000

From funds provided under the first paragraph, not less than \$200,000,000 shall be available for conducting continuing disability reviews.

In addition to funding already available under this heading, and subject to the same terms and conditions, \$433,000,000, to remain available until September 30, 2003, for continuing disability reviews as authorized by section 103 of Public Law 104-121 and section 10203 of Public Law 105-33. The term “continuing disability reviews” means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

In addition, \$100,000,000 to be derived from administration fees in excess of \$5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93-66, which shall remain available until expended. To the extent that the amounts collected pursuant to such section 1616(d) or 212(b)(3) in fiscal year 2002 exceed \$100,000,000, the amounts shall be available in fiscal year 2003 only to the extent provided in advance in appropriations Acts.

From funds previously appropriated for this purpose, any unobligated balances at the end of fiscal year 2001 shall be available to continue Federal-State partnerships which will evaluate means to promote Medicare buy-in programs targeted to elderly and disabled individuals under titles XVIII and XIX of the Social Security Act.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$19,000,000, together with not to exceed \$56,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

[Total, \$75,000,000.]

¹ - 2,927,000,000
Notification.

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the “Limitation on Administrative Expenses”, Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: *Provided*, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House and Senate.

[Total, Social Security Administration, \$37,958,652,000.]

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, \$15,104,000.

[Total, title IV, Related agencies, \$39,523,242,000.]

TITLE V—GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Lobbying.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are authorized to make available not to exceed \$23,000 and \$15,000, respectively, from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and

¹ Trust fund transfers from general revenues.

representation expenses not to exceed \$2,500 from the funds available for “Salaries and expenses, Federal Mediation and Conciliation Service”; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed \$2,500 from funds available for “Salaries and expenses, National Mediation Board”.

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug. Needle exchange.

SEC. 506. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a “Made in America” inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 507. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

SEC. 508. (a) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for any abortion. Abortion.

(b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term “health benefits coverage” means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 509. (a) The limitations established in the preceding section shall not apply to an abortion— Abortion.

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).

Embryos.

SEC. 510. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term “human embryo or embryos” includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

Drugs and drug abuse.

SEC. 511. (a) None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).

(b) The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

Contracts.

SEC. 512. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity if—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

SEC. 513. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d-2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard.

SEC. 514. (a) Section 10 of the Native Hawaiian Health Care Improvement Act (42 U.S.C. 11709) is amended—

(1) in subsection (a) in the matter preceding paragraph (1), by striking “Kamehameha School/Bishop Estate” and inserting “Papa Ola Lokahi”; and

(2) in subsection (b)(1)(C), by striking “Kamehameha School/Bishop Estate” and inserting “Papa Ola Lokahi”.

(b) Section 338K(a) of the Public Health Service Act (42 U.S.C. 254s(a)) is amended by striking “Kamehameha School/Bishop Estate” and inserting “Papa Ola Lokahi”.

SEC. 515. (a) In this section the term “qualified magistrate judge” means any person who—

(1) retired as a magistrate judge before November 15, 1988; and

(2) on the date of filing an election under subsection (b)—

(A) is serving as a recalled magistrate judge on a full-time basis under section 636(h) of title 28, United States Code; and

(B) has completed at least 5 years of full-time recall service.

(b) The Director of the Administrative Office of the United States Courts may accept the election of a qualified magistrate judge to—

(1) receive an annuity under section 377 of title 28, United States Code; and

(2) come within the purview of section 376 of such title.

(c) Full-time recall service performed by a qualified magistrate judge shall be credited for service in calculating an annuity elected under this section.

(d) The Director of the Administrative Office of the United States Courts may promulgate regulations to carry out this section.

SEC. 516. Amounts made available under this Act for the administrative and related expenses for departmental management for the Department of Labor, the Department of Health and Human Services, and the Department of Education, shall be reduced on a pro rata basis by \$25,000,000: *Provided*, That this provision shall not apply to the Food and Drug Administration and the Indian Health Service: *Provided further*, That not later than 15 days after the enactment of this Act, the Director of the Office of Management and Budget shall report to the House and Senate Committees on Appropriations the accounts subject to the pro rata reductions and the amount to be reduced in each account.

Deadline.
Reports.

TITLE VI—EXTENSION OF MARK-TO-MARKET PROGRAM FOR MULTIFAMILY ASSISTED HOUSING

Mark-to-Market
Extension Act of
2001.

SEC. 601. SHORT TITLE AND TABLE OF CONTENTS.

42 USC 1437
note.

(a) SHORT TITLE.—This title may be cited as the “Mark-to-Market Extension Act of 2001”.

(b) TABLE OF CONTENTS.—The table of contents for this title is as follows:

TITLE VI—EXTENSION OF MARK-TO-MARKET PROGRAM FOR MULTIFAMILY ASSISTED HOUSING

Sec. 601. Short title and table of contents.

Sec. 602. Purposes.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

Sec. 603. Effective date.

Subtitle A—Multifamily Housing Mortgage and Assistance Restructuring and Section 8 Contract Renewal

Sec. 611. Definition.

Sec. 612. Mark-to-market program amendments.

Sec. 613. Consistency of rent levels under enhanced voucher assistance and rent restructurings.

Sec. 614. Eligible inclusions for renewal rents of partially assisted buildings.

Sec. 615. Eligibility of restructuring projects for miscellaneous housing insurance.

Sec. 616. Technical corrections.

Subtitle B—Office of Multifamily Housing Assistance Restructuring

Sec. 621. Reauthorization of Office and extension of program.

Sec. 622. Appointment of Director.

Sec. 623. Vacancy in position of Director.

Sec. 624. Oversight by Federal Housing Commissioner.

Sec. 625. Limitation on subsequent employment.

Subtitle C—Miscellaneous Housing Program Amendments

Sec. 631. Extension of CDBG public services cap exception.

Sec. 632. Use of section 8 enhanced vouchers for prepayments.

Sec. 633. Prepayment and refinancing of loans for section 202 supportive housing.

Sec. 634. Technical correction.

42 USC 1437f
note.

SEC. 602. PURPOSES.

The purposes of this title are—

(1) to continue the progress of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (referred to in this section as “that Act”);

(2) to ensure that properties that undergo mortgage restructurings pursuant to that Act are rehabilitated to a standard that allows the properties to meet their long-term affordability requirements;

(3) to ensure that, for properties that undergo mortgage restructurings pursuant to that Act, reserves are set at adequate levels to allow the properties to meet their long-term affordability requirements;

(4) to ensure that properties that undergo mortgage restructurings pursuant to that Act are operated efficiently, and that operating expenses are sufficient to ensure the long-term financial and physical integrity of the properties;

(5) to ensure that properties that undergo rent restructurings have adequate resources to maintain the properties in good condition;

(6) to ensure that the Office of Multifamily Housing Assistance Restructuring of the Department of Housing and Urban Development continues to focus on the portfolio of properties eligible for restructuring under that Act;

(7) to ensure that the Department of Housing and Urban Development carefully tracks the condition of those properties on an ongoing basis;

(8) to ensure that tenant groups, nonprofit organizations, and public entities continue to have the resources for building the capacity of tenant organizations in furtherance of the purposes of subtitle A of that Act; and

(9) to encourage the Office of Multifamily Housing Assistance Restructuring to continue to provide participating administrative entities, including public participating administrative entities, with the flexibility to respond to specific problems that individual cases may present, while ensuring consistent outcomes around the country.

SEC. 603. EFFECTIVE DATE.12 USC 1715n
note.

Except as provided in sections 616(a)(2), 633(b), and 634(b), this title and the amendments made by this title shall take effect or are deemed to have taken effect, as appropriate, on the earlier of—

- (1) the date of the enactment of this title; or
- (2) September 30, 2001.

Subtitle A—Multifamily Housing Mortgage and Assistance Restructuring and Section 8 Contract Renewal

SEC. 611. DEFINITION.

Section 512 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding at the end the following new paragraph:

“(19) OFFICE.—The term ‘Office’ means the Office of Multifamily Housing Assistance Restructuring established under section 571.”.

SEC. 612. MARK-TO-MARKET PROGRAM AMENDMENTS.

(a) FUNDING FOR TENANT AND NONPROFIT PARTICIPATION.—Section 514(f)(3)(A) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) by striking “Secretary may provide not more than \$10,000,000 annually in funding” and inserting “Secretary shall make available not more than \$10,000,000 annually in funding, which amount shall be in addition to any amounts made available under this subparagraph and carried over from previous years.”; and

(2) by striking “entities), and for tenant services,” and inserting “entities), for tenant services, and for tenant groups, nonprofit organizations, and public entities described in section 517(a)(5).”.

(b) EXCEPTION RENTS.—Section 514(g)(2)(A) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “restructured mortgages in any fiscal year” and inserting “portfolio restructuring agreements”.

(c) NOTICE TO DISPLACED TENANTS.—Section 516(d) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “Subject to” and inserting the following:

“(1) NOTICE TO CERTAIN RESIDENTS.—The Office shall notify any tenant that is residing in a project or receiving assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) at the time of rejection under this section, of such rejection, except that the Office may delegate the responsibility to provide notice under this paragraph to the participating administrative entity.

“(2) ASSISTANCE AND MOVING EXPENSES.—Subject to”.

(d) RESTRUCTURING PLANS FOR TRANSFERS OF PREPAYMENT PROJECTS.—The Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) in section 524(e), by adding at the end the following new paragraph:

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

“(3) MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLANS.—Notwithstanding paragraph (1), the owner of the project may request, and the Secretary may consider, mortgage restructuring and rental assistance sufficiency plans to facilitate sales or transfers of properties under this subtitle, subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715l note) or the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4101 et seq.), which plans shall result in a sale or transfer of those properties.”; and

(2) in the last sentence of section 512(2), by inserting “, but does include a project described in section 524(e)(3)” after “section 524(e)”.

(e) ADDITION OF SIGNIFICANT FEATURES.—Section 517 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) by striking subsection (c) (except that the striking of such subsection may not be construed to have any effect on the provisions of law amended by such subsection, as such subsection was in effect before the date of the enactment of this Act);

(2) in subsection (b)—

(A) in paragraph (7), by striking “(7)” and inserting “(1)”; and

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

“(2) ADDITION OF SIGNIFICANT FEATURES.—

“(A) AUTHORITY.—An approved mortgage restructuring and rental assistance sufficiency plan may require the improvement of the project by the addition of significant features that are not necessary for rehabilitation to the standard provided under paragraph (1), such as air conditioning, an elevator, and additional community space. The Secretary shall establish guidelines regarding the inclusion of requirements regarding such additional significant features under such plans.

“(B) FUNDING.—Significant features added pursuant to an approved mortgage restructuring and rental assistance sufficiency plan may be paid from the funding sources specified in the first sentence of paragraph (1)(A).

“(C) LIMITATION ON OWNER CONTRIBUTION.—An owner of a project may not be required to contribute from non-project resources, toward the cost of any additional significant features required pursuant to this paragraph, more than 25 percent of the amount of any assistance received for the inclusion of such features.

“(D) APPLICABILITY.—This paragraph shall apply to all eligible multifamily housing projects, except projects for which the Secretary and the project owner executed a mortgage restructuring and rental assistance sufficiency plan on or before the date of the enactment of the Market-to-Market Extension Act of 2001.”; and

(3) by inserting after paragraph (6) of subsection (b) the following:

“(c) REHABILITATION NEEDS AND ADDITION OF SIGNIFICANT FEATURES.—”.

(f) **LOOK-BACK PROJECTS.**—Section 512(2) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding after the period at the end of the last sentence the following: “Notwithstanding any other provision of this title, the Secretary may treat a project as an eligible multifamily housing project for purposes of this title if (I) the project is assisted pursuant to a contract for project-based assistance under section 8 of the United States Housing Act of 1937 renewed under section 524 of this Act, (II) the owner consents to such treatment, and (III) the project met the requirements of the first sentence of this paragraph for eligibility as an eligible multifamily housing project before the initial renewal of the contract under section 524.”.

(g) **SECOND MORTGAGES.**—Section 517(a) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1)(B), by striking “no more than the” and inserting the following: “not more than the greater of—

“(i) the full or partial payment of claim made under this subtitle; or

“(ii) the”; and

(2) in paragraph (5), by inserting “of the second mortgage, assign the second mortgage to the acquiring organization or agency,” after “terms”.

(h) **EXEMPTIONS FROM RESTRUCTURING.**—Section 514(h)(2) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by inserting before the semicolon the following: “, or refinanced pursuant to section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note)”.

SEC. 613. CONSISTENCY OF RENT LEVELS UNDER ENHANCED VOUCHER ASSISTANCE AND RENT RESTRUCTURINGS.

Subtitle A of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding at the end the following new section:

“SEC. 525. CONSISTENCY OF RENT LEVELS UNDER ENHANCED VOUCHER ASSISTANCE AND RENT RESTRUCTURINGS.

“(a) **IN GENERAL.**—The Secretary shall examine the standards and procedures for determining and establishing the rent standards described under subsection (b). Pursuant to such examination, the Secretary shall establish procedures and guidelines that are designed to ensure that the amounts determined by the various rent standards for the same dwelling units are reasonably consistent and reflect rents for comparable unassisted units in the same area as such dwelling units.

“(b) **RENT STANDARDS.**—The rent standards described in this subsection are as follows:

“(1) **ENHANCED VOUCHERS.**—The payment standard for enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)).

“(2) **MARK-TO-MARKET.**—The rents derived from comparable properties, for purposes of section 514(g) of this Act.

“(3) **CONTRACT RENEWAL.**—The comparable market rents for the market area, for purposes of section 524(a)(4) of this Act.”.

Procedures.
Guidelines.

SEC. 614. ELIGIBLE INCLUSIONS FOR RENEWAL RENTS OF PARTIALLY ASSISTED BUILDINGS.

Section 524(a)(4)(C) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding after the period at the end the following: “Notwithstanding any other provision of law, the Secretary shall include in such budget-based cost increases costs relating to the project as a whole (including costs incurred with respect to units not covered by the contract for assistance), but only (I) if inclusion of such costs is requested by the owner or purchaser of the project, (II) if inclusion of such costs will permit capital repairs to the project or acquisition of the project by a nonprofit organization, and (III) to the extent that inclusion of such costs (or a portion thereof) complies with the requirement under clause (ii).”.

SEC. 615. ELIGIBILITY OF RESTRUCTURING PROJECTS FOR MISCELLANEOUS HOUSING INSURANCE.

Section 223(a)(7) of the National Housing Act (12 U.S.C. 1715n(a)(7)) is amended—

(1) by striking “under this Act: *Provided*, That the principal” and inserting the following: “under this Act, or an existing mortgage held by the Secretary that is subject to a mortgage restructuring and rental assistance sufficiency plan pursuant to the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), provided that—

“(A) the principal”;

(2) by striking “except that (A)” and inserting “except that (i)”;

(3) by striking “(B)” and inserting “(ii)”;

(4) by striking “(C)” and inserting “(iii)”;

(5) by striking “(D)” and inserting “(iv)”;

(6) by striking “: *Provided further*, That a mortgage” and inserting the following “; and

“(B) a mortgage”;

(7) by striking “or” at the end; and

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

“(C) a mortgage that is subject to a mortgage restructuring and rental assistance sufficiency plan pursuant to the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) and is refinanced under this paragraph may have a term of not more than 30 years; or”.

SEC. 616. TECHNICAL CORRECTIONS.

(a) EXEMPTIONS FROM RESTRUCTURING.—

(1) IN GENERAL.—Section 514(h) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended to read as if the amendment made by section 531(c) of Public Law 106-74 (113 Stat. 1116) were made to “Section 514(h)(1)” instead of “Section 514(h)”.

(2) RETROACTIVE EFFECT.—The amendment made by paragraph (1) of this subsection is deemed to have taken effect on the date of the enactment of Public Law 106-74 (113 Stat. 1109).

(b) OTHER.—The Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) in section 511(a)(12), by striking “this Act” and inserting “this title”;

(2) in section 513, by striking “this Act” each place such term appears in subsections (a)(2)(I) and (b)(3) and inserting “this title”;

(3) in section 514(f)(3)(B), by inserting “Housing” after “Multifamily”;

(4) in section 515(c)(1)(B), by inserting “or” after the semicolon;

(5) in section 517(b)—

(A) in each of paragraphs (1) through (6), by capitalizing the first letter of the first word that follows the paragraph heading;

(B) in each of paragraphs (1) through (5), by striking the semicolon at the end and inserting a period; and

(C) in paragraph (6), by striking “; and” at the end and inserting a period;

(6) in section 520(b), by striking “Banking and”; and

(7) in section 573(d)(2), by striking “Banking and”.

Subtitle B—Office of Multifamily Housing Assistance Restructuring

SEC. 621. REAUTHORIZATION OF OFFICE AND EXTENSION OF PROGRAM.

Section 579 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

“(a) REPEALS.—

“(1) MARK-TO-MARKET PROGRAM.—Subtitle A (except for section 524) is repealed effective October 1, 2006.

“(2) OMHAR.—Subtitle D (except for this section) is repealed effective October 1, 2004.”;

(2) in subsection (b), by striking “October 1, 2001” and inserting “October 1, 2006”;

(3) in subsection (c), by striking “upon September 30, 2001” and inserting “at the end of September 30, 2004”; and

(4) by striking subsection (d) and inserting the following new subsection:

“(d) TRANSFER OF AUTHORITY.—Effective upon the repeal of subtitle D under subsection (a)(2) of this section, all authority and responsibilities to administer the program under subtitle A are transferred to the Secretary.”.

Effective dates.

Effective date.

SEC. 622. APPOINTMENT OF DIRECTOR.

(a) IN GENERAL.—Section 572 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking subsection (a) and inserting the following new subsection:

“(a) APPOINTMENT.—The Office shall be under the management of a Director, who shall be appointed by the President from among individuals who are citizens of the United States and have a demonstrated understanding of financing and mortgage restructuring for affordable multifamily housing.”.

President.

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

42 USC 1437f
note.

(b) **APPLICABILITY.**—The amendment made by subsection (a) shall apply to the first Director of the Office of Multifamily Housing Assistance Restructuring of the Department of Housing and Urban Development appointed after the date of the enactment of this Act, and any such Director appointed thereafter.

SEC. 623. VACANCY IN POSITION OF DIRECTOR.

(a) **IN GENERAL.**—Section 572 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking subsection (b) and inserting the following new subsection:

“(b) **VACANCY.**—A vacancy in the position of Director shall be filled by appointment in the manner provided under subsection (a). The President shall make such an appointment not later than 60 days after such position first becomes vacant.”

President.
Deadline.42 USC 1437f
note.

(b) **APPLICABILITY.**—The amendment made by subsection (a) shall apply to any vacancy in the position of Director of the Office of Multifamily Housing Assistance Restructuring of the Department of Housing and Urban Development which occurs or exists after the date of the enactment of this Act.

SEC. 624. OVERSIGHT BY FEDERAL HOUSING COMMISSIONER.

(a) **IN GENERAL.**—Section 578 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended to read as follows:

“SEC. 578. OVERSIGHT BY FEDERAL HOUSING COMMISSIONER.

“All authority and responsibilities assigned under this subtitle to the Secretary shall be carried out through the Assistant Secretary of the Department of Housing and Urban Development who is the Federal Housing Commissioner.”

(b) **REPORT.**—The second sentence of section 573(b) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “Secretary” and inserting “Assistant Secretary of the Department of Housing and Urban Development who is the Federal Housing Commissioner”.

SEC. 625. LIMITATION ON SUBSEQUENT EMPLOYMENT.

Section 576 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “2-year period” and inserting “1-year period”.

Subtitle C—Miscellaneous Housing Program Amendments

SEC. 631. EXTENSION OF CDBG PUBLIC SERVICES CAP EXCEPTION.

Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking “through 2001” and inserting “through 2003”.

SEC. 632. USE OF SECTION 8 ENHANCED VOUCHERS FOR PREPAYMENTS.

Section 8(t)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)(2)) is amended by inserting after “insurance contract for the mortgage for such housing project” the following: “(including any such mortgage prepayment during fiscal year 1996 or a fiscal

year thereafter or any insurance contract voluntary termination during fiscal year 1996 or a fiscal year thereafter)".

SEC. 633. PREPAYMENT AND REFINANCING OF LOANS FOR SECTION 202 SUPPORTIVE HOUSING.

(a) **IN GENERAL.**—Section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note) is amended by striking subsection (e).

(b) **EFFECTIVENESS UPON DATE OF ENACTMENT.**—The amendment made by subsection (a) of this section shall take effect upon the date of the enactment of this Act and the provisions of section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note), as amended by subsection (a) of this section, shall apply as so amended upon such date of enactment, notwithstanding—

12 USC 1701q
note.

(1) any authority of the Secretary of Housing and Urban Development to issue regulations to implement or carry out the amendments made by subsection (a) of this section or the provisions of section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note); or

(2) any failure of the Secretary of Housing and Urban Development to issue any such regulations authorized.

SEC. 634. TECHNICAL CORRECTION.

(a) **IN GENERAL.**—Section 101(a) of Public Law 100-77 (42 U.S.C. 11301 note) is amended to read as if the amendment made by section 1 of Public Law 106-400 (114 Stat. 1675) were made to "Section 101" instead of "Section 1".

(b) **RETROACTIVE EFFECT.**—The amendment made by subsection (a) of this section is deemed to have taken effect immediately after the enactment of Public Law 106-400 (114 Stat. 1675).

42 USC 11301
note.

TITLE VII—MENTAL HEALTH PARITY

SEC. 701. EXTENSION OF CERTAIN PROVISIONS.

(a) **ERISA.**—Section 712(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a(f)) is amended by striking "September 30, 2001" and inserting "December 31, 2002".

(b) **PHSA.**—Section 2705(f) of the Public Health Service Act (42 U.S.C. 300gg-5(f)) is amended by striking "September 30, 2001" and inserting "December 31, 2002".

(c) **INTERNAL REVENUE CODE OF 1986.**—Section 9812(f) of the Internal Revenue Code of 1986 is amended by striking "September 30, 2001" and inserting "December 31, 2002".

26 USC 9812.

SEC. 702. CONGRESSIONAL BUDGET ACT.

Notwithstanding Rule 3 of the Budget Scorekeeping Guidelines set forth in the joint explanatory statement of the committee of conference accompanying Conference Report 105-217, the provisions of this title that would have been estimated by the Office of Management and Budget as changing direct spending or receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 were it included in an Act other than an appropriations Act shall be treated as direct spending or receipts legislation, as appropriate, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, and by the Chairmen of the

115 STAT.

PUBLIC LAW 107-116—JAN. 10, 2002

House and Senate Budget Committees, as appropriate, under the Congressional Budget Act.

This Act may be cited as the “Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002”.

Approved January 10, 2002.

LEGISLATIVE HISTORY—H.R. 3061 (S. 1536):

HOUSE REPORTS: Nos. 107-229 (Comm. on Appropriations) and 107-342 (Comm. of Conference).

SENATE REPORTS: No. 107-84 accompanying S. 1536 (Comm. on Appropriations). CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 11, considered and passed House.

Oct. 30, 31, Nov. 1, 2, 6, considered and passed Senate, amended.

Dec. 19, House agreed to conference report.

Dec. 20, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 38 (2002):

Jan. 10, Presidential statement.

[In thousands of dollars]

| | |
|--|---------------|
| Net grand total, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 | \$407,183,802 |
| Current year, FY 2002 (net) | 327,575,564 |
| Appropriations | (327,296,564) |
| Emergency funding | (300,000) |
| Rescission | (-21,000) |
| Advance appropriations, FY 2003 | 79,228,238 |
| Advance appropriations, FY 2004 | 380,000 |
| Consisting of: | |
| Department of Defense—Civil: | |
| Armed Forces Retirement Home | 71,440 |
| Department of Education | 36,402,295 |
| Advance appropriation, FY 2003 | 15,011,301 |
| General Government—Independent Agencies ... | 1,113,150 |
| Advance appropriation, FY 2004 | 380,000 |
| Department of Health and Human Services (net) | 251,703,867 |
| Advance appropriation, FY 2003 | 50,855,937 |
| Department of Labor | 11,703,160 |
| Advance appropriation, FY 2003 | 2,463,000 |
| Social Security Administration | 27,060,652 |
| Advance appropriation, FY 2003 | 10,898,000 |
| Other budget adjustments | -479,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**LEGISLATIVE BRANCH
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-68

LEGISLATIVE BRANCH APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

**Public Law 107-68
107th Congress**

An Act

Nov. 12, 2001
[H.R. 2647]

Making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes, namely:

Congressional
Operations
Appropriations
Act, 2002.
2 USC 60a note.

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

EXPENSE ALLOWANCES

For expense allowances of the Vice President, \$10,000; the President Pro Tempore of the Senate, \$10,000; Majority Leader of the Senate, \$10,000; Minority Leader of the Senate, \$10,000; Majority Whip of the Senate, \$5,000; Minority Whip of the Senate, \$5,000; and Chairmen of the Majority and Minority Conference Committees, \$3,000 for each Chairman; and Chairmen of the Majority and Minority Policy Committees, \$3,000 for each Chairman; in all, \$62,000.

\$62,000

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, \$15,000 for each such Leader; in all, \$30,000. [*Total, Expense allowances and representation, \$92,000.*]

30,000

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, and others as authorized by law, including agency contributions, \$104,039,000, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

1,867,000 For the Office of the Vice President, \$1,867,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

473,000 For the Office of the President Pro Tempore, \$473,000.

473,000

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, \$2,868,000. \$2,868,000

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, \$1,912,000. 1,912,000

COMMITTEE ON APPROPRIATIONS

For salaries of the Committee on Appropriations, \$9,875,000. 9,875,000

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, \$1,250,000 for each such committee; in all, \$2,500,000. 2,500,000

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, \$618,000. 618,000

POLICY COMMITTEES

For salaries of the Majority Policy Committee and the Minority Policy Committee, \$1,275,000 for each such committee; in all, \$2,550,000. 2,550,000

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, \$301,000. 301,000

OFFICE OF THE SECRETARY

For Office of the Secretary, \$15,424,000. 15,424,000

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, \$39,082,000. 39,082,000

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, \$1,350,000. 1,350,000

AGENCY CONTRIBUTIONS AND RELATED EXPENSES

For agency contributions for employee benefits, as authorized by law, and related expenses, \$25,219,000. 25,219,000
[Total, salaries, officers and employees, \$104,039,000.]

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, \$4,306,000. 4,306,000

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel,
\$1,109,000 \$1,109,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, \$3,000; Sergeant at Arms and Doorkeeper of the Senate, \$3,000; Secretary for the Majority of the Senate, \$3,000; Secretary for the Minority of the Senate, \$3,000; in all, \$12,000.
12,000

CONTINGENT EXPENSES OF THE SENATE

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96-304 and Senate Resolution 281, agreed to March 11, 1980,
107,264,000 \$107,264,000.

EXPENSES OF THE UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

For expenses of the United States Senate Caucus on International Narcotics Control, \$520,000.
520,000

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, \$8,571,000, of which \$7,000,000 shall remain available until expended.
8,571,000

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, \$95,904,000, of which \$8,654,000 shall remain available until September 30, 2004, and of which \$11,354,000 shall remain available until expended.
95,904,000

MISCELLANEOUS ITEMS

For miscellaneous items, \$14,274,000, of which not more than \$3,000,000 may be made available for mailings of postal patron postcards by Senators for the purpose of providing notice of a town meeting by a Senator in a county (or equivalent unit of local government) that the Senator will personally attend: *Provided*, That no funds for the purpose of such mailings shall be made available until the date of enactment of a statute authorizing the expenditure of funds for such purpose.
14,274,000

SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account,
270,494,000 \$270,494,000.

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs of the Senate,
\$300,000.

\$300,000

[*Total, contingent expenses of the Senate, \$497,327,000.*]

ADMINISTRATIVE PROVISIONS

SEC. 101. (a) Section 101(a) of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h-6(a)) is amended in the first sentence by striking “four individual consultants” and inserting “six individual consultants”, and is amended in the second sentence by striking “one consultant” and inserting “not more than two individual consultants”.

(b) This section shall apply with respect to fiscal year 2002 and each fiscal year thereafter.

Applicability.
2 USC 61h-6
note.
2 USC 60c-5.

SEC. 102. STUDENT LOAN REPAYMENT PROGRAM. (a) DEFINITIONS.—In this section:

(1) COMMITTEE.—The term “Committee” means the Committee on Rules and Administration of the Senate.

(2) ELIGIBLE EMPLOYEE.—The term “eligible employee” means an individual—

(A) who is an employee of the Senate; and

(B) whose rate of pay as an employee of the Senate, on the date on which such eligibility is determined, does not exceed the rate of basic pay for an employee for a position at ES-1 of the Senior Executive Schedule as provided for in subchapter VIII of chapter 53 of title 5, United States Code (including any locality pay adjustment applicable to the Washington, D.C.-Baltimore Maryland consolidated metropolitan statistical area).

(3) EMPLOYEE OF THE SENATE.—The term “employee of the Senate” has the meaning given the term in section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301).

(4) EMPLOYING OFFICE.—The term “employing office” means the employing office, as defined in section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301), of an employee of the Senate.

(5) SECRETARY.—The term “Secretary” means the Secretary of the Senate.

(6) STUDENT LOAN.—The term “student loan” means—

(A) a loan made, insured, or guaranteed under part B, D, or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., 1087a et seq., or 1087aa et seq.); and

(B) a health education assistance loan made or insured under part A of title VII of the Public Health Service Act (42 U.S.C. 292 et seq.), or under part E of title VIII of such Act (42 U.S.C. 297a et seq.).

(b) SENATE STUDENT LOAN REPAYMENT PROGRAM.—

(1) SERVICE AGREEMENTS.—

(A) IN GENERAL.—The head of an employing office and an eligible employee may enter into a written service agreement under which—

(i) the employing office shall agree to repay, by direct payments on behalf of the eligible employee, any student loan indebtedness of the eligible employee that is outstanding at the time the eligible employee

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

and the employing office enter into the agreement, subject to this section; and

(ii) the eligible employee shall agree to complete the 1-year required period of employment described in subsection (c)(1) with the employing office in exchange for the student loan payments.

(B) CONTENTS OF SERVICE AGREEMENTS.—

(i) CONTENTS.—A service agreement under this paragraph shall contain—

(I) the start and end dates of the required period of employment covered by the agreement;

(II) the monthly amount of the student loan payments to be provided by the employing office;

(III) the employee's agreement to reimburse the Senate under the conditions set forth in subsection (d)(1);

(IV) disclosure of the program limitations provided for in subsection (d)(4) and paragraphs (2), (3), (6), and (7) of subsection (f);

(V) other terms to which the employing office and employee agree (such as terms relating to job responsibilities or job performance expectations); and

(VI) any other terms prescribed by the Secretary.

(ii) STANDARD SERVICE AGREEMENTS.—The Secretary shall establish standard service agreements for employing offices to use in carrying out this section.

(2) SUBMISSION OF AGREEMENTS.—On entering into a service agreement under this section, the employing office shall submit a copy of the service agreement to the Secretary.

(c) PROGRAM CONDITIONS.—

(1) PERIOD OF EMPLOYMENT.—The term of the required period of employment under a service agreement under this section shall be 1 year. On completion of the required period of employment under such a service agreement, the eligible employee and the employing office may enter into additional service agreements for successive 1-year periods of employment.

(2) AMOUNT OF PAYMENTS.—

(A) IN GENERAL.—The amount of student loan payments made under service agreements under this section on behalf of an eligible employee may not exceed—

(i) \$500 in any month; or

(ii) a total of \$40,000.

(B) PAYMENTS INCLUDED IN GROSS COMPENSATION LIMITATIONS.—Any student loan payment made under this section in any month may not result in the sum of the payment and the compensation of an employee for that month exceeding $\frac{1}{12}$ th of the applicable annual maximum gross compensation limitation under section 105(d)(2), (e), or (f) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(d)(2), (e), or (f)).

(3) TIMING OF PAYMENTS.—Student loan payments made under this section under a service agreement shall begin the first day of the pay period after the date on which the agreement is signed and received by the Secretary, and shall be made on a monthly basis.

(d) LOSS OF ELIGIBILITY FOR STUDENT LOAN PAYMENTS AND OBLIGATION TO REIMBURSE.—

(1) IN GENERAL.—An employee shall not be eligible for continued student loan payments under a service agreement under this section and (except in a case in which an employee's duty is terminated under paragraph (2) or an employing office assumes responsibilities under paragraph (3)) shall reimburse the Senate for the amount of all student loan payments made on behalf of the employee under the agreement, if, before the employee completes the required period of employment specified in the agreement—

(A) the employee voluntarily separates from service with the employing office;

(B) the employee engages in misconduct or does not maintain an acceptable level of performance, as determined by the head of the employing office; or

(C) the employee violates any condition of the agreement.

(2) TERMINATION OF AGREEMENT.—The duty of an eligible employee to fulfill the required period of employment under the service agreement shall be terminated if—

(A) funds are not made available to cover the cost of the student loan repayment program carried out under this section; or

(B) the employee and the head of the employing office involved mutually agree to terminate the service agreement under subsection (f)(7).

(3) ANOTHER EMPLOYING OFFICE.—An employing office who hires an eligible employee during a required period of employment under such a service agreement may assume the remaining obligations (as of the date of the hiring) of the employee's prior employing office under the agreement.

(4) FAILURE OF EMPLOYEE TO REIMBURSE.—If an eligible employee fails to reimburse the Senate for the amount owed under paragraph (1), such amount shall be collected—

(A) under section 104(c) of the Legislative Appropriation Act, 1977 (2 U.S.C. 60c-2a(c)) or section 5514 of title 5, United States Code, if the eligible employee is employed by any other office of the Senate or agency of the Federal Government; or

(B) under other applicable provisions of law if the eligible employee is not employed by any other office of the Senate or agency of the Federal Government.

(5) CREDITING OF AMOUNTS.—Any amount repaid by, or recovered from, an eligible employee under this section shall be credited to the subaccount for the employing office from which the amount involved was originally paid. Any amount so credited shall be merged with other sums in such subaccount for the employing office and shall be available for the same purposes, and subject to the same limitations (if any), as the sums with which such amount is merged.

(e) RECORDS AND REPORTS.—

(1) IN GENERAL.—Not later than January 1, 2003, and each January 1 thereafter, the Secretary shall prepare and submit to the Committee on Rules and Administration of the Senate and the Committee on Appropriations of the Senate,

Deadlines.

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

a report for the fiscal year preceding the fiscal year in which the report is submitted, that contains information specifying—

(A) the number of eligible employees that received student loan payments under this section; and

(B) the costs of such payments, including—

(i) the amount of such payments made for each eligible employee;

(ii) the amount of any reimbursement amounts for early separation from service or whether any waivers were provided with respect to such reimbursements; and

(iii) any other information determined to be relevant by the Committee on Rules and Administration of the Senate or the Committee on Appropriations of the Senate.

(2) CONFIDENTIALITY.—Such report shall not include any information which is considered confidential or could disclose the identity of individual employees or employing offices. Information required to be contained in the report of the Secretary under section 105(a) of the Legislative Branch Act, 1965 (2 U.S.C. 104a) shall not be considered to be personal information for purposes of this paragraph.

(f) OTHER ADMINISTRATIVE MATTERS.—

(1) ACCOUNT.—

(A) IN GENERAL.—The Secretary shall establish and maintain a central account from which student loan payments available under this section shall be paid on behalf of eligible employees.

(B) OFFICE SUBACCOUNTS.—The Secretary shall ensure that, within the account established under subparagraph (A), a separate subaccount is established for each employing office to be used by each such office to make student loan payments under this section. Such student loan payments shall be made from any funds available to the employing office for student loan payments that are contained in the subaccount for the office.

(C) LIMITATION.—Amounts in each subaccount established under this paragraph shall not be made available for any purpose other than to make student loan payments under this section.

(2) BEGINNING OF PAYMENTS.—Student loan payments may begin under this section with respect to an eligible employee upon—

(A) the receipt by the Secretary of a signed service agreement; and

(B) verification by the Secretary with the holder of the loan that the eligible employee has an outstanding student loan balance that qualifies for payment under this section.

(3) LIMITATION.—Student loan payments may be made under this section only with respect to the amount of student loan indebtedness of the eligible employee that is outstanding on the date on which the employee and the employing office enter into a service agreement under this section. Such payments may not be made under this section on a student loan that is in default or arrears.

(4) PAYMENT ON MULTIPLE LOANS.—Student loan payments may be made under this section with respect to more than 1 student loan of an eligible employee at the same time or separately, if the total payments on behalf of such employee do not exceed the limits under subsection (c)(2)(A).

(5) TREATMENT OF PAYMENTS.—Student loan payments made on behalf of an eligible employee under this section shall be in addition to any basic pay and other forms of compensation otherwise payable to the eligible employee, and shall be subject to withholding for income and employment tax obligations as provided for by law.

(6) NO RELIEF FROM LIABILITY.—An agreement to make student loan payments under this section shall not exempt an eligible employee from the responsibility or liability of the employee with respect to the loan involved and the eligible employee shall continue to be responsible for making student loan payments on the portion of any loan that is not covered under the terms of the service agreement.

(7) REDUCTION IN PAYMENTS.—Notwithstanding the terms of a service agreement under this section, the head of an employing office may reduce the amount of student loan payments made under the agreement if adequate funds are not available to such office. If the head of the employing office decides to reduce the amount of student loan payments for an eligible employee, the head of the office and the employee may mutually agree to terminate the service agreement.

(8) NO RIGHT TO CONTINUED EMPLOYMENT.—A service agreement under this section shall not be construed to create a right to, promise of, or entitlement to the continued employment of the eligible employee.

(9) NO ENTITLEMENT.—A student loan payment under this section shall not be construed to be an entitlement for any eligible employee.

(10) TREATMENT OF PAYMENTS.—A student loan payment under this section—

(A) shall not be basic pay of an employee for purposes of chapters 83 and 84 of title 5, United States Code (relating to retirement) and chapter 87 of such title (relating to life insurance coverage); and

(B) shall not be included in Federal wages for purposes of chapter 85 of such title (relating to unemployment compensation).

(g) ALLOCATION OF FUNDS.—

(1) MAXIMUM AMOUNT.—In this subsection, the term “maximum amount”, used with respect to a fiscal year, means—

(A) in the case of an employing office described in subsection (i)(1)(A), the amount described in that subsection for that fiscal year; and

(B) in the case of an employing office described in subsection (i)(1)(B), the amount described in that subsection for that fiscal year.

(2) ALLOCATION.—From the total amount made available to carry out this section for a fiscal year, there shall be allocated to each employing office for that fiscal year—

(A) the maximum amount for that employing office for that fiscal year; or

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

(B) if the total amount is not sufficient to provide the maximum amount to each employing office, an amount that bears the same relationship to the total amount as the maximum amount for that employing office for that fiscal year bears to the total of the maximum amounts for all employing offices for that fiscal year.

(3) APPORTIONMENT.—In the case of an employing office that is a Committee of the Senate, the funds allocated under this subsection shall be apportioned between the majority and minority staff of the committee in the same manner as amounts are apportioned between the staffs for salaries.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated (or otherwise made available from appropriations) to carry out this section the following amounts for each fiscal year:

(A) For each employing office that is the personal office of a Senator, an amount equal to 2 percent of the total sums appropriated for the fiscal year involved for administrative and clerical salaries for such office.

(B) For each other employing office, an amount equal to 2 percent of the total sums appropriated for the fiscal year involved for salaries for such office.

(2) LIMITATION.—Amounts provided under this section shall be subject to annual appropriations.

Applicability.

(i) EFFECTIVE DATE.—This section shall apply to fiscal year 2002 and each fiscal year thereafter.

22 USC 2291 note.

SEC. 103. (a) Agency contributions for employees whose salaries are disbursed by the Secretary of the Senate from the appropriations account “Expenses of the United States Senate Caucus on International Narcotics Control” under the heading “Congressional Operations” shall be paid from the Senate appropriations account for “Salaries, Officers and Employees”.

Applicability.
Effective date.

(b) This section shall apply to pay periods beginning on or after October 1, 2001.

SEC. 104. (a) Section 5(a) under the subheading “ADMINISTRATIVE PROVISIONS” under the heading “SENATE” under title I of the Legislative Branch Appropriations Act, 1996 (2 U.S.C. 58a note) is amended by striking “invoice ends” and inserting “invoice begins”.

Effective date.
Applicability.
2 USC 58a note.

(b) The amendment made by subsection (a) shall take effect on October 1, 2001, and shall apply to base service periods beginning on or after that date.

SEC. 105. (a) Section 120 of Public Law 97-51 (2 U.S.C. 61g-6) is amended in the first sentence by striking “\$75,000” and inserting “\$100,000”.

Applicability.
2 USC 61g-6 note.
Effective date.

(b) This section shall apply with respect to fiscal year 2002 and each fiscal year thereafter.

SEC. 106. Effective on and after October 1, 2001, each of the dollar amounts contained in the table under section 105(d)(1)(A) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61-1(d)(1)(A)) shall be deemed to be the dollar amounts in that table, as adjusted by law and in effect on September 30, 2001, increased by an additional \$50,000 each.

SEC. 107. TRANSFERS FROM SENATE GIFT SHOP TO PRESERVATION FUND. (a) IN GENERAL.—Section 2(c) of the Legislative Branch Appropriations Act, 1993 (2 U.S.C. 121d(c)) is amended—

(1) by inserting “(1)” after “(c)”; and

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

(2) by adding at the end the following:

“(2) The Secretary of the Senate may transfer from the fund to the Capitol Preservation Fund the net profits (as determined by the Secretary) from sales of items by the Senate Gift Shop which are intended to benefit the Capitol Visitor Center.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fiscal years beginning before, on, or after the date of enactment of this Act.

Applicability.
Effective date.
2 USC 121d note.

SEC. 108. PROVISIONS RELATING TO SENATE COMMISSION ON ART. (a) MAINTENANCE OF OLD SUPREME COURT CHAMBER.—Section 3 of Senate Resolution 382 (90th Congress) (40 U.S.C. 188b-2) is amended by striking “insofar as it” and inserting “and of the Old Supreme Court Chamber insofar as each”.

(b) TECHNICAL AMENDMENTS.—Section 5 of Senate Resolution 382 (90th Congress) (40 U.S.C. 188b-4) is amended—

(1) by striking “the sum of \$15,000 each fiscal year,” and inserting “such amount as may be necessary each fiscal year,”; and

(2) by striking “the Chairman or Vice Chairman of the Commission” and inserting “the Executive Secretary of the Commission and approved by the Committee on Rules and Administration of the Senate”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fiscal year 2002 and all succeeding fiscal years.

Applicability.
40 USC 188b-2
note.
2 USC 61f-10.

SEC. 109. PROCUREMENT OF TEMPORARY HELP. (a) IN GENERAL.—(1) Subject to regulations that the Committee on Rules and Administration of the Senate may prescribe, the Secretary of the Senate and the Sergeant at Arms and Doorkeeper of the Senate may procure temporary help services from a private sector source that offers such services. Each procurement of services under this subsection shall be for no longer than 30 days.

(2) A person performing services procured under paragraph (1) shall not, during the period of the performance of the services, be an employee of the United States or be considered to be an employee of the United States for any purpose.

(b) This section shall take effect on October 1, 2001, and shall apply in fiscal year 2002 and successive fiscal years.

Effective date.
Applicability.

SEC. 110. Section 311(d) of the Legislative Branch Appropriations Act, 1991 (2 U.S.C. 59e(d)) is amended in the matter preceding paragraph (1) by inserting “in the House, or official expenses for franked mail, employee salaries, office space, furniture, or equipment and any associated information technology services (excluding handheld communications devices) in the Senate” after “expenses”.

SEC. 111. The amount available to the Committee on Rules and Administration for expenses under section 14(c) of Senate Resolution 54, agreed to March 8, 2001, is increased by \$150,000.

SEC. 112. TRANSPORTATION SUBSIDY FOR EMPLOYEES OF THE SENATE.

5 USC 7905 note.

(a) DEFINITIONS.—In this section, the term—

(1) “employee of the Senate”—

(A) means any employee whose pay is disbursed by the Secretary of the Senate; and

(B) does not include a member or civilian employee of the Capitol Police; and

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

(2) “employing office” means the employing office, as defined under section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301), of an employee of the Senate.

(b) TRANSPORTATION SUBSIDY.—An employing office may provide a monthly transportation subsidy to an employee of the Senate up to the maximum monthly amount authorized under section 132(f)(2)(A) of the Internal Revenue Code of 1986.

[*Total, Senate, \$606,885,000.*]

HOUSE OF REPRESENTATIVES

PAYMENT TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

\$145,000
Deborah
Williams Spence.
Floyd D. Spence
Jr.
Zacheriah W.
Spence.
Benjamin G.
Spence.
Caldwell D.
Spence.

For payment to Deborah Williams Spence, Floyd D. Spence Jr., Zacheriah W. Spence, Benjamin G. Spence and Caldwell D. Spence, widow and children of Floyd Spence, late a Representative from the State of South Carolina, \$145,100.

SALARIES AND EXPENSES

For salaries and expenses of the House of Representatives, \$878,050,000, as follows:

HOUSE LEADERSHIP OFFICES

15,910,000

For salaries and expenses, as authorized by law, \$15,910,000, including: Office of the Speaker, \$1,866,000, including \$25,000 for official expenses of the Speaker; Office of the Majority Floor Leader, \$1,830,000, including \$10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, \$2,224,000, including \$10,000 for official expenses of the Minority Leader; Office of the Majority Whip, including the Chief Deputy Majority Whip, \$1,562,000, including \$5,000 for official expenses of the Majority Whip; Office of the Minority Whip, including the Chief Deputy Minority Whip, \$1,168,000, including \$5,000 for official expenses of the Minority Whip; Speaker’s Office for Legislative Floor Activities, \$431,000; Republican Steering Committee, \$806,000; Republican Conference, \$1,342,000; Democratic Steering and Policy Committee, \$1,435,000; Democratic Caucus, \$713,000; nine minority employees, \$1,293,000; training and program development—majority, \$290,000; training and program development—minority, \$290,000; Cloakroom Personnel—majority, \$330,000; and Cloakroom Personnel—minority, \$330,000.

MEMBERS’ REPRESENTATIONAL ALLOWANCES

INCLUDING MEMBERS’ CLERK HIRE, OFFICIAL EXPENSES OF MEMBERS, AND OFFICIAL MAIL

479,472,000 For Members’ representational allowances, including Members’ clerk hire, official expenses, and official mail, \$479,472,000.

COMMITTEE EMPLOYEES

STANDING COMMITTEES, SPECIAL AND SELECT

104,514,000 For salaries and expenses of standing committees, special and select, authorized by House resolutions, \$104,514,000: *Provided,*

That such amount shall remain available for such salaries and expenses until December 31, 2002.

COMMITTEE ON APPROPRIATIONS

For salaries and expenses of the Committee on Appropriations, \$23,002,000, including studies and examinations of executive agencies and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act of 1946 and to be available for reimbursement to agencies for services performed: *Provided*, That such amount shall remain available for such salaries and expenses until December 31, 2002. \$23,002,000

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, \$101,766,000, including: for salaries and expenses of the Office of the Clerk, including not more than \$11,000, of which not more than \$10,000 is for the Family Room, for official representation and reception expenses, \$15,408,000; for salaries and expenses of the Office of the Sergeant at Arms, including the position of Superintendent of Garages, and including not more than \$750 for official representation and reception expenses, \$4,139,000; for salaries and expenses of the Office of the Chief Administrative Officer, \$67,495,000, of which \$3,525,000 shall remain available until expended, including \$31,510,000 for salaries, expenses and temporary personal services of House Information Resources, of which \$31,390,000 is provided herein: *Provided*, That of the amount provided for House Information Resources, \$8,656,000 shall be for net expenses of telecommunications: *Provided further*, That House Information Resources is authorized to receive reimbursement from Members of the House of Representatives and other governmental entities for services provided and such reimbursement shall be deposited in the Treasury for credit to this account; for salaries and expenses of the Office of the Inspector General, \$3,756,000; for salaries and expenses of the Office of General Counsel, \$894,000; for the Office of the Chaplain, \$144,000; for salaries and expenses of the Office of the Parliamentarian, including the Parliamentarian and \$2,000 for preparing the Digest of Rules, \$1,344,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, \$2,107,000; for salaries and expenses of the Office of the Legislative Counsel of the House, \$5,456,000; for salaries and expenses of the Corrections Calendar Office, \$883,000; and for other authorized employees, \$140,000. 101,766,000

ALLOWANCES AND EXPENSES

For allowances and expenses as authorized by House resolution or law, \$157,436,000, including: supplies, materials, administrative costs and Federal tort claims, \$3,379,000; official mail for committees, leadership offices, and administrative offices of the House, \$410,000; Government contributions for health, retirement, Social Security, and other applicable employee benefits, \$152,957,000; and miscellaneous items including purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions, and gratuities to heirs of deceased employees of the House, \$690,000. 157,436,000

¹ - 4,500,000

[*Total, salaries and expenses, \$878,050,000.*]

¹ Undistributed reduction.

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

CHILD CARE CENTER

For salaries and expenses of the House of Representatives Child Care Center, such amounts as are deposited in the account established by section 312(d)(1) of the Legislative Branch Appropriations Act, 1992 (40 U.S.C. 184g(d)(1)), subject to the level specified in the budget of the Center, as submitted to the Committee on Appropriations of the House of Representatives.

ADMINISTRATIVE PROVISIONS

Effective date.
Government
organization.
2 USC 74a-7
note.

SEC. 113. (a) Effective October 1, 2001, the following four majority positions shall be transferred from the Clerk to the Speaker:

- (1) The position of chief of floor service.
- (2) Two positions of assistant floor chief.
- (3) One position of cloakroom attendant.

(b) Effective October 1, 2001, the following four minority positions shall be transferred from the Clerk to the minority leader:

- (1) The position of chief of floor service.
- (2) Two positions of assistant floor chief.
- (3) One position of cloakroom attendant.

(c) Notwithstanding any other provision of law, in the case of an individual who is an incumbent of a position transferred under subsection (a) or subsection (b) at the time of the transfer, the total number of days of annual leave and the total number of days of sick leave which were provided by the Clerk to the individual and which remain unused as of the date of the transfer shall remain available for the individual to use after the transfer.

SEC. 114. (a) The third sentence of section 104(a)(1) of the Legislative Branch Appropriations Act, 1987 (as incorporated by reference in section 101(j) of Public Law 99-500 and Public Law 99-591) (2 U.S.C. 117e(1)) is amended by striking “for credit to the appropriate account” and all that follows and inserting the following: “for credit to the appropriate account of the House of Representatives, and shall be available for expenditure in accordance with applicable law. For purposes of the previous sentence, in the case of receipts from the sale or disposal of any audio or video transcripts prepared by the House Recording Studio, the ‘appropriate account of the House of Representatives’ shall be the account of the Chief Administrative Officer of the House of Representatives.”.

Applicability.
2 USC 117e note.

(b) The amendment made by subsection (a) shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

SEC. 115. (a) **REQUIRING AMOUNTS REMAINING IN MEMBERS’ REPRESENTATIONAL ALLOWANCES TO BE USED FOR DEFICIT REDUCTION OR TO REDUCE THE FEDERAL DEBT.**—Notwithstanding any other provision of law, any amounts appropriated under this Act for “HOUSE OF REPRESENTATIVES—SALARIES AND EXPENSES—MEMBERS’ REPRESENTATIONAL ALLOWANCES” shall be available only for fiscal year 2002. Any amount remaining after all payments are made under such allowances for fiscal year 2002 shall be deposited in the Treasury and used for deficit reduction (or, if there is no Federal budget deficit after all such payments have been made, for reducing the Federal debt, in such manner as the Secretary of the Treasury considers appropriate).

(b) REGULATIONS.—The Committee on House Administration of the House of Representatives shall have authority to prescribe regulations to carry out this section.

(c) DEFINITION.—As used in this section, the term “Member of the House of Representatives” means a Representative in, or a Delegate or Resident Commissioner to, the Congress.

SEC. 116. (a) DAY FOR PAYING SALARIES OF THE HOUSE OF REPRESENTATIVES.—The usual day for paying salaries in or under the House of Representatives shall be the last day of each month, except that if the last day of a month falls on a Saturday, Sunday, or a legal public holiday, the Chief Administrative Officer of the House of Representatives shall pay such salaries on the first weekday which precedes the last day. 2 USC 60d-1.

(b) CONFORMING AMENDMENT.—(1) The first section and section 2 of the Joint Resolution entitled “Joint resolution authorizing the payment of salaries of the officers and employees of Congress for December on the 20th day of that month each year”, approved May 21, 1937 (2 U.S.C. 60d and 60e), are each repealed.

(2) The last paragraph under the heading “Contingent Expense of the House” in the First Deficiency Appropriation Act, 1946 (2 U.S.C. 60e-1), is repealed.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to pay periods beginning after the expiration of the 1-year period which begins on the date of the enactment of this Act.

Applicability.
2 USC 60d-1
note.

SEC. 117. (a) The aggregate amount otherwise authorized to be appropriated for a fiscal year for the lump-sum allowance for the Office of the Speaker of the House of Representatives shall be increased by \$40,000.

2 USC 74a-12.

(b) This section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

Applicability.

SEC. 118. (a) Effective with respect to fiscal year 2002 and each succeeding fiscal year, there are hereby established 2 additional positions in each of the following offices of the House of Representatives:

Effective date.
Government
organization.
2 USC 75f.

- (1) The Office of the Clerk.
- (2) The Office of the Chief Administrative Officer.
- (3) The Office of the Sergeant at Arms.

(b) The duty of the personnel appointed to a position established under this section shall be to ensure the continuity of the operations of the House of Representatives during periods of emergency, in accordance with the direction of the head of the office in which the position is established.

(c) The annual rate of pay provided for a position established under this section shall be determined by the head of the office in which the position is established.

(d) Notwithstanding any other provision of law, the head of the office in which a position is established under this section shall have the exclusive authority to appoint personnel to such a position.

SEC. 119. (a) Section 408 of the Congressional Accountability Act of 1995 (2 U.S.C. 1408) is amended by adding at the end the following new subsection:

“(d) APPEARANCES BY HOUSE EMPLOYMENT COUNSEL.—

“(1) IN GENERAL.—The House Employment Counsel of the House of Representatives and any other counsel in the Office of House Employment Counsel of the House of Representatives,

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

including any counsel specially retained by the Office of House Employment Counsel, shall be entitled, for the purpose of providing legal assistance and representation to employing offices of the House of Representatives under this Act, to enter an appearance in any proceeding before any court of the United States or of any State or political subdivision thereof without compliance with any requirements for admission to practice before such court, except that the authorization conferred by this paragraph shall not apply with respect to the admission of any such person to practice before the United States Supreme Court.

“(2) HOUSE EMPLOYMENT COUNSEL DEFINED.—In this subsection, the term ‘Office of House Employment Counsel of the House of Representatives’ means—

“(A) the Office of House Employment Counsel established and operating under the authority of the Clerk of the House of Representatives as of the date of the enactment of this subsection;

“(B) any successor office to the Office of House Employment Counsel which is established after the date of the enactment of this subsection; and

“(C) any other person authorized and directed in accordance with the Rules of the House of Representatives to provide legal assistance and representation to employing offices of the House of Representatives in connection with actions brought under this title.”.

Applicability.
Effective date.
2 USC 1408 note.

(b) The amendment made by this section shall apply with respect to proceedings occurring on or after the date of the enactment of this Act.

[Total, House of Representatives, \$878,195,000.]

JOINT ITEMS

For Joint Committees, as follows:

JOINT ECONOMIC COMMITTEE

\$3,424,000 For salaries and expenses of the Joint Economic Committee, \$3,424,000, to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON TAXATION

6,733,000 For salaries and expenses of the Joint Committee on Taxation, \$6,733,000, to be disbursed by the Chief Administrative Officer of the House.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including: (1) an allowance of \$1,500 per month to the Attending Physician; (2) an allowance of \$500 per month each to three medical officers while on duty in the Office of the Attending Physician; (3) an allowance of \$500 per month to two assistants and \$400 per month each not to exceed 11 assistants on the basis heretofore provided for such assistants; and (4) \$1,253,904 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

Physician, which shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, \$1,865,000, to be disbursed by the Chief Administrative Officer of the House of Representatives. \$1,865,000

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

For the Capitol Police Board for salaries of officers, members, and employees of the Capitol Police, including overtime, hazardous duty pay differential, clothing allowance of not more than \$600 each for members required to wear civilian attire, and Government contributions for health, retirement, Social Security, and other applicable employee benefits, \$113,044,000, of which \$55,239,000 is provided to the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief Administrative Officer of the House of Representatives, and \$57,805,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate: *Provided*, That, of the amounts appropriated under this heading, such amounts as may be necessary may be transferred between the Sergeant at Arms of the House of Representatives and the Sergeant at Arms and Doorkeeper of the Senate, upon approval of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate. 113,044,000

GENERAL EXPENSES

For the Capitol Police Board for necessary expenses of the Capitol Police, including motor vehicles, communications and other equipment, security equipment and installation, uniforms, weapons, supplies, materials, training, medical services, forensic services, stenographic services, personal and professional services, the employee assistance program, not more than \$2,000 for the awards program, postage, telephone service, travel advances, relocation of instructor and liaison personnel for the Federal Law Enforcement Training Center, and \$85 per month for extra services performed for the Capitol Police Board by an employee of the Sergeant at Arms and Doorkeeper of the Senate or the Sergeant at Arms of the House of Representatives designated by the Chairman of the Board, \$13,146,000, to be disbursed by the Capitol Police Board or their delegee: *Provided*, That, notwithstanding any other provision of law, the cost of basic training for the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 2002 shall be paid by the Secretary of the Treasury from funds available to the Department of the Treasury. 13,146,000

ADMINISTRATIVE PROVISIONS

SEC. 120. Amounts appropriated for fiscal year 2002 for the Capitol Police Board for the Capitol Police may be transferred between the headings "SALARIES" and "GENERAL EXPENSES" upon the approval of—

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

(1) the Committee on Appropriations of the House of Representatives, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms of the House of Representatives under the heading "SALARIES";

(2) the Committee on Appropriations of the Senate, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms and Doorkeeper of the Senate under the heading "SALARIES"; and

(3) the Committees on Appropriations of the Senate and the House of Representatives, in the case of other transfers.

40 USC 206d.

SEC. 121. At any time on or after the date of the enactment of this Act, the United States Capitol Police may accept contributions of meals and refreshments in support of activities of the United States Capitol Police during a period of emergency (as determined by the Capitol Police Board).

40 USC 206a-9.

SEC. 122. (a) Section 108(a)(4) of the Legislative Branch Appropriations Act, 2001, as amended by section 507(a) of the Department of Transportation and Related Agencies Appropriations Act, 2001 (as enacted into law by reference in section 101(a) of Public Law 106-346), is amended by striking "the Capitol Police Board" and all that follows and inserting the following: "the Chief of the Capitol Police, but not to exceed \$1,000 less than the annual rate of pay for the Chief of the Capitol Police."

Applicability.
Effective date.
40 USC 206a-9
note.

(b) The amendment made by subsection (a) shall apply with respect to pay periods beginning on or after October 1, 2001.

SEC. 123. Any obligation or expenditure of funds made prior to the date of enactment of this Act by the House of Representatives or the Capitol Police Board for meals, refreshments, and other support and maintenance in response to a biological or other threat made after September 11, 2001 shall be deemed to have been made in compliance with sections 1301 and 1341 of title 31, United States Code.

40 USC 206e.

SEC. 124. At any time on or after the date of enactment of this Act, the Capitol Police Board may incur obligations and make expenditures out of available appropriations for meals, refreshments and other support and maintenance for the Capitol Police when, in the judgment of the Capitol Police Board, such obligations and expenditures are necessary to respond to emergencies involving the safety of human life or the protection of property.

[Total, Capitol Police, \$126,190,000.]

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

For salaries and expenses of the Capitol Guide Service and Special Services Office, \$2,512,000, to be disbursed by the Secretary of the Senate: *Provided*, That no part of such amount may be used to employ more than 43 individuals: *Provided further*, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than 120 days each, and not more than 10 additional individuals for not more than 6 months each, for the Capitol Guide Service.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the first session of the One Hundred Seventh Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

the regular appropriations bills as required by law, \$30,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

\$30,000

[Total, Joint items, \$140,754,000.]

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), \$2,059,000, of which \$254,000 shall remain available until September 30, 2003.

2,059,000

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), including not more than \$3,000 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, \$30,780,000: *Provided*, That no part of such amount may be used for the purchase or hire of a passenger motor vehicle.

30,780,000

ADMINISTRATIVE PROVISIONS

SEC. 125. (a) The Director of the Congressional Budget Office may, by regulation, make applicable such provisions of chapter 41 of title 5, United States Code, as the Director determines necessary to provide hereafter for training of individuals employed by the Congressional Budget Office.

2 USC 609.

(b) The implementing regulations shall provide for training that, in the determination of the Director, is consistent with the training provided by agencies subject to chapter 41 of title 5, United States Code.

(c) Any recovery of debt owed to the Congressional Budget Office under this section and its implementing regulations shall be credited to the appropriations account available for salaries and expenses of the Office at the time of recovery.

(d) This section shall apply to fiscal year 2002 and each fiscal year thereafter.

Applicability.

SEC. 126. Section 105(a) of the Legislative Branch Appropriations Act, 1997 (2 U.S.C. 606(a)), is amended by striking "or discarding." and inserting "sale, trade-in, or discarding.", and by adding at the end the following: "Amounts received for the sale or trade-in of personal property shall be credited to funds available for the operations of the Congressional Budget Office and be available for the costs of acquiring the same or similar property. Such funds shall be available for such purposes during the fiscal year in which received and the following fiscal year."

SEC. 127. (a) The Director of the Congressional Budget Office may, in order to recruit or retain qualified personnel, establish and maintain hereafter a program under which the Office may agree to repay (by direct payments on behalf of the employee) all or a portion of any student loan previously taken out by such employee.

2 USC 610.

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

(b) The Director may, by regulation, make applicable such provisions of section 5379 of title 5, United States Code as the Director determines necessary to provide for such program.

(c) The regulations shall provide the amount paid by the Office may not exceed—

(1) \$6,000 for any employee in any calendar year; or

(2) a total of \$40,000 in the case of any employee.

(d) The Office may not reimburse an employee for any repayments made by such employee prior to the Office entering into an agreement under this section with such employee.

(e) Any amount repaid by, or recovered from, an individual under this section and its implementing regulations shall be credited to the appropriation account available for salaries and expenses of the Office at the time of repayment or recovery.

Applicability.

(f) This section shall apply to fiscal year 2002 and each fiscal year thereafter.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For salaries for the Architect of the Capitol, the Assistant Architect of the Capitol, and other personal services, at rates of pay provided by law; for surveys and studies in connection with activities under the care of the Architect of the Capitol; for all necessary expenses for the general and administrative support of the operations under the Architect of the Capitol including the Botanic Garden; electrical substations of the Capitol, Senate and House office buildings, and other facilities under the jurisdiction of the Architect of the Capitol; including furnishings and office equipment; including not more than \$1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; for purchase or exchange, maintenance, and operation of a passenger motor vehicle; and not to exceed \$20,000 for attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, \$51,371,000, of which \$3,026,000 shall remain available until September 30, 2006.

\$51,371,000

CAPITOL BUILDINGS

For all necessary expenses for the maintenance, care and operation of the Capitol, \$15,194,000, of which \$3,080,000 shall remain available until September 30, 2006.

15,194,000

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, \$6,009,000.

6,009,000

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

SENATE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of Senate office buildings; and furniture and furnishings to be expended under the control and supervision of the Architect of the Capitol, \$42,126,000, of which \$3,760,000 shall remain available until September 30, 2006. \$42,126,000

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House office buildings, \$54,006,000, of which \$23,344,000 shall remain available until September 30, 2006. 54,006,000

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation, \$52,583,000, of which \$8,013,000 shall remain available until September 30, 2006: *Provided*, That not more than \$4,400,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 2002. 52,583,000

ADMINISTRATIVE PROVISIONS

SEC. 128. ACQUISITION OF PROPERTY BY ARCHITECT OF THE CAPITOL.—Notwithstanding any other provision of law and subject to the availability of appropriations, the Architect of the Capitol is authorized to secure, through multi-year rental, lease, or other appropriate agreement, the property located at 67 K Street, S.W., Washington, D.C., for use of Legislative Branch agencies, and to incur any necessary incidental expenses including maintenance, alterations, and repairs in connection therewith: *Provided*, That in connection with the property referred to under the preceding proviso, the Architect of the Capitol is authorized to expend funds appropriated to the Architect of the Capitol for the purpose of the operations and support of Legislative Branch agencies, including the United States Capitol Police, as may be required for that purpose. 40 USC 174b-1 note.

SEC. 129. (a) COMPENSATION OF ARCHITECT OF THE CAPITOL.—Section 203(c) of the Federal Legislative Salary Act of 1964 (40 U.S.C. 162a) is amended by striking “the annual rate of basic pay” and all that follows and inserting the following: “the lesser of the annual salary for the Sergeant at Arms of the House of Representatives or the annual salary for the Sergeant at Arms and Doorkeeper of the Senate.”

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

40 USC 166b-3a
note.

(b) COMPENSATION OF ASSISTANT ARCHITECT OF THE CAPITOL.—Pursuant to the authority described in section 308(a) of the Legislative Branch Appropriations Act, 1988 (40 U.S.C. 166b-3a(a)), the pay for the position of assistant referred to in the proviso in the first undesignated paragraph under the center subheadings “OFFICE OF THE ARCHITECT OF THE CAPITOL” and “SALARIES” in the first section of the Legislative Branch Appropriation Act, 1971 (40 U.S.C. 164a) shall be an amount equal to \$1,000 less than the annual rate of pay for the Architect of the Capitol.

(c) COMPENSATION FOR CERTAIN OTHER POSITIONS.—

(1) IN GENERAL.—In accordance with the authority described in section 308(a) of the Legislative Branch Appropriations Act, 1988 (40 U.S.C. 166b-3a(a)), section 108 of the Legislative Branch Appropriations Act, 1991 (40 U.S.C. 166b-3b) is amended—

(A) by striking subsections (a) and (b) and inserting the following:

“(a) The Architect of the Capitol may fix the rate of basic pay for not more than 12 positions at a rate not to exceed the highest total rate of pay for the Senior Executive Service under subchapter VIII of chapter 53 of title 5, United States Code, for the locality involved.”; and

(B) by redesignating subsection (c) as subsection (b).

Applicability.
40 USC 166b-3b
note.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to pay periods beginning on or after the expiration of the 21-day period which begins on the date the Architect of the Capitol submits to the Committees on Appropriations of the House of Representatives and Senate a list containing the 12 positions for which the Architect will fix the rate of basic pay under the amendment, the rate of basic pay for each such position, and the job description for each such position.

(d) COMPREHENSIVE MANAGEMENT STUDY AND RESPONSE.—

Deadline.
40 USC 162 note.

(1) STUDY BY COMPTROLLER GENERAL.—Not later than November 1, 2002, the Comptroller General shall conduct a comprehensive management study of the operations of the Architect of the Capitol, and submit the study to the Architect of the Capitol and the Committees on Appropriations of the House of Representatives and Senate.

(2) PLAN BY ARCHITECT IN RESPONSE.—After the Comptroller General submits the study conducted under paragraph (1) to the Committees referred to in such paragraph, the Architect of the Capitol shall develop and submit to such Committees a management improvement plan which addresses the study and which indicates how the personnel for whom the Architect fixes the rate of basic pay under the amendment made by subsection (c)(1) will support such plan.

Applicability.
40 USC 162a
note.

(e) EFFECTIVE DATE.—Except as provided in subsections (c)(2) and (d), this section and the amendments made by this section shall apply with respect to pay periods beginning on or after October 1, 2001.

40 USC 166j.

SEC. 130. (a) LIQUIDATED DAMAGES.—The Architect of the Capitol may not enter into or administer any construction contract with a value greater than \$50,000 unless the contract includes a provision requiring the payment of liquidated damages in the amount determined under subsection (b) in the event that completion of the project is delayed because of the contractor.

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

(b) AMOUNT OF PAYMENT.—The amount of payment required under a liquidated damages provision described in subsection (a) shall be equal to the product of—

- (1) the daily liquidated damage payment rate; and
- (2) the number of days by which the completion of the project is delayed.

(c) DAILY LIQUIDATED DAMAGE PAYMENT RATE.—

(1) IN GENERAL.—In subsection (b), the “daily liquidated damage payment rate” means—

(A) \$140, in the case of a contract with a value greater than \$50,000 and less than \$100,000;

(B) \$200, in the case of a contract with a value equal to or greater than \$100,000 and equal to or less than \$500,000; and

(C) the sum of \$200 plus \$50 for each \$100,000 increment by which the value of the contract exceeds \$500,000, in the case of a contract with a value greater than \$500,000.

(2) ADJUSTMENT IN RATE PERMITTED.—Notwithstanding paragraph (1), the daily liquidated damage payment rate may be adjusted by the contracting officer involved to a rate greater or lesser than the rate described in such paragraph if the contracting officer makes a written determination that the rate described does not accurately reflect the anticipated damages which will be suffered by the United States as a result of the delay in the completion of the contract.

(d) EFFECTIVE DATE.—This section shall apply with respect to contracts entered into during fiscal year 2002 or any succeeding fiscal year.

Applicability.

SEC. 131. Notwithstanding any other provision of law: (1) section 3709 of the Revised Statutes (41 U.S.C. 5) shall apply with respect to purchases and contracts for the Architect of the Capitol as if the reference to “\$25,000” in clause I of such section were a reference to “\$100,000”; and (2) the Architect may procure services, equipment, and construction for security related projects in the most efficient manner he determines appropriate.

Applicability.
40 USC 162 note.

SEC. 132. ACCOUNTING AND FINANCIAL MANAGEMENT SYSTEM. The Architect of the Capitol shall develop and maintain an accounting and financial management system, including financial reporting and internal controls, which—

40 USC 162 note.

(1) complies with applicable federal accounting principles, standards, and requirements, and internal control standards;

(2) complies with any other requirements applicable to such systems; and

(3) provides for—

(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to financial information needs of the Architect of the Capitol;

(B) the development and reporting of cost information;

(C) the integration of accounting and budgeting information; and

(D) the systematic measurement of performance.

SEC. 133. (a) LIMITATION.—(1) Except as provided in paragraph (2), none of the funds provided by this Act or any other Act may be used by the Architect of the Capitol after the expiration of the 90-day period which begins on the date of the enactment of this Act to employ any individual as a temporary employee within

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

a category of temporary employment which does not provide employees with the same eligibility for life insurance, health insurance, retirement, and other benefits which is provided to temporary employees who are hired for a period exceeding 1 year in length.

(2) Paragraph (1) shall not apply with respect to any of the following individuals:

(A) An individual who is employed under the Architect of the Capitol Summer Employment Program.

(B) An individual who is hired for a total of 120 days or less during any 5-year period (excluding any days in which the individual is employed under the Architect of the Capitol Summer Employment Program).

(C) An individual employed by the Architect of the Capitol as a temporary employee as of the date of the enactment of this Act who exercises in writing, not later than 90 days after such date, an option offered by the Architect to remain under the pay system (including benefits) provided for the individual as of such date.

(D) An individual who becomes employed by the Architect of the Capitol after the date of the enactment of this Act who exercises in writing, prior to the individual's employment, an option offered by the Architect to receive pay and benefits under an alternative system which does not provide the benefits described in paragraph (1), except that under such an option the Architect shall be required to provide the individual with the benefits described in paragraph (1) as soon as the individual's period of service as a temporary employee exceeds 1 year in length.

(3) Nothing in this subsection may be construed to require the Architect of the Capitol to provide duplicative benefits for any employee.

(b) ALLOTMENT AND ASSIGNMENT OF PAY.—(1) Section 5525 of title 5, United States Code, is amended by adding at the end the following new sentence: "For purposes of this section, the term 'agency' includes the Office of the Architect of the Capitol."

(2) The amendment made by paragraph (1) shall apply with respect to pay periods beginning on or after the date of the enactment of this Act.

SEC. 134. CONGRESSIONAL AWARD YOUTH PARK. (a) DESIGNATION.—The parcel of approximately 5 acres of land located on the Capitol Grounds and described in subsection (b) shall be known and designated as the "Congressional Award Youth Park".

(b) AREA INCLUDED.—

(1) IN GENERAL.—The parcel of land described in subsection (a) is—

(A) bounded on the north by Constitution Avenue, N.W.;

(B) bounded on the east by First Street, N.W.;

(C) bounded on the south by Pennsylvania Avenue, N.W.; and

(D) bounded on the west by Third Street N.W.

(2) EXTENSION.—The park shall extend to the curbs of the streets described in paragraph (1).

(c) DESIGN.—

(1) COMPETITION.—The Architect of the Capitol shall sponsor a competition for the design of the park, based on specifications developed by the Architect.

Applicability.
Effective date.
5 USC 5525 note.
40 USC 217c.

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

(2) SPECIFICATIONS.—

(A) IN GENERAL.—Not later than June 30, 2002, the Architect, in consultation with the majority leader and the minority leader of the Senate, and the Speaker and the minority leader of the House of Representatives, shall develop the specifications for the park. Deadline.

(B) REQUIREMENTS.—

(i) IN GENERAL.—The specifications shall require an outdoor design that is accessible to the public.

(ii) INCLUSIONS.—To the maximum extent practicable, the specifications shall include requirements for—

- (I) a fountain;
- (II) extensive use of trees and flowering plants from each of the 50 States;
- (III) large-scale replicas of the medals awarded under the Congressional Award Program; and
- (IV) the inscription of the names of all Congressional Award recipients.

(3) SELECTION.—

(A) IN GENERAL.—As soon as practicable after the competition is completed, the Architect shall forward at least 3 designs, with recommendations, to the United States Capitol Preservation Commission.

(B) FINAL SELECTION.—The United States Capitol Preservation Commission shall select and approve the final design from among the 3 designs submitted under subparagraph (A).

(d) FUNDING.—Funds otherwise made available to the Architect of the Capitol under this Act shall be available to carry out this section.

SEC. 135. LIMITATION ON CERTAIN GIFTS AND EXPENDITURES RELATING TO THE NATIONAL GARDEN. Section 201 of the Legislative Branch Appropriations Act, 1993 (40 U.S.C. 216c note) is amended by striking “\$14,500,000” each place it appears and inserting “\$16,500,000”.

[Total, Architect of the Capitol, \$221,289,000.]

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, \$81,454,000: *Provided*, That no part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate.

\$81,454,000

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

(INCLUDING TRANSFER OF FUNDS)

For authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (section 902 of title 44, United States Code); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, \$81,000,000: *Provided*, That this appropriation shall not be available for paper copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under section 906 of title 44, United States Code: *Provided further*, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years: *Provided further*, That notwithstanding the 2-year limitation under section 718 of title 44, United States Code, none of the funds appropriated or made available under this Act or any other Act for printing and binding and related services provided to Congress under chapter 7 of title 44, United States Code, may be expended to print a document, report, or publication after the 27-month period beginning on the date that such document, report, or publication is authorized by Congress to be printed, unless Congress reauthorizes such printing in accordance with section 718 of title 44, United States Code: *Provided further*, That any unobligated or unexpended balances in this account or accounts for similar purposes for preceding fiscal years may be transferred to the Government Printing Office revolving fund for carrying out the purposes of this heading, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate.

This title may be cited as the “Congressional Operations Appropriations Act, 2002”.

[*Total, title I, Congressional Operations, \$2,042,416,000.*]

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; and purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, \$5,646,000: *Provided*, That this appropriation shall not be available for any activities of the National Garden.

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Union Catalogs; custody and custodial care of the Library buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog records and other publications of the Library; hire or purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, \$306,692,000, of which not more than \$6,500,000 shall be derived from collections credited to this appropriation during fiscal year 2002, and shall remain available until expended, under the Act of June 28, 1902 (chapter 1301; 32 Stat. 480; 2 U.S.C. 150) and not more than \$350,000 shall be derived from collections during fiscal year 2002 and shall remain available until expended for the development and maintenance of an international legal information database and activities related thereto: *Provided*, That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: *Provided further*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the \$6,850,000: *Provided further*, That of the total amount appropriated, \$15,824,474 is to remain available until expended for acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library, including \$40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: *Provided further*, That of the total amount appropriated, \$1,517,903 is to remain available until expended for the acquisition and partial support for implementation of an Integrated Library System (ILS): *Provided further*, That of the total amount appropriated, \$7,100,000 is to remain available until expended for the purpose of teaching educators how to incorporate the Library's digital collections into school curricula and shall be transferred to the educational consortium formed to conduct the "Joining Hands Across America: Local Community Initiative" project as approved by the Library: *Provided further*, That of the amount appropriated, \$500,000 shall be transferred to the Abraham Lincoln Bicentennial Commission to remain available until expended for carrying out the purposes of Public Law 106-173, of which amount \$3,000 may be used for official representation and reception expenses of the Abraham Lincoln Bicentennial Commission.

\$306,692,000

-6,850,000
(receipts)

[Total, \$299,842,000.]

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, \$40,896,000, of which not more than \$21,880,000, to remain available until expended, shall be derived from collections credited to this appropriation during fiscal year 2002 under section 708(d) of title 17,

40,896,000

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

United States Code: *Provided*, That the Copyright Office may not obligate or expend any funds derived from collections under such section, in excess of the amount authorized for obligation or expenditure in appropriations Acts: *Provided further*, That not more than \$5,984,000 shall be derived from collections during fiscal year 2002 under sections 111(d)(2), 119(b)(2), 802(h), and 1005 of such title: *Provided further*, That the total amount available for obligation shall be reduced by the amount by which collections are less than \$27,864,000: *Provided further*, That not more than \$100,000 of the amount appropriated is available for the maintenance of an “International Copyright Institute” in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies: *Provided further*, That not more than \$4,250 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for activities of the International Copyright Institute and for copyright delegations, visitors, and seminars.

-\$27,864,000
(receipts)

[Total, \$13,032,000.]

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

49,788,000 For salaries and expenses to carry out the Act of March 3, 1931 (chapter 400; 46 Stat. 1487; 2 U.S.C. 135a), \$49,788,000, of which \$14,437,000 shall remain available until expended.

FURNITURE AND FURNISHINGS

7,932,000 For necessary expenses for the purchase, installation, maintenance, and repair of furniture, furnishings, office and library equipment, \$7,932,000.

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount of not more than \$300,000, of which \$75,000 is for the Congressional Research Service, when specifically authorized by the Librarian of Congress, for attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS-15; and

(2) grants such manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term “manager or supervisor” means any management official or supervisor, as such terms are defined in section 7103(a)(10) and (11) of title 5, United States Code.

SEC. 203. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of sections 1535 and 1536

of title 31, United States Code, shall not be used to employ more than 65 employees and may be expended or obligated—

(1) in the case of a reimbursement, only to such extent or in such amounts as are provided in appropriations Acts; or

(2) in the case of an advance payment, only—

(A) to pay for such general or administrative overhead costs as are attributable to the work performed for such agency; or

(B) to such extent or in such amounts as are provided in appropriations Acts, with respect to any purpose not allowable under subparagraph (A).

SEC. 204. Of the amounts appropriated to the Library of Congress in this Act, not more than \$5,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the incentive awards program.

SEC. 205. Of the amount appropriated to the Library of Congress in this Act, not more than \$12,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the Overseas Field Offices.

SEC. 206. (a) For fiscal year 2002, the obligational authority of the Library of Congress for the activities described in subsection (b) may not exceed \$114,473,000.

(b) The activities referred to in subsection (a) are reimbursable and revolving fund activities that are funded from sources other than appropriations to the Library in appropriations Acts for the legislative branch.

(c) For fiscal year 2002, the Librarian of Congress may temporarily transfer funds appropriated in this Act under the heading “LIBRARY OF CONGRESS—SALARIES AND EXPENSES” to the revolving fund for the FEDLINK Program and the Federal Research Program established under section 103 of the Library of Congress Fiscal Operations Improvement Act of 2000 (Public Law 106-481; 2 U.S.C. 182c): *Provided*, That the total amount of such transfers may not exceed \$1,900,000: *Provided further*, That the appropriate revolving fund account shall reimburse the Library for any amounts transferred to it before the period of availability of the Library appropriation expires.

SEC. 207. Section 101 of the Library of Congress Fiscal Operations Improvement Act of 2000 (Public Law 106-481; 2 U.S.C. 182a) is amended—

(1) in the heading, by striking “**AUDIO AND VIDEO**”; and

(2) in subsection (a), by striking “audio and video”.

SEC. 208. (a) Section 102(a) of the Library of Congress Fiscal Operations Improvement Act of 2000 (2 U.S.C. 182b(a)) is amended by adding at the end the following new paragraph:

“(4) Special events and programs.”.

(b) The amendment made by subsection (a) shall take effect upon the date on which the Committees on Appropriations of the House of Representatives and Senate approve a report submitted to the Committees by the Librarian of Congress which describes the guidelines and policies applicable to the hosting of special events and programs by the Librarian which are covered under

Effective date.
Reports.
2 USC 182b note.

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

section 102(a)(4) of the Library of Congress Fiscal Operations Improvement Act of 2000 (as added by subsection (a)).

36 USC note
prec. 101.

SEC. 209. Section 7 of the Abraham Lincoln Bicentennial Commission Act, Public Law 106-173, is amended by adding the following new subsections:

“(f) GIFTS.—The Commission may, for the purpose of carrying out this Act, accept and use gifts of money, property, and services, and, notwithstanding section 1342 of title 31, United States Code, may accept and use voluntary services as the Commission deems necessary.

“(g) DETAIL OF FEDERAL EMPLOYEES.—On the request of the Commission, the head of a Federal agency or other Federal appointing authority may detail, on a reimbursable or nonreimbursable basis, any of its employees to the Commission to assist the Commission in carrying out the duties of the Commission under this Act. Any such detail of an employee shall be without interruption or loss of civil service status or privilege.”.

[*Total, Library of Congress (except CRS), \$370,594,000.*]

ARCHITECT OF THE CAPITOL

CAPITOL VISITOR CENTER

\$70,000,000 For an additional amount for the unassigned space in the Capitol Visitor Center project, \$70,000,000, to remain available until expended: *Provided*, That section 3709 of the Revised Statutes of the United States (41 U.S.C. 5) shall not apply to the funds made available under this heading: *Provided further*, That the Architect of the Capitol may not obligate any of the funds which are made available for the Capitol Visitor Center under this Act or any other Act without an obligation plan approved by the chair and ranking minority member of the Committee on Appropriations of the House of Representatives for House space and the Committee on Appropriations of the Senate for Senate space.

CONGRESSIONAL CEMETERY

1,250,000 For the perpetual care and maintenance of the historic Congressional Cemetery, \$1,250,000, to remain available until expended: *Provided*, That \$1,000,000 of such amount shall be paid to the National Trust for Historic Preservation (hereafter in this paragraph referred to as the “National Trust”) for deposit into the permanently restricted account referred to in section 209(b) of the Legislative Branch Appropriations Act, 1999 (Public Law 105-275; 112 Stat. 2449) and shall be used by the National Trust in accordance with the terms and conditions applicable under such section to amounts deposited into such account: *Provided further*, That \$250,000 of such amount shall be for the preparation of a study to develop a program for the ongoing care and maintenance of the Cemetery.

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

21,753,000 For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, \$21,753,000, of which \$3,748,000 shall remain available

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

until September 30, 2006 and \$5,000,000 shall remain available until expended.

[*Total, Architect of the Capitol, \$93,003,000.*]

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, \$29,639,000: *Provided*, That travel expenses, including travel expenses of the Depository Library Council to the Public Printer, shall not exceed \$175,000: *Provided further*, That amounts of not more than \$2,000,000 from current year appropriations are authorized for producing and disseminating Congressional serial sets and other related publications for 2000 and 2001 to depository and other designated libraries: *Provided further*, That any unobligated or unexpended balances in this account or accounts for similar purposes for preceding fiscal years may be transferred to the Government Printing Office revolving fund for carrying out the purposes of this heading, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate.

\$29,639,000

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the Government Printing Office revolving fund: *Provided*, That not more than \$2,500 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further*, That the revolving fund shall be available for the hire or purchase of not more than 12 passenger motor vehicles: *Provided further*, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further*, That the revolving fund shall be available for temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level V of the Executive Schedule under section 5316 of such title: *Provided further*, That the revolving fund and the funds provided under the headings "OFFICE OF SUPERINTENDENT OF DOCUMENTS" and "SALARIES AND EXPENSES" together may not be available for the full-time equivalent employment of more than 3,260 workyears (or such other number of workyears as the Public Printer may request, subject to the approval of the Committees on Appropriations of the Senate and the House of Representatives): *Provided*

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

further, That activities financed through the revolving fund may provide information in any format: *Provided further*, That the revolving fund shall not be used to administer any flexible or compressed work schedule which applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS-15: *Provided further*, That expenses for attendance at meetings shall not exceed \$75,000.

ADMINISTRATIVE PROVISION

EXTENSION OF EARLY RETIREMENT AND VOLUNTARY SEPARATION
INCENTIVE PAYMENTS FOR GPO

SEC. 210. (a) Section 309 of the Legislative Branch Appropriations Act, 1999 (44 U.S.C. 305 note), is amended—

(1) in subsection (b)(1)(A), by striking “October 1, 2001” and inserting “October 1, 2004”; and

(2) in subsection (c)(2), by striking “September 30, 2001” and inserting “September 30, 2004”.

Effective date.
44 USC 305 note.

(b) The amendments made by this section shall take effect as if included in the enactment of the Legislative Branch Appropriations Act, 1999.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not more than \$12,500 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with section 3324 of title 31, United States Code; benefits comparable to those payable under sections 901(5), 901(6), and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6), and 4081(8)); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries, \$421,844,000: *Provided*, That not more than \$1,751,000 of payments received under section 782 of title 31, United States Code, shall be available for use in fiscal year 2002: *Provided further*, That not more than \$750,000 of reimbursements received under section 9105 of title 31, United States Code, shall be available for use in fiscal year 2002: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum’s costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants: *Provided further*, That payments hereunder to the Forum may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International

Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences.

PAYMENT TO THE RUSSIAN LEADERSHIP DEVELOPMENT
CENTER TRUST FUND

For a payment to the Russian Leadership Development Center Trust Fund for financing activities of the Center for Russian Leadership Development, \$8,000,000.

\$8,000,000

[Total, title II, Other agencies, \$928,726,000.]

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration and for the Senate issued by the Committee on Rules and Administration.

SEC. 302. No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 2002 unless expressly so provided in this Act.

SEC. 303. Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for or the rate of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: *Provided*, That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Contracts.
Public
information.

SEC. 305. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

Notice.

(c) If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.

115 STAT.

PUBLIC LAW 107-68—NOV. 12, 2001

SEC. 306. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of Public Law 104-1 to pay awards and settlements as authorized under such subsection.

SEC. 307. Amounts available for administrative expenses of any legislative branch entity which participates in the Legislative Branch Financial Managers Council (LBFMC) established by charter on March 26, 1996, shall be available to finance an appropriate share of LBFMC costs as determined by the LBFMC, except that the total LBFMC costs to be shared among all participating legislative branch entities (in such allocations among the entities as the entities may determine) may not exceed \$252,000.

40 USC 188b-6.

SEC. 308. Section 316 of Public Law 101-302 is amended in the first sentence of subsection (a) by striking “2001” and inserting “2002”.

Effective date.

SEC. 309. Section 5596(a) of title 5, U.S.C., is amended by deleting “and” at the end of paragraph (4); by deleting the period at the end of paragraph (5) and inserting a semicolon, and by adding the following new paragraphs, which shall be effective for all personnel actions taken on or after the date of enactment of this Act:

“(6) the Architect of the Capitol, including employees of the United States Senate Restaurants; and

“(7) the United States Botanic Garden.”.

SEC. 310. Section 4(b) of the House Employees Position Classification Act (2 U.S.C. 293(b)) is amended by adding at the end the following: “Notwithstanding any other provision of this Act, for purposes of applying the adjustment made by the committee under this subsection for 2002 and each succeeding year, positions under the Chief Administrative Officer shall include positions of the United States Capitol telephone exchange under the Chief Administrative Officer.”.

SEC. 311. The Architect of the Capitol, in consultation with the District of Columbia, is authorized to maintain and improve the landscape features, excluding streets and sidewalks, in the irregular shaped grassy areas bounded by Washington Avenue, SW on the northeast, Second Street SW on the west, Square 582 on the south, and the beginning of the I-395 tunnel on the southeast.

PUBLIC LAW 107-68—NOV. 12, 2001

115 STAT.

SEC. 312. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating the Buy American Act (41 U.S.C. 10a-10c).

Approved November 12, 2001.

LEGISLATIVE HISTORY—H.R. 2647 (S. 1172):

HOUSE REPORTS: Nos. 107-169 (Comm. on Appropriations) and 107-259 (Comm. of Conference).

SENATE REPORTS: No. 107-37 accompanying S. 1172 (Comm. on Appropriations).
CONGRESSIONAL RECORD, Vol. 147 (2001):

July 31, considered and passed House; passed Senate, amended, in lieu of S. 1172.

Nov. 1, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):
Nov. 12, Presidential statement.

[In thousands of dollars]

| | |
|---|-------------|
| Grand total, Legislative Branch Appropriations Act, 2002 | \$2,974,142 |
| Consisting of: | |
| Legislative Branch | 2,971,142 |
| Other budget adjustments | 3,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**MILITARY CONSTRUCTION
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-64

PUBLIC LAW 107-64—NOV. 5, 2001

115 STAT.

determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds appropriated for “Military Construction, Navy” under Public Law 106-246, \$19,588,000 are rescinded. —\$19,588,000
[Net total, \$1,124,633,000.]

MILITARY CONSTRUCTION, AIR FORCE

(INCLUDING RESCISSION)

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, \$1,194,880,000, to remain available until September 30, 2006: *Provided*, That of this amount, not to exceed \$83,210,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds appropriated for “Military Construction, Air Force” under previous Military Construction Appropriations Acts, \$4,000,000 are rescinded. —4,000,000
[Net total, \$1,190,880,000.]

MILITARY CONSTRUCTION, DEFENSE-WIDE

(INCLUDING TRANSFER AND RESCISSIONS OF FUNDS)

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, \$840,558,000, to remain available until September 30, 2006: *Provided*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction or family housing as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided further*, That of the amount appropriated, not to exceed \$66,496,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds appropriated for “Military Construction, Defense-wide” under Public Law 106-246, \$65,280,000 are rescinded: *Provided further*, That of the funds appropriated for “Military Construction, Defense-wide” under previous Military Construction Appropriations Acts, \$4,000,000 are rescinded. —65,280,000
 —4,000,000
[Net total, \$771,278,000.]

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 1803 of title 10, United States Code, and Military

115 STAT.

PUBLIC LAW 107-64—NOV. 5, 2001

\$405,565,000 Construction Authorization Acts, \$405,565,000, to remain available until September 30, 2006.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

253,386,000 For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, \$253,386,000, to remain available until September 30, 2006.

MILITARY CONSTRUCTION, ARMY RESERVE

167,019,000 For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, \$167,019,000, to remain available until September 30, 2006.

MILITARY CONSTRUCTION, NAVAL RESERVE

(INCLUDING RESCISSION)

53,201,000 For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, \$53,201,000, to remain available until September 30, 2006: *Provided*, That of the funds appropriated for "Military Construction, Naval Reserve" under Public Law 106-246, \$925,000 are rescinded.
925,000 [Net total, \$52,276,000.]

MILITARY CONSTRUCTION, AIR FORCE RESERVE

74,857,000 For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, \$74,857,000, to remain available until September 30, 2006.
[Net total, Military construction, \$5,781,750,000.]

NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

162,600,000 For the United States share of the cost of the North Atlantic Treaty Organization Security Investment Program for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the North Atlantic Treaty Area as authorized in Military Construction Authorization Acts and section 2806 of title 10, United States Code, \$162,600,000, to remain available until expended.

FAMILY HOUSING CONSTRUCTION, ARMY

312,742,000 For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration, as authorized by law, \$312,742,000, to remain available until September 30, 2006.

FAMILY HOUSING OPERATION AND MAINTENANCE, ARMY

For expenses of family housing for the Army for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, \$1,089,573,000.

\$1,089,573,000

FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE CORPS

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration, as authorized by law, \$331,780,000, to remain available until September 30, 2006.

331,780,000

FAMILY HOUSING OPERATION AND MAINTENANCE, NAVY AND MARINE CORPS

For expenses of family housing for the Navy and Marine Corps for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, \$910,095,000.

910,095,000

FAMILY HOUSING CONSTRUCTION, AIR FORCE

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration, as authorized by law, \$550,703,000, to remain available until September 30, 2006.

550,703,000

FAMILY HOUSING OPERATION AND MAINTENANCE, AIR FORCE

For expenses of family housing for the Air Force for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, \$844,715,000.

844,715,000

FAMILY HOUSING, DEFENSE-WIDE

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration, and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Construction, \$250,000 to remain available until September 30, 2006; for Operation and Maintenance, \$43,762,000; in all \$44,012,000.

44,012,000

DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND

For the Department of Defense Family Housing Improvement Fund, \$2,000,000, to remain available until expended, for family housing initiatives undertaken pursuant to section 2883 of title 10, United States Code, providing alternative means of acquiring and improving military family housing, and supporting facilities.

2,000,000

HOMEOWNERS ASSISTANCE FUND, DEFENSE

For the Homeowners Assistance Fund established by section 1013 of the Demonstration Cities and Metropolitan Development

115 STAT.

PUBLIC LAW 107-64—NOV. 5, 2001

\$10,119,000 Act of 1966, as amended (42 U.S.C. 3374) \$10,119,000, to remain available until expended.
 [Total, Family housing, \$4,095,739,000.]

BASE REALIGNMENT AND CLOSURE ACCOUNT

632,713,000 For deposit into the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991 (Public Law 101-510), \$632,713,000, to remain available until expended.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in Military Construction Appropriations Acts shall be expended for payments under a cost-plus-a-fixed-fee contract for construction, where cost estimates exceed \$25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

SEC. 102. Funds appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

SEC. 103. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

SEC. 104. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. No part of the funds provided in Military Construction Appropriations Acts shall be used for purchase of land or land easements in excess of 100 percent of the value as determined by the Army Corps of Engineers or the Naval Facilities Engineering Command, except: (1) where there is a determination of value by a Federal court; (2) purchases negotiated by the Attorney General or his designee; (3) where the estimated value is less than \$25,000; or (4) as otherwise determined by the Secretary of Defense to be in the public interest.

SEC. 106. None of the funds appropriated in Military Construction Appropriations Acts shall be used to: (1) acquire land; (2) provide for site preparation; or (3) install utilities for any family housing, except housing for which funds have been made available in annual Military Construction Appropriations Acts.

SEC. 107. None of the funds appropriated in Military Construction Appropriations Acts for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.

SEC. 108. No part of the funds appropriated in Military Construction Appropriations Acts may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.

SEC. 109. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation.

SEC. 110. None of the funds appropriated in Military Construction Appropriations Acts may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

SEC. 111. None of the funds appropriated in Military Construction Appropriations Acts may be obligated for architect and engineer contracts estimated by the Government to exceed \$500,000 for projects to be accomplished in Japan, in any NATO member country, or in countries bordering the Arabian Sea, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.

SEC. 112. None of the funds appropriated in Military Construction Appropriations Acts for military construction in the United States territories and possessions in the Pacific and on Kwajalein Atoll, or in countries bordering the Arabian Sea, may be used to award any contract estimated by the Government to exceed \$1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible bid of a foreign contractor by greater than 20 percent: *Provided further*, That this section shall not apply to contract awards for military construction on Kwajalein Atoll for which the lowest responsive and responsible bid is submitted by a Marshallese contractor.

SEC. 113. The Secretary of Defense is to inform the appropriate committees of Congress, including the Committees on Appropriations, of the plans and scope of any proposed military exercise involving United States personnel 30 days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed \$100,000.

Notification.

SEC. 114. Not more than 20 percent of the appropriations in Military Construction Appropriations Acts which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year.

(TRANSFER OF FUNDS)

SEC. 115. Funds appropriated to the Department of Defense for construction in prior years shall be available for construction authorized for each such military department by the authorizations enacted into law during the current session of Congress.

SEC. 116. For military construction or family housing projects that are being completed with funds otherwise expired or lapsed for obligation, expired or lapsed funds may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims, if any.

SEC. 117. Notwithstanding any other provision of law, any funds appropriated to a military department or defense agency for the construction of military projects may be obligated for a military construction project or contract, or for any portion of such a project or contract, at any time before the end of the fourth fiscal year after the fiscal year for which funds for such project were appropriated if the funds obligated for such project: (1) are obligated from funds available for military construction projects; and (2) do not exceed the amount appropriated for such project, plus any amount by which the cost of such project is increased pursuant to law.

10 USC 2860
note.

115 STAT.

PUBLIC LAW 107-64—NOV. 5, 2001

(TRANSFER OF FUNDS)

10 USC 2860
note.

SEC. 118. During the 5-year period after appropriations available to the Department of Defense for military construction and family housing operation and maintenance and construction have expired for obligation, upon a determination that such appropriations will not be necessary for the liquidation of obligations or for making authorized adjustments to such appropriations for obligations incurred during the period of availability of such appropriations, unobligated balances of such appropriations may be transferred into the appropriation “Foreign Currency Fluctuations, Construction, Defense” to be merged with and to be available for the same time period and for the same purposes as the appropriation to which transferred.

Reports.
Deadline.

SEC. 119. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with an annual report by February 15, containing details of the specific actions proposed to be taken by the Department of Defense during the current fiscal year to encourage other member nations of the North Atlantic Treaty Organization, Japan, Korea, and United States allies bordering the Arabian Sea to assume a greater share of the common defense burden of such nations and the United States.

(TRANSFER OF FUNDS)

SEC. 120. During the current fiscal year, in addition to any other transfer authority available to the Department of Defense, proceeds deposited to the Department of Defense Base Closure Account established by section 207(a)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526) pursuant to section 207(a)(2)(C) of such Act, may be transferred to the account established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991, to be merged with, and to be available for the same purposes and the same time period as that account.

SEC. 121. (a) No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-10c, popularly known as the “Buy American Act”).

(b) No funds made available under this Act shall be made available to any person or entity who has been convicted of violating the Act of March 3, 1933 (41 U.S.C. 10a-10c, popularly known as the “Buy American Act”).

SEC. 122. (a) In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

Notice.

(b) In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

(TRANSFER OF FUNDS)

SEC. 123. Subject to 30 days prior notification to the Committees on Appropriations, such additional amounts as may be determined by the Secretary of Defense may be transferred to the Department of Defense Family Housing Improvement Fund from amounts appropriated for construction in “Family Housing” accounts, to be merged with and to be available for the same purposes and for the same period of time as amounts appropriated directly to the Fund: *Provided*, That appropriations made available to the Fund shall be available to cover the costs, as defined in section 502(5) of the Congressional Budget Act of 1974, of direct loans or loan guarantees issued by the Department of Defense pursuant to the provisions of subchapter IV of chapter 169, title 10, United States Code, pertaining to alternative means of acquiring and improving military family housing and supporting facilities.

SEC. 124. None of the funds appropriated or made available by this Act may be obligated for Partnership for Peace Programs in the New Independent States of the former Soviet Union.

SEC. 125. (a) Not later than 60 days before issuing any solicitation for a contract with the private sector for military family housing the Secretary of the military department concerned shall submit to the congressional defense committees the notice described in subsection (b).

Deadline.
Contracts.
Notice.

(b)(1) A notice referred to in subsection (a) is a notice of any guarantee (including the making of mortgage or rental payments) proposed to be made by the Secretary to the private party under the contract involved in the event of—

(A) the closure or realignment of the installation for which housing is provided under the contract;

(B) a reduction in force of units stationed at such installation; or

(C) the extended deployment overseas of units stationed at such installation.

(2) Each notice under this subsection shall specify the nature of the guarantee involved and assess the extent and likelihood, if any, of the liability of the Federal Government with respect to the guarantee.

(c) In this section, the term “congressional defense committees” means the following:

(1) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the Senate.

(2) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the House of Representatives.

(TRANSFER OF FUNDS)

SEC. 126. During the current fiscal year, in addition to any other transfer authority available to the Department of Defense, amounts may be transferred from the account established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991, to the fund established by section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) to pay for expenses associated with the Homeowners Assistance Program. Any amounts transferred shall be merged with and be

115 STAT.

PUBLIC LAW 107-64—NOV. 5, 2001

available for the same purposes and for the same time period as the fund to which transferred.

10 USC 2821
note.

SEC. 127. Notwithstanding this or any other provision of law, funds appropriated in Military Construction Appropriations Acts for operations and maintenance of family housing shall be the exclusive source of funds for repair and maintenance of all family housing units, including general or flag officer quarters: *Provided*, That not more than \$35,000 per unit may be spent annually for the maintenance and repair of any general or flag officer quarters without 30 days advance prior notification to the appropriate committees of Congress: *Provided further*, That the Under Secretary of Defense (Comptroller) is to report annually to the Committees on Appropriations all operations and maintenance expenditures for each individual general or flag officer quarters for the prior fiscal year.

Reports.

SEC. 128. In addition to the amounts provided in Public Law 107-20, of the funds appropriated under the heading "Military Construction, Air Force" in this Act, \$8,000,000 is to remain available until September 30, 2005: *Provided*, That notwithstanding any other provision of law, such funds may be obligated or expended to carry out planning and design and military construction activities at the Masirah Island Airfield in Oman, not otherwise authorized by law.

Deadline.
California.
Reports.

SEC. 129. Not later than 90 days after the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a master plan for the environmental remediation of Hunters Point Naval Shipyard, California. The plan shall identify an aggregate cost estimate for the entire project as well as cost estimates for individual parcels. The plan shall also include a detailed cleanup schedule and an analysis of whether the Department is meeting legal requirements and community commitments. Following submission of the initial report, the Department shall submit semi-annual progress reports to the congressional defense committees.

(RESCISSION OF FUNDS)

SEC. 130. Of the funds available to the Secretary of Defense in the "Foreign Currency Fluctuations, Construction, Defense" account, \$60,000,000 are rescinded.

-\$60,000,000
10 USC 221 note.

SEC. 131. (a) REQUESTS FOR FUNDS FOR ENVIRONMENTAL RESTORATION AT BRAC SITES IN FUTURE FISCAL YEARS.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year after fiscal year 2002, the amount requested for environmental restoration, waste management, and environmental compliance activities in such fiscal year with respect to military installations approved for closure or realignment under the base closure laws shall accurately reflect the anticipated cost of such activities in such fiscal year.

(b) BASE CLOSURE LAWS DEFINED.—In this section, the term "base closure laws" means the following:

(1) Section 2687 of title 10, United States Code.

(2) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

(3) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

PUBLIC LAW 107-64—NOV. 5, 2001

115 STAT.

SEC. 132. (a) The total of the amounts appropriated by the other provisions of this Act, other than the amounts appropriated for the accounts specified in subsection (c), is hereby reduced by 1.127 percent.

-\$112,802,000

(b) The total amount of the reduction computed under subsection (a) shall be allocated proportionally among all of the budget activities, activity groups, and subactivity groups and among all of the accounts and all of the programs, projects, and activities within each account, except for the accounts specified in subsection (c).

(c) No reduction shall be allocated under this section to the Base Realignment and Closure Account, or to the North Atlantic Treaty Organization Security Investment Program.

This Act may be cited as the “Military Construction Appropriations Act, 2002”.

[*Net total, General provisions, –\$172,802,000.*]

Approved November 5, 2001.

LEGISLATIVE HISTORY—H.R. 2904 (S. 1460)

HOUSE REPORTS: Nos. 107-207 (Comm. on Appropriations) and 107-246 (Comm. of Conference).

SENATE REPORTS: No. 107-68 accompanying S. 1460 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 21, considered and passed House.

Sept. 26, considered and passed Senate, amended.

Oct. 17, House agreed to conference report.

Oct. 18, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Nov. 5, Presidential statement.

[In thousands of dollars]

| | |
|---|--------------|
| Net grand total, Military Construction Appropriations Act, 2002 | \$10,500,000 |
| Appropriations | (10,690,193) |
| Rescissions | (– 190,193) |
| Consisting of: | |
| Department of Defense (net) | 10,500,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**DEPARTMENT OF TRANSPORTATION
AND RELATED AGENCIES
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-87

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

Public Law 107-87
107th Congress

An Act

Dec. 18, 2001
[H.R. 2299]Making appropriations for the Department of Transportation and related agencies
for the fiscal year ending September 30, 2002, and for other purposes.Department of
Transportation
and Related
Agencies
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

\$67,778,000 For necessary expenses of the Office of the Secretary, \$67,778,000, of which not to exceed \$1,929,000 shall be available for the immediate Office of the Secretary; not to exceed \$619,000 shall be available for the immediate Office of the Deputy Secretary; not to exceed \$13,355,000 shall be available for the Office of the General Counsel; not to exceed \$3,058,000 shall be for the Office of the Assistant Secretary for Policy; not to exceed \$7,421,000 shall be available for the Office of the Assistant Secretary for Aviation and International Affairs; not to exceed \$7,728,000 shall be available for the Office of the Assistant Secretary for Budget and Programs; not to exceed \$2,282,000 shall be available for the Office of the Assistant Secretary for Government Affairs; not to exceed \$19,250,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed \$1,723,000 shall be available for the Office of Public Affairs; not to exceed \$1,204,000 shall be available for the Office of the Executive Secretariat; not to exceed \$507,000 shall be available for the Board of Contract Appeals; not to exceed \$1,240,000 shall be available for the Office of Small and Disadvantaged Business Utilization; not to exceed \$1,321,000 shall be available for the Office of Intelligence and Security; not to exceed \$6,141,000 shall be available for the Office of the Chief Information Officer: *Provided*, That not to exceed \$60,000 shall be for allocation within the Department for official reception and representation expenses as the Secretary may determine: *Provided further*, That notwithstanding any other provision of law, excluding fees authorized in Public Law 107-71, there may be credited to this appropriation up to \$2,500,000 in funds

PUBLIC LAW 107-87—DEC. 18, 2001 115 STAT.

received in user fees: *Provided further*, That the Secretary of Transportation is authorized to transfer funds appropriated for any office of the Office of the Secretary to any other office of the Office of the Secretary: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 7 percent by all such transfers: *Provided further*, That any such transfer shall be submitted for approval to the House and Senate Committees on Appropriations.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, \$8,500,000. \$8,500,000

TRANSPORTATION SECURITY ADMINISTRATION

For necessary expenses of the Transportation Security Administration related to providing civil aviation security services pursuant to Public Law 107-71, \$1,250,000,000, to remain available until expended: *Provided*, That, security service fees authorized under 49 U.S.C. 44940 shall be credited to this appropriation as offsetting collections and used for providing civil aviation security services authorized by that section: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 2002 so as to result in a final fiscal year appropriation from the General Fund estimated at not more than \$0. 1,250,000,000
-1,250,000,000
(offsetting collections)

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended, \$11,993,000. 11,993,000

TRANSPORTATION ADMINISTRATIVE SERVICE CENTER

Necessary expenses for operating costs and capital outlays of the Transportation Administrative Service Center, not to exceed \$125,323,000, shall be paid from appropriations made available to the Department of Transportation: *Provided*, That such services shall be provided on a competitive basis to entities within the Department of Transportation: *Provided further*, That the above limitation on operating expenses shall not apply to non-DOT entities: *Provided further*, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Transportation Administrative Service Center without the approval of the agency modal administrator: *Provided further*, That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees. ¹125,323,000

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of guaranteed loans, \$500,000, as authorized by 49 U.S.C. 332: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these 500,000

¹Funding from other accounts.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

¹\$18,367,000 funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$18,367,000. In addition, for administrative expenses to carry out the guaranteed loan program, \$400,000.
 400,000 [Total, \$900,000.]

MINORITY BUSINESS OUTREACH

3,000,000 For necessary expenses of Minority Business Resource Center outreach activities, \$3,000,000, to remain available until September 30, 2003: *Provided*, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

13,000,000 In addition to funds made available from any other source to carry out the essential air service program under 49 U.S.C. 41731 through 41742, to be derived from the Airport and Airway Trust Fund, \$13,000,000, to remain available until expended.
 [Total, Office of the Secretary, \$105,171,000.]

COAST GUARD

OPERATING EXPENSES

3,382,000,000 For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed five passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare, \$3,382,000,000, of which \$440,000,000 shall be available for defense-related activities; and of which \$24,945,000 shall be derived from the Oil Spill Liability Trust Fund: *Provided*, That none of the funds appropriated in this or any other Act shall be available for pay of administrative expenses in connection with shipping commissioners in the United States: *Provided further*, That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109, except to the extent fees are collected from yacht owners and credited to this appropriation: *Provided further*, That of the amounts made available under this heading, not less than \$14,541,000 shall be used solely to increase staffing at Search and Rescue stations, surf stations and command centers, increase the training and experience level of individuals serving in said stations through targeted retention efforts, revise personnel policies and expand training programs, and to modernize and improve the quantity and quality of personal safety equipment, including survival suits, for personnel assigned to said stations: *Provided further*, That the Department of Transportation Inspector General shall audit and certify to the House and Senate Committees on Appropriations that the funding described in the preceding proviso is being used solely to supplement and not supplant the Coast Guard's level of effort in this area in fiscal year 2001.

¹ Limitation.

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, \$636,354,000, of which \$20,000,000 shall be derived from the Oil Spill Liability Trust Fund; of which \$89,640,000 shall be available to acquire, repair, renovate or improve vessels, small boats and related equipment, to remain available until September 30, 2006; \$9,500,000 shall be available to acquire new aircraft and increase aviation capability, to remain available until September 30, 2004; \$79,293,000 shall be available for other equipment, to remain available until September 30, 2004; \$73,100,000 shall be available for shore facilities and aids to navigation facilities, to remain available until September 30, 2004; \$64,631,000 shall be available for personnel compensation and benefits and related costs, to remain available until September 30, 2003; and \$320,190,000 shall be available for the Integrated Deepwater Systems program, to remain available until September 30, 2006: *Provided*, That the Commandant of the Coast Guard is authorized to dispose of surplus real property, by sale or lease, and the proceeds shall be credited to this appropriation as offsetting collections and made available only for the National Distress and Response System Modernization program, to remain available for obligation until September 30, 2004: *Provided further*, That none of the funds provided under this heading may be obligated or expended for the Integrated Deepwater Systems (IDS) system integration contract until the Secretary or Deputy Secretary of Transportation and the Director, Office of Management and Budget jointly certify to the House and Senate Committees on Appropriations that funding for the IDS program for fiscal years 2003 through 2007, funding for the National Distress and Response System Modernization program to allow for full deployment of said system by 2006, and funding for other essential search and rescue procurements, are fully funded in the Coast Guard Capital Investment Plan and within the Office of Management and Budget's budgetary projections for the Coast Guard for those years: *Provided further*, That none of the funds provided under this heading may be obligated or expended for the Integrated Deepwater Systems (IDS) integration contract until the Secretary or Deputy Secretary of Transportation and the Director, Office of Management and Budget jointly approve a contingency procurement strategy for the recapitalization of assets and capabilities envisioned in the IDS: *Provided further*, That upon initial submission to the Congress of the fiscal year 2003 President's budget, the Secretary of Transportation shall transmit to the Congress a comprehensive capital investment plan for the United States Coast Guard which includes funding for each budget line item for fiscal years 2003 through 2007, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget: *Provided further*, That the amount herein appropriated shall be reduced by \$100,000 per day for each day after initial submission of the President's budget that the plan has not been submitted to the Congress: *Provided further*, That the Director, Office of Management and Budget shall submit the budget request for the IDS integration

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

contract delineating sub-headings which include the following: systems integrator, ship construction, aircraft, equipment, and communications, providing specific assets and costs under each sub-heading.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

\$16,927,000 For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under chapter 19 of title 14, United States Code, \$16,927,000, to remain available until expended.

ALTERATION OF BRIDGES

15,466,000 For necessary expenses for alteration or removal of obstructive bridges, \$15,466,000, to remain available until expended.

RETIRED PAY

876,346,000 For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payment for career status bonuses under the National Defense Authorization Act, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55), \$876,346,000.

RESERVE TRAINING

(INCLUDING TRANSFER OF FUNDS)

83,194,000 For all necessary expenses of the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services, \$83,194,000: *Provided*, That not more than \$25,800,000 of funds made available under this heading may be transferred to Coast Guard "Operating expenses" or otherwise made available to reimburse the Coast Guard for financial support of the Coast Guard Reserve: *Provided further*, That none of the funds in this Act may be used by the Coast Guard to assess direct charges on the Coast Guard Reserves for items or activities which were not so charged during fiscal year 1997.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

20,222,000 For necessary expenses, not otherwise provided for, for applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, \$20,222,000, to remain available until expended, of which \$3,492,000 shall be derived from the Oil Spill Liability Trust Fund: *Provided*, That there may be credited to and used for the purposes of this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

[*Total, Coast Guard, \$5,030,509,000.*]

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including operations and research activities related to commercial space transportation, administrative expenses for research and development, establishment of air navigation facilities, the operation (including leasing) and maintenance of aircraft, subsidizing the cost of aeronautical charts and maps sold to the public, lease or purchase of passenger motor vehicles for replacement only, in addition to amounts made available by Public Law 104-264, \$6,886,000,000, of which \$5,773,519,000 shall be derived from the Airport and Airway Trust Fund, of which not to exceed \$5,452,871,000 shall be available for air traffic services program activities; not to exceed \$768,769,000 shall be available for aviation regulation and certification program activities; not to exceed \$150,154,000 shall be available for civil aviation security program activities; not to exceed \$195,799,000 shall be available for research and acquisition program activities; not to exceed \$12,456,000 shall be available for commercial space transportation program activities; not to exceed \$50,284,000 shall be available for financial services program activities; not to exceed \$69,516,000 shall be available for human resources program activities; not to exceed \$85,943,000 shall be available for regional coordination program activities; and not to exceed \$109,208,000 shall be available for staff offices: *Provided*, That none of the funds in this Act shall be available for the Federal Aviation Administration to finalize or implement any regulation that would promulgate new aviation user fees not specifically authorized by law after the date of the enactment of this Act: *Provided further*, That there may be credited to this appropriation funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources, for expenses incurred in the provision of agency services, including receipts for the maintenance and operation of air navigation facilities, and for issuance, renewal or modification of certificates, including airman, aircraft, and repair station certificates, or for tests related thereto, or for processing major repair or alteration forms: *Provided further*, That of the funds appropriated under this heading, not less than \$6,000,000 shall be for the contract tower cost-sharing program: *Provided further*, That funds may be used to enter into a grant agreement with a nonprofit standard-setting organization to assist in the development of aviation safety standards: *Provided further*, That none of the funds in this Act shall be available for new applicants for the second career training program: *Provided further*, That none of the funds in this Act shall be available for paying premium pay under 5 U.S.C. 5546(a) to any Federal Aviation Administration employee unless such employee actually performed work during the time corresponding to such premium pay: *Provided further*, That none of the funds in this Act may be obligated or expended to operate a manned auxiliary flight service station in the contiguous United States: *Provided further*, That none of the funds in this Act for aeronautical charting and cartography are available for activities conducted by, or coordinated through, the Transportation Administrative Service Center.

6,886,000,000

Contracts.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

\$2,914,000,000 For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities and equipment as authorized under part A of subtitle VII of title 49, United States Code, including initial acquisition of necessary sites by lease or grant; engineering and service testing, including construction of test facilities and acquisition of necessary sites by lease or grant; construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; and the purchase, lease, or transfer of aircraft from funds available under this heading; to be derived from the Airport and Airway Trust Fund, \$2,914,000,000, of which \$2,536,900,000 shall remain available until September 30, 2004, and of which \$377,100,000 shall remain available until September 30, 2002: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: *Provided further*, That upon initial submission to the Congress of the fiscal year 2003 President's budget, the Secretary of Transportation shall transmit to the Congress a comprehensive capital investment plan for the Federal Aviation Administration which includes funding for each budget line item for fiscal years 2003 through 2007, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget: *Provided further*, That the amount herein appropriated shall be reduced by \$100,000 per day for each day after initial submission of the President's budget that the plan has not been submitted to the Congress.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION)

-15,000,000 Of the available balances under this heading, \$15,000,000 are rescinded.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

195,000,000 For necessary expenses, not otherwise provided for, for research, engineering, and development, as authorized under part A of subtitle VII of title 49, United States Code, including construction of experimental facilities and acquisition of necessary sites by lease or grant, \$195,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 2004: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development.

PUBLIC LAW 107-87—DEC. 18, 2001 115 STAT.

GRANTS-IN-AID FOR AIRPORTS
 (LIQUIDATION OF CONTRACT AUTHORIZATION)
 (LIMITATION ON OBLIGATIONS)
 (AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for grants-in-aid for airport planning and development, and noise compatibility planning and programs as authorized under subchapter I of chapter 471 and subchapter I of chapter 475 of title 49, United States Code, and under other law authorizing such obligations; for procurement, installation, and commissioning of runway incursion prevention devices and systems at airports of such title; for implementation of section 203 of Public Law 106-181; and for inspection activities and administration of airport safety programs, including those related to airport operating certificates under section 44706 of title 49, United States Code, \$1,800,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That none of the funds under this heading shall be available for the planning or execution of programs the obligations for which are in excess of \$3,300,000,000 in fiscal year 2002, notwithstanding section 47117(h) of title 49, United States Code: *Provided further*, That notwithstanding any other provision of law, not more than \$57,050,000 of funds limited under this heading shall be obligated for administration and not less than \$20,000,000 shall be for the Small Community Air Service Development Pilot Program.

¹\$1,800,000,000

²3,300,000,000

GRANTS-IN-AID FOR AIRPORTS
 (AIRPORT AND AIRWAY TRUST FUND)
 (RESCISSION OF CONTRACT AUTHORIZATION)

Of the unobligated balances authorized under 49 U.S.C. 48103, as amended, \$301,720,000 are rescinded.

-301,720,000

AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to 49 U.S.C. 44307, and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program for aviation insurance activities under chapter 443 of title 49, United States Code.

[*Net total, budgetary resources, FAA, ³\$12,978,280,000.*]

FEDERAL HIGHWAY ADMINISTRATION
 LIMITATION ON ADMINISTRATIVE EXPENSES

Necessary expenses for administration and operation of the Federal Highway Administration, not to exceed \$311,000,000, shall be paid in accordance with law from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided*, That of the funds available under section

⁴311,000,000

¹Liquidation of contract authorization.
²Limitation on obligations.
³Includes limitation on obligations.
⁴Limitation.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

104(a)(1)(A) of title 23, United States Code: \$7,500,000 shall be available for “Child Passenger Protection Education Grants” under section 2003(b) of Public Law 105-178, as amended; \$4,000,000 shall be available for motor carrier safety research; \$841,000 shall be available for the motor carrier crash data improvement program; \$6,000,000 shall be available for the nationwide differential global positioning system program; and \$1,500,000 for environmental streamlining activities.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

23 USC 104 note.

¹\$31,799,104,000

None of the funds in this Act shall be available for the implementation or execution of programs, the obligations for which are in excess of \$31,799,104,000 for Federal-aid highways and highway safety construction programs for fiscal year 2002: *Provided*, That within the \$31,799,104,000 obligation limitation on Federal-aid highways and highway safety construction programs, not more than \$447,500,000 shall be available for the implementation or execution of programs for transportation research (sections 502, 503, 504, 506, 507, and 508 of title 23, United States Code, as amended; section 5505 of title 49, United States Code, as amended; and sections 5112 and 5204-5209 of Public Law 105-178) for fiscal year 2002: *Provided further*, That this limitation on transportation research programs shall not apply to any funds authorized under section 110 of title 23, United States Code, and allocated to these programs, or to any authority previously made available for obligation: *Provided further*, That within the \$225,000,000 obligation limitation on Intelligent Transportation Systems, the following sums shall be made available for Intelligent Transportation System projects that are designed to achieve the goals and purposes set forth in section 5203 of the Intelligent Transportation Systems Act of 1998 (subtitle C of title V of Public Law 105-178; 112 Stat. 453; 23 U.S.C. 502 note) in the following specified areas:

Alameda-Contra Costa, California, \$500,000;
 Alaska statewide, \$250,000;
 Alexandria, Virginia, \$750,000;
 Arizona statewide EMS, \$500,000;
 Army trail road traffic signal coordination project, Illinois, \$300,000;
 Atlanta smart corridors, Georgia, \$1,000,000;
 Austin, Texas, \$125,000;
 Automated crash notification, UAB, Alabama, \$2,500,000;
 Bay County Area wide traffic signal system, Florida, \$500,000;
 Beaver County transit mobility manager, Pennsylvania, \$800,000;
 Brownsville, Texas, \$250,000;
 Carbondale technology transfer center, Pennsylvania, \$1,000,000;
 Cargo mate logistics and intermodal management, New York, \$1,250,000;
 Central Ohio, \$1,500,000;
 Chattanooga, Tennessee, \$2,000,000;

¹Limitation on obligations.

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

Chinatown intermodal transportation center, California, \$1,750,000;
Clark County, Washington, \$1,000,000;
Commercial vehicle information systems and networks, New York, \$450,000;
Dayton, Ohio, \$1,250,000;
Detroit, Michigan (airport), \$1,500,000;
Durham, Wake Counties, North Carolina, \$500,000;
Eastern Kentucky rural highway information, \$2,000,000;
Fargo, North Dakota, \$1,000,000;
Forsyth, Guilford Counties, North Carolina, \$1,000,000;
Genesee County, Michigan, \$1,000,000;
Great Lakes, Michigan, \$1,500,000;
Guidestar, Minnesota, \$6,000,000;
Harrison County, Mississippi, \$500,000;
Hawaii statewide, \$1,000,000;
Hoosier SAFE-T, Indiana, \$2,000,000;
Houma, Louisiana, \$1,000,000;
I-90 connector testbed, New York, \$1,000,000;
Illinois statewide, \$2,000,000;
Inglewood, California, \$500,000;
Integrated transportation management system, Delaware statewide, \$2,000,000;
Iowa statewide, \$562,000;
Jackson Metropolitan, Mississippi, \$500,000;
James Madison University, Virginia, \$1,500,000;
Kansas City, Kansas, \$500,000;
Kittitas County workzone traffic safety system, Washington, \$450,000;
Lansing, Michigan, \$750,000;
Las Vegas, Nevada, \$1,450,000;
Lexington, Kentucky, \$750,000;
Libertyville traffic management center, Illinois, \$760,000;
Long Island rail road grade crossing deployment, New York, \$1,000,000;
Macomb, Michigan (border crossing), \$1,000,000;
Maine statewide (rural), \$500,000;
Maryland statewide, \$1,000,000;
Miami-Dade, Florida, \$1,000,000;
Monterey-Salinas, California, \$750,000;
Montgomery County ECC & TMC, Maryland, \$1,000,000;
Moscow, Idaho, \$1,000,000;
Nebraska statewide, \$4,000,000;
New York statewide information exchange systems, New York, \$500,000;
New York, New Jersey, Connecticut (TRANSCOM), \$2,500,000;
North Greenbush, New York, \$1,000,000;
Oklahoma statewide, \$3,000,000;
Oxford, Mississippi, \$500,000;
Pennsylvania statewide (turnpike), \$500,000;
Philadelphia, Pennsylvania, \$1,033,000;
Philadelphia, Pennsylvania (Drexel), \$1,500,000;
Pioneer Valley, Massachusetts, \$1,500,000;
Port of Long Beach, California, \$500,000;
Port of Tacoma trucker congestion notification system, Washington, \$200,000;

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

Roadside animal detection test-bed, Montana, \$500,000;
 Rochester-Genesee, New York, \$800,000;
 Rutland, Vermont, \$750,000;
 Sacramento, California, \$3,000,000;
 San Diego joint transportation operations center, California, \$1,500,000;
 San Francisco central control communications, California, \$250,000;
 Santa Anita, California, \$300,000;
 Santa Teresa, New Mexico, \$750,000;
 Shreveport, Louisiana, \$750,000;
 Silicon Valley transportation management center, California, \$700,000;
 South Carolina DOT, \$3,000,000;
 Southeast Corridor, Colorado, \$7,000,000;
 Southern Nevada (bus), \$1,100,000;
 Spillway road incident management system, Mississippi, \$600,000;
 St. Louis, Missouri, \$1,000,000;
 Statewide transportation operations center, Kentucky, \$2,000,000;
 Superior, I-39 corridor, Wisconsin, \$2,500,000;
 Texas statewide, \$2,000,000;
 Travel network, South Dakota, \$2,325,000;
 University of Arizona ATLAS Center, Arizona, \$500,000;
 Utah Statewide, \$560,000;
 Vermont statewide (rural), \$1,500,000;
 Washington statewide, \$4,500,000;
 Washington, D.C. metropolitan region, \$2,000,000;
 Wayne County road information management system, Michigan, \$1,500,000;
 Wichita, Kansas, \$1,200,000;
 Wisconsin communications network, \$310,000;
 Wisconsin statewide, \$1,000,000; and
 Yakima County adverse weather operations, Washington, \$475,000:

Provided further, That, notwithstanding any other provision of law, funds authorized under section 110 of title 23, United States Code, for fiscal year 2002 shall be apportioned to the States in accordance with the distribution set forth in section 110(b)(4)(A) and (B) of title 23, United States Code, except that before such apportionments are made, \$35,565,651 shall be set aside for the program authorized under section 1101(a)(8)(A) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$31,815,091 shall be set aside for the program authorized under section 1101(a)(8)(B) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$21,339,391 shall be set aside for the program authorized under section 1101(a)(8)(C) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$2,586,593 shall be set aside for the program authorized under section 1101(a)(8)(D) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; \$25,579,000 shall be set aside for the program authorized under section 129(c) of title 23, United States Code, and section 1064 of the Intermodal Surface Transportation Efficiency Act of 1991, as amended; \$352,256,000 shall be

¹\$955,000,000

¹ Exempt obligations.

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

set aside for the programs authorized under sections 1118 and 1119 of the Transportation Equity Act for the 21st Century, as amended; \$3,348,128 shall be set aside for the program authorized under section 1101(a)(11) of the Transportation Equity Act for the 21st Century, as amended and section 162 of title 23, United States Code; \$76,025,000 shall be set aside for the program authorized under section 118(c) of title 23, United States Code; \$62,450,000 shall be set aside for the program authorized under section 144(g) of title 23, United States Code; \$251,092,600 shall be set aside for the program authorized under section 1221 of the Transportation Equity Act for the 21st Century, as amended; \$10,000,000 shall be set aside for the program authorized under section 502(e) of title 23, United States Code; \$56,300,000 shall be available for border infrastructure improvements; \$45,122,600 shall be available for allocation by the Secretary for public lands highways; and \$23,896,000 shall be set aside and transferred to the Federal Motor Carrier Safety Administration as authorized by section 102 of Public Law 106-159: *Provided further*, That, of the funds to be apportioned to each State under section 110 for fiscal year 2002, the Secretary shall ensure that such funds are apportioned for the programs authorized under sections 1101(a)(1), 1101(a)(2), 1101(a)(3), 1101(a)(4), and 1101(a)(5) of the Transportation Equity Act for the 21st Century, as amended, in the same ratio that each State is apportioned funds for such programs in fiscal year 2002 but for this section.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursement for sums expended pursuant to the provisions of 23 U.S.C. 308, \$30,000,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

¹\$30,000,000,000

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

For necessary expenses for the Appalachian Development Highway System as authorized under section 1069(y) of Public Law 102-240, as amended, \$200,000,000, to remain available until expended.

200,000,000

STATE INFRASTRUCTURE BANKS

(RESCISSION)

Of the funds made available for State Infrastructure Banks in Public Law 104-205, \$5,750,000 are rescinded.

- 5,750,000

[*Net total, budgetary resources, FHA, ³\$32,895,381,000.*]

² - 43,742,000¹ Liquidation of contract authorization.² Rescission provided in sec. 318.³ Includes limitation on obligations.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

MOTOR CARRIER SAFETY

LIMITATION ON ADMINISTRATIVE EXPENSES

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses for administration of motor carrier safety programs and motor carrier safety research, pursuant to section 104(a)(1)(B) of title 23, United States Code, not to exceed ¹\$110,000,000 shall be paid in accordance with law from appropriations made available by this Act and from any available take-down balances to the Federal Motor Carrier Safety Administration, together with advances and reimbursements received by the Federal Motor Carrier Safety Administration: *Provided*, That such amounts shall be available to carry out the functions and operations of the Federal Motor Carrier Safety Administration.

Of the unobligated balances authorized under 23 U.S.C. 104(a)(1)(B), \$6,665,342 are rescinded.

NATIONAL MOTOR CARRIER SAFETY PROGRAM

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out 49 U.S.C. 31102, 31106 and 31309, \$205,896,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of \$182,000,000 for “Motor Carrier Safety Grants”, and “Information Systems”: *Provided further*, That notwithstanding any other provision of law, of the \$23,896,000 provided under 23 U.S.C. 110, \$18,000,000 shall be for border State grants and \$4,837,000 shall be for State commercial driver’s license program improvements. [*Net total, budgetary resources, FMCSA, ⁵\$335,097,000.*]

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

For expenses necessary to discharge the functions of the Secretary, with respect to traffic and highway safety under chapter 301 of title 49, United States Code, and part C of subtitle VI of title 49, United States Code, \$127,780,000, of which \$95,835,000 shall remain available until September 30, 2004: *Provided*, That none of the funds appropriated by this Act may be obligated or expended to plan, finalize, or implement any rulemaking to add to section 575.104 of title 49 of the Code of Federal Regulations any requirement pertaining to a grading standard that is different from the three grading standards (treadwear, traction, and temperature resistance) already in effect.

¹Limitation.

²Liquidation of contract authorization.

³Limitation on obligations.

⁴Provided in sec. 350(f).

⁵Includes limitation on obligations.

OPERATIONS AND RESEARCH
(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)

| | |
|--|---------------------------|
| For payment of obligations incurred in carrying out the provisions of 23 U.S.C. 403, to remain available until expended, \$72,000,000, to be derived from the Highway Trust Fund: <i>Provided</i> , | ¹ \$72,000,000 |
| That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2002, are in excess of \$72,000,000 for programs authorized under 23 U.S.C. 403. | ² 72,000,000 |
| Of the unobligated balances authorized under 23 U.S.C. 403, \$1,516,000 are rescinded. | -1,516,000 |

NATIONAL DRIVER REGISTER

(HIGHWAY TRUST FUND)

| | |
|--|-----------|
| For expenses necessary to discharge the functions of the Secretary with respect to the National Driver Register under chapter 303 of title 49, United States Code, \$2,000,000, to be derived from the Highway Trust Fund, and to remain available until expended. | 2,000,000 |
|--|-----------|

[*Net total, budgetary resources, operations and research,*
³ \$200,264,000.]

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

| | |
|---|--------------------------|
| Notwithstanding any other provision of law, for payment of obligations incurred in carrying out the provisions of 23 U.S.C. 402, 405, 410, and 411 to remain available until expended, \$223,000,000, to be derived from the Highway Trust Fund: <i>Provided</i> , | ¹ 223,000,000 |
| That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2002, are in excess of \$223,000,000 for programs authorized under 23 U.S.C. 402, 405, 410, and 411 of which \$160,000,000 shall be for "Highway Safety Programs" under 23 U.S.C. 402, \$15,000,000 shall be for "Occupant Protection Incentive Grants" under 23 U.S.C. 405, \$38,000,000 shall be for "Alcohol-Impaired Driving Countermeasures Grants" under 23 U.S.C. 410, and \$10,000,000 shall be for the "State Highway Safety Data Grants" under 23 U.S.C. 411: <i>Provided further</i> , That none of these funds shall be used for construction, rehabilitation, or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: <i>Provided further</i> , That not to exceed \$8,000,000 of the funds made available for section 402, not to exceed \$750,000 of the funds made available for section 405, not to exceed \$1,900,000 of the funds made available for section 410, and not to exceed \$500,000 of the funds made available for section 411 shall be available to NHTSA for administering highway safety grants under chapter 4 of title 23, United States Code: <i>Provided</i> | ² 223,000,000 |

¹ Liquidation of contract authorization.
² Limitation on obligations.
³ Includes limitation on obligations.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

further, That not to exceed \$500,000 of the funds made available for section 410 “Alcohol-Impaired Driving Countermeasures Grants” shall be available for technical assistance to the States.

[*Net total, budgetary resources, NHTSA, ¹ \$423,264,000.*]

FEDERAL RAILROAD ADMINISTRATION

SAFETY AND OPERATIONS

\$110,857,000 For necessary expenses of the Federal Railroad Administration, not otherwise provided for, \$110,857,000, of which \$6,509,000 shall remain available until expended.

RAILROAD RESEARCH AND DEVELOPMENT

29,000,000 For necessary expenses for railroad research and development, \$29,000,000, to remain available until expended.

RAILROAD REHABILITATION AND IMPROVEMENT PROGRAM

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided*, That pursuant to section 502 of such Act, as amended, no new direct loans or loan guarantee commitments shall be made using Federal funds for the credit risk premium during fiscal year 2002.

²20,000,000

NEXT GENERATION HIGH-SPEED RAIL

32,300,000 For necessary expenses for the Next Generation High-Speed Rail program as authorized under 49 U.S.C. 26101 and 26102, \$32,300,000, to remain available until expended.

ALASKA RAILROAD REHABILITATION

20,000,000 To enable the Secretary of Transportation to make grants to the Alaska Railroad, \$20,000,000 shall be for capital rehabilitation and improvements benefiting its passenger operations, to remain available until expended.

CAPITAL GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

521,476,000 For necessary expenses of capital improvements of the National Railroad Passenger Corporation as authorized by 49 U.S.C. 24104(a), \$521,476,000, to remain available until expended.
[*Total, FRA, \$733,633,000.*]

FEDERAL TRANSIT ADMINISTRATION

ADMINISTRATIVE EXPENSES

13,400,000 For necessary administrative expenses of the Federal Transit Administration’s programs authorized by chapter 53 of title 49, United States Code, \$13,400,000: *Provided*, That no more than

¹ Includes limitation on obligations.

² Funding provided in P.L. 106-113 for Pennsylvania Station Redevelopment Project.

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

\$67,000,000 of budget authority shall be available for these purposes: *Provided further*, That of the funds in this Act available for the execution of contracts under section 5327(c) of title 49, United States Code, \$2,000,000 shall be reimbursed to the Department of Transportation's Office of Inspector General for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems: *Provided further*, That not to exceed \$2,600,000 for the National transit database shall remain available until expended.

¹\$53,600,000

[*Total*, ²\$67,000,000.]

FORMULA GRANTS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out 49 U.S.C. 5307, 5308, 5310, 5311, 5327, and section 3038 of Public Law 105-178, \$718,400,000, to remain available until expended: *Provided*, That no more than \$3,592,000,000 of budget authority shall be available for these purposes: *Provided further*, That, notwithstanding any other provision of law, of the funds provided under this heading, \$5,000,000 shall be available for grants for the costs of planning, delivery, and temporary use of transit vehicles for special transportation needs and construction of temporary transportation facilities for the VIII Paralympiad for the Disabled, to be held in Salt Lake City, Utah: *Provided further*, That in allocating the funds designated in the preceding proviso, the Secretary shall make grants only to the Utah Department of Transportation, and such grants shall not be subject to any local share requirement or limitation on operating assistance under this Act or the Federal Transit Act, as amended: *Provided further*, That notwithstanding section 3008 of Public Law 105-178 and 49 U.S.C. 5309(m)(3)(C), \$50,000,000 of the funds to carry out 49 U.S.C. 5308 shall be transferred to and merged with funding provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities under "Federal Transit Administration, Capital investment grants".

718,400,000

¹2,873,600,000

Utah.

[*Total*, ²\$3,592,000,000.]

UNIVERSITY TRANSPORTATION RESEARCH

For necessary expenses to carry out 49 U.S.C. 5505, \$1,200,000, to remain available until expended: *Provided*, That no more than \$6,000,000 of budget authority shall be available for these purposes.

1,200,000

¹4,800,000

[*Total*, ²\$6,000,000.]

TRANSIT PLANNING AND RESEARCH

For necessary expenses to carry out 49 U.S.C. 5303, 5304, 5305, 5311(b)(2), 5312, 5313(a), 5314, 5315, and 5322, \$23,000,000, to remain available until expended: *Provided*, That no more than \$116,000,000 of budget authority shall be available for these purposes: *Provided further*, That \$5,250,000 is available to provide rural transportation assistance (49 U.S.C. 5311(b)(2)), \$4,000,000 is available to carry out programs under the National Transit Institute (49 U.S.C. 5315), \$8,250,000 is available to carry out transit cooperative research programs (49 U.S.C. 5313(a)), \$55,422,400 is available for metropolitan planning (49 U.S.C. 5303, 5304, and 5305), \$11,577,600 is available for State planning (49 U.S.C. 5313(b)); and \$31,500,000 is available for the national planning and research program (49 U.S.C. 5314).

23,000,000

¹93,000,000

[*Total*, ²\$116,000,000.]

¹Limitation on obligations.

²Includes limitation on obligations.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

TRUST FUND SHARE OF EXPENSES
(LIQUIDATION OF CONTRACT AUTHORIZATION)
(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out 49 U.S.C. 5303-5308, 5310-5315, 5317(b), 5322, 5327, 5334, 5505, and sections 3037 and 3038 of Public Law 105-178, \$5,397,800,000, to remain available until expended, and to be derived from the Mass Transit Account of the Highway Trust Fund: *Provided*, That \$2,873,600,000 shall be paid to the Federal Transit Administration's formula grants account: *Provided further*, That \$93,000,000 shall be paid to the Federal Transit Administration's transit planning and research account: *Provided further*, That \$53,600,000 shall be paid to the Federal Transit Administration's administrative expenses account: *Provided further*, That \$4,800,000 shall be paid to the Federal Transit Administration's university transportation research account: *Provided further*, That \$100,000,000 shall be paid to the Federal Transit Administration's job access and reverse commute grants program: *Provided further*, That \$2,272,800,000 shall be paid to the Federal Transit Administration's capital investment grants account.

CAPITAL INVESTMENT GRANTS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out 49 U.S.C. 5308, 5309, 5318, and 5327, \$568,200,000, to remain available until expended: *Provided*, That no more than \$2,841,000,000 of budget authority shall be available for these purposes: *Provided further*, That there shall be available for fixed guideway modernization, \$1,136,400,000; there shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities, \$568,200,000, together with \$50,000,000 transferred from "Federal Transit Administration, Formula Grants"; and there shall be available for new fixed guideway systems \$1,136,400,000, together with \$1,488,840 of the funds made available under "Federal Transit Administration, Capital investment grants" in Public Law 105-277; to be available as follows:

- \$10,296,000 for Alaska or Hawaii ferry projects;
- \$1,000,000 for the Albuquerque, New Mexico, light rail project;
- \$25,000,000 for the Atlanta, Georgia, North line extension project;
- \$13,000,000 for the Baltimore, Maryland, central light rail transit double track project;
- \$1,500,000 for the Baltimore, Maryland, rail transit project;
- \$2,000,000 for the Birmingham, Alabama, transit corridor project;
- \$10,631,245 for the Boston, Massachusetts, South Boston Piers transitway project;
- \$500,000 for the Boston, Massachusetts, urban ring transit project;
- \$7,000,000 for the Charlotte, North Carolina, South corridor light rail transit project;

¹ Liquidation of contract authorization.

² Limitation on obligations.

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

\$32,750,000 for the Chicago, Illinois, Douglas branch reconstruction project;

\$55,000,000 for the Chicago, Illinois, METRA commuter rail and line extension projects;

\$3,000,000 for the Chicago, Illinois, Ravenswood reconstruction project;

\$6,000,000 for the Cleveland, Ohio, Euclid corridor transportation project;

\$70,000,000 for the Dallas, Texas, North Central light rail transit extension project;

\$55,000,000 for the Denver, Colorado, Southeast corridor light rail transit project;

\$192,492 for the Denver, Colorado, Southwest corridor light rail transit project;

\$150,000 for the Des Moines, Iowa, DSM bus feasibility project;

\$200,000 for the Dubuque, Iowa, light rail feasibility project;

\$25,000,000 for the Dulles corridor, Virginia, bus rapid transit project;

\$27,000,000 for the Fort Lauderdale, Florida, Tri-County commuter rail upgrades project;

\$2,000,000 for the Fort Worth, Texas, Trinity railway express project;

\$750,000 for the Grand Rapids, Michigan, ITP metro area, major corridor project;

\$12,000,000 for Honolulu, Hawaii, bus rapid transit project;

\$10,000,000 for the Houston, Texas, Metro advanced transit project;

\$300,000 for the Iowa, Metrolink light rail feasibility project;

\$1,500,000 for the Johnson County, Kansas-Kansas City, Missouri, I-35 commuter rail project;

\$2,000,000 for the Kenosha-Racine-Milwaukee, Wisconsin, commuter rail extension project;

\$55,000,000 for the Largo, Maryland, metrorail extension project;

\$2,000,000 for the Little Rock, Arkansas, river rail project;

\$14,744,420 for the Long Island Rail Road, New York, East Side access project;

\$9,289,557 for the Los Angeles, California, North Hollywood extension project;

\$7,500,000 for the Los Angeles, California, East Side corridor light rail transit project;

\$3,000,000 for the Lowell, Massachusetts-Nashua, New Hampshire commuter rail extension project;

\$12,000,000 for the Maryland (MARC) commuter rail improvements projects;

\$19,170,000 for the Memphis, Tennessee, Medical center rail extension project;

\$5,000,000 for the Miami, Florida, South Miami-Dade busway extension project;

\$10,000,000 for the Minneapolis-Rice, Minnesota, Northstar corridor commuter rail project;

\$50,000,000 for the Minneapolis-St. Paul, Minnesota, Hiawatha corridor light rail transit project;

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

\$4,000,000 for the Nashville, Tennessee, East corridor commuter rail project;
\$141,000,000 for the New Jersey Hudson-Bergen light rail transit project;
\$15,000,000 for the New Orleans, Louisiana, Canal Street car line project;
\$1,200,000 for the New Orleans, Louisiana, Desire corridor streetcar project;
\$2,000,000 for the New York, New York, Second Avenue subway project;
\$20,000,000 for the Newark-Elizabeth, New Jersey, rail link project;
\$2,500,000 for the Northeast Indianapolis, Indiana, downtown corridor project;
\$2,500,000 for the Northern Indiana South Shore commuter rail project;
\$6,500,000 for the Oceanside-Escondido, California, light rail extension project;
\$500,000 for the Ohio, Central Ohio North corridor rail (COTA) project;
\$5,000,000 for the Pawtucket-TF Green, Rhode Island, commuter rail and maintenance facility project;
\$9,000,000 for the Philadelphia, Pennsylvania, Schuylkill Valley metro project;
\$10,000,000 for the Phoenix, Arizona, Central Phoenix/East Valley corridor project;
\$8,000,000 for the Pittsburgh, Pennsylvania, North Shore connector light rail transit project;
\$18,000,000 for the Pittsburgh, Pennsylvania, stage II light rail transit reconstruction project;
\$64,000,000 for the Portland, Oregon, Interstate MAX light rail transit extension project;
\$20,000,000 for the Puget Sound, Washington, RTA Sounder commuter rail project;
\$9,000,000 for the Raleigh, North Carolina, Triangle transit project;
\$328,000 for the Sacramento, California, light rail transit extension project;
\$14,000,000 for the Salt Lake City, Utah, CBD to University light rail transit project;
\$3,000,000 for the Salt Lake City, Utah, University Medical Center light rail transit extension project;
\$60,000,000 for the San Diego, California, Mission Valley East light rail project;
\$1,000,000 for the San Diego, California, Mid Coast corridor project;
\$75,673,790 for the San Francisco, California, BART extension to the airport project;
\$113,336 for the San Jose, California, Tasman West light rail transit project;
\$40,000,000 for the San Juan, Puerto Rico, Tren Urbano project;
\$1,700,000 for the Sioux City, Iowa, light rail project;
\$28,000,000 for the St. Louis-St. Clair, Missouri, metrolink extension project;
\$5,000,000 for the Stamford, Connecticut, urban transitway project;

\$3,000,000 for the Stockton, California, Altamont commuter rail project;
 \$3,000,000 for the Virginia Railway Express station improvements project;
 \$500,000 for the Washington County, Oregon, Wilsonville to Beaverton commuter rail project;
 \$2,500,000 for the Wasilla, Alaska, alternative route project; and
 \$400,000 for the Yosemite, California, area regional transportation system project.
 [Total, ¹ \$2,841,000,000.]

JOB ACCESS AND REVERSE COMMUTE GRANTS

Notwithstanding section 3037(1)(3) of Public Law 105-178, as amended, for necessary expenses to carry out section 3037 of the Federal Transit Act of 1998, \$25,000,000, to remain available until expended: *Provided*, That no more than \$125,000,000 of budget authority shall be available for these purposes: *Provided further*, That up to \$250,000 of the funds provided under this heading may be used by the Federal Transit Administration for technical assistance and support and performance reviews of the Job Access and Reverse Commute Grants program.
 [Net total, budgetary resources, ¹ \$6,747,000,000.]

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operations and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, \$13,345,000, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662. 13,345,000

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

For expenses necessary to discharge the functions of the Research and Special Programs Administration, \$37,279,000, of which \$645,000 shall be derived from the Pipeline Safety Fund, and of which \$2,170,000 shall remain available until September 30, 2004: *Provided*, That up to \$1,200,000 in fees collected under 49 U.S.C. 5108(g) shall be deposited in the general fund of the Treasury as offsetting receipts: *Provided further*, That there may be credited to this appropriation, to be available until expended, 37,279,000

¹ Includes limitation on obligations.
² Limitation on obligations.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training, for reports publication and dissemination, and for travel expenses incurred in performance of hazardous materials exemptions and approvals functions.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

\$58,250,000 For expenses necessary to conduct the functions of the pipeline safety program, for grants-in-aid to carry out a pipeline safety program, as authorized by 49 U.S.C. 60107, and to discharge the pipeline program responsibilities of the Oil Pollution Act of 1990, \$58,250,000, of which \$7,864,000 shall be derived from the Oil Spill Liability Trust Fund and shall remain available until September 30, 2004; of which \$50,386,000 shall be derived from the Pipeline Safety Fund, of which \$30,828,000 shall remain available until September 30, 2004.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

200,000 For necessary expenses to carry out 49 U.S.C. 5127(c), \$200,000, to be derived from the Emergency Preparedness Fund, to remain available until September 30, 2004: *Provided*, That not more than \$14,300,000 shall be made available for obligation in fiscal year 2002 from amounts made available by 49 U.S.C. 5116(i) and 5127(d): *Provided further*, That none of the funds made available by 49 U.S.C. 5116(i) and 5127(d) shall be made available for obligation by individuals other than the Secretary of Transportation, or his designee.

¹14,300,000 [Total, RSPA, \$95,729,000.]

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

50,614,000 For necessary expenses of the Office of Inspector General to carry out the provisions of the Inspector General Act of 1978, as amended, \$50,614,000: *Provided*, That the Inspector General shall have all necessary authority, in carrying out the duties specified in the Inspector General Act, as amended (5 U.S.C. App. 3) to investigate allegations of fraud, including false statements to the government (18 U.S.C. 1001), by any person or entity that is subject to regulation by the Department: *Provided further*, That the funds made available under this heading shall be used to investigate, pursuant to section 41712 of title 49, United States Code: (1) unfair or deceptive practices and unfair methods of competition by domestic and foreign air carriers and ticket agents; and (2) the compliance of domestic and foreign air carriers with respect to item (1) of this proviso.

¹ Limitation.

PUBLIC LAW 107-87—DEC. 18, 2001 115 STAT.

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

For necessary expenses of the Surface Transportation Board, including services authorized by 5 U.S.C. 3109, \$18,457,000: *Provided*, That notwithstanding any other provision of law, not to exceed \$950,000 from fees established by the Chairman of the Surface Transportation Board shall be credited to this appropriation as offsetting collections and used for necessary and authorized expenses under this heading: *Provided further*, That the sum herein appropriated from the general fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2002, to result in a final appropriation from the general fund estimated at no more than \$17,507,000. \$18,457,000

[*Total, \$17,507,000.*]

[*Net total, budgetary resources, Title I, Department of Transportation, ² \$59,569,755,000.*]

¹ 144,225,000

TITLE II

RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, \$5,015,000: *Provided*, That, notwithstanding any other provision of law, there may be credited to this appropriation funds received for publications and training expenses. 5,015,000

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-15; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902) \$68,000,000, of which not to exceed \$2,000 may be used for official reception and representation expenses. 68,000,000

[*Total, title II, Related Agencies, \$73,015,000.*]

TITLE III

GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

¹Total of General Provisions that related to Title I.
²Includes limitation on obligations.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

SEC. 302. Such sums as may be necessary for fiscal year 2002 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act or previous appropriations Acts.

SEC. 303. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for an Executive Level IV.

SEC. 304. None of the funds in this Act shall be available for salaries and expenses of more than 105 political and Presidential appointees in the Department of Transportation: *Provided*, That none of the personnel covered by this provision or political and Presidential appointees in an independent agency funded in this Act may be assigned on temporary detail outside the Department of Transportation or such independent agency except to the Office of Homeland Security.

SEC. 305. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 306. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

Contracts.
Public
information.

SEC. 307. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 308. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

49 USC 5338
note.

SEC. 309. The limitations on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation.

23 USC 104 note.

SEC. 310. (a) For fiscal year 2002, the Secretary of Transportation shall—

(1) not distribute from the obligation limitation for Federal-aid Highways amounts authorized for administrative expenses and programs funded from the administrative takedown authorized by section 104(a)(1)(A) of title 23, United States Code, for the highway use tax evasion program, amounts provided under section 110 of title 23, United States Code, and for the Bureau of Transportation Statistics;

(2) not distribute an amount from the obligation limitation for Federal-aid Highways that is equal to the unobligated balance of amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highways and highway safety programs for the previous fiscal year the funds for which are allocated by the Secretary;

(3) determine the ratio that—

(A) the obligation limitation for Federal-aid Highways less the aggregate of amounts not distributed under paragraphs (1) and (2), bears to

(B) the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

programs (other than sums authorized to be appropriated for sections set forth in paragraphs (1) through (7) of subsection (b) and sums authorized to be appropriated for section 105 of title 23, United States Code, equal to the amount referred to in subsection (b)(8)) for such fiscal year less the aggregate of the amounts not distributed under paragraph (1) of this subsection;

(4) distribute the obligation limitation for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) of section 117 of title 23, United States Code (relating to high priority projects program), section 201 of the Appalachian Regional Development Act of 1965, the Woodrow Wilson Memorial Bridge Authority Act of 1995, and \$2,000,000,000 for such fiscal year under section 105 of title 23, United States Code (relating to minimum guarantee) so that the amount of obligation authority available for each of such sections is equal to the amount determined by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such section (except in the case of section 105, \$2,000,000,000) for such fiscal year;

(5) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraph (4) for each of the programs that are allocated by the Secretary under title 23, United States Code (other than activities to which paragraph (1) applies and programs to which paragraph (4) applies) by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such program for such fiscal year; and

(6) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraphs (4) and (5) for Federal-aid highways and highway safety construction programs (other than the minimum guarantee program, but only to the extent that amounts apportioned for the minimum guarantee program for such fiscal year exceed \$2,639,000,000, and the Appalachian development highway system program) that are apportioned by the Secretary under title 23, United States Code, in the ratio that—

(A) sums authorized to be appropriated for such programs that are apportioned to each State for such fiscal year, bear to

(B) the total of the sums authorized to be appropriated for such programs that are apportioned to all States for such fiscal year.

(b) EXCEPTIONS FROM OBLIGATION LIMITATION.—The obligation limitation for Federal-aid Highways shall not apply to obligations: (1) under section 125 of title 23, United States Code; (2) under section 147 of the Surface Transportation Assistance Act of 1978; (3) under section 9 of the Federal-Aid Highway Act of 1981; (4) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982; (5) under sections 149(b) and 149(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987; (6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991; (7) under section 157 of title 23, United States Code, as in effect on the day before the date of the enactment of the Transportation Equity Act for

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

the 21st Century; and (8) under section 105 of title 23, United States Code (but, only in an amount equal to \$639,000,000 for such fiscal year).

(c) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—Notwithstanding subsection (a), the Secretary shall after August 1 for such fiscal year revise a distribution of the obligation limitation made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under sections 104 and 144 of title 23, United States Code, section 160 (as in effect on the day before the enactment of the Transportation Equity Act for the 21st Century) of title 23, United States Code, and under section 1015 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1943–1945).

(d) APPLICABILITY OF OBLIGATION LIMITATIONS TO TRANSPORTATION RESEARCH PROGRAMS.—The obligation limitation shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, except that obligation authority made available for such programs under such limitation shall remain available for a period of 3 fiscal years.

Deadline.

(e) REDISTRIBUTION OF CERTAIN AUTHORIZED FUNDS.—Not later than 30 days after the date of the distribution of obligation limitation under subsection (a), the Secretary shall distribute to the States any funds: (1) that are authorized to be appropriated for such fiscal year for Federal-aid highways programs (other than the program under section 160 of title 23, United States Code) and for carrying out subchapter I of chapter 311 of title 49, United States Code, and highway-related programs under chapter 4 of title 23, United States Code; and (2) that the Secretary determines will not be allocated to the States, and will not be available for obligation, in such fiscal year due to the imposition of any obligation limitation for such fiscal year. Such distribution to the States shall be made in the same ratio as the distribution of obligation authority under subsection (a)(6). The funds so distributed shall be available for any purposes described in section 133(b) of title 23, United States Code.

(f) SPECIAL RULE.—Obligation limitation distributed for a fiscal year under subsection (a)(4) of this section for a section set forth in subsection (a)(4) shall remain available until used and shall be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

SEC. 311. (a) No recipient of funds made available in this Act shall disseminate personal information (as defined in 18 U.S.C. 2725(3)) obtained by a State department of motor vehicles in connection with a motor vehicle record as defined in 18 U.S.C. 2725(1), except as provided in 18 U.S.C. 2721 for a use permitted under 18 U.S.C. 2721.

(b) Notwithstanding subsection (a), the Secretary shall not withhold funds provided in this Act for any grantee if a State is in noncompliance with this provision.

SEC. 312. None of the funds in this Act shall be available to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between

the Santa Barbara Traffic Separation Scheme and the San Francisco Traffic Separation Scheme.

SEC. 313. Notwithstanding any other provision of law, airports may transfer, without consideration, to the Federal Aviation Administration (FAA) instrument landing systems (along with associated approach lighting equipment and runway visual range equipment) which conform to FAA design and performance specifications, the purchase of which was assisted by a Federal airport-aid program, airport development aid program or airport improvement program grant: *Provided*, That, the Federal Aviation Administration shall accept such equipment, which shall thereafter be operated and maintained by FAA in accordance with agency criteria.

49 USC 44502
note.

SEC. 314. Notwithstanding any other provision of law, and except for fixed guideway modernization projects, funds made available by this Act under “Federal Transit Administration, Capital investment grants” for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, 2004, and other recoveries, shall be made available for other projects under 49 U.S.C. 5309.

SEC. 315. Notwithstanding any other provision of law, any funds appropriated before October 1, 2001, under any section of chapter 53 of title 49, United States Code, that remain available for expenditure may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 316. None of the funds in this Act may be used to compensate in excess of 335 technical staff-years under the federally funded research and development center contract between the Federal Aviation Administration and the Center for Advanced Aviation Systems Development during fiscal year 2002.

SEC. 317. Funds received by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration’s “Federal-Aid Highways” account, the Federal Transit Administration’s “Transit Planning and Research” account, and to the Federal Railroad Administration’s “Safety and Operations” account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

SEC. 318. Of the funds made available under section 1101(a)(12) and section 1503 of Public Law 105-178, as amended, \$52,973,000 are rescinded.

¹(–\$52,973,000)

SEC. 319. Beginning in fiscal year 2002 and thereafter, the Secretary may use up to 1 percent of the amounts made available to carry out 49 U.S.C. 5309 for oversight activities under 49 U.S.C. 5327.

49 USC 5327
note.

SEC. 320. Funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities pursuant to 49 U.S.C. 5309(m)(2)(B) may be used to construct new vessels and facilities, or to improve existing vessels and facilities, including both the passenger and vehicle-related elements of such vessels and facilities, and for repair facilities: *Provided*, That not more than \$3,000,000 of the funds made available pursuant to 49 U.S.C. 5309(m)(2)(B) may be used by the State of Hawaii to initiate and operate a passenger ferryboat services demonstration project to test the viability of different intra-island and inter-island ferry routes.

¹ Included in Title I total.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

SEC. 321. Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to 49 U.S.C. 111 may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses: *Provided*, That such funds shall be subject to the obligation limitation for Federal-aid highways and highway safety construction.

112 Stat. 373.

SEC. 322. Section 3030(a) of the Transportation Equity Act for the 21st Century (Public Law 105-178) is amended by adding at the end, the following line: “Washington County—Wilsonville to Beaverton commuter rail.”.

112 Stat. 375.

SEC. 323. Section 3030(b) of the Transportation Equity Act for the 21st Century (Public Law 105-178) is amended by adding at the end the following: “Detroit, Michigan Metropolitan Airport rail project.”.

SEC. 324. None of the funds in this Act may be obligated or expended for employee training which: (a) does not meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties; (b) contains elements likely to induce high levels of emotional response or psychological stress in some participants; (c) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluations; (d) contains any methods or content associated with religious or quasi-religious belief systems or “new age” belief systems as defined in Equal Employment Opportunity Commission Notice N-915.022, dated September 2, 1988; (e) is offensive to, or designed to change, participants’ personal values or lifestyle outside the workplace; or (f) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

SEC. 325. None of the funds in this Act shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegraph, telephone, letter, printed or written material, radio, television, video presentation, electronic communications, or other device, intended or designed to influence in any manner a Member of Congress or of a State legislature to favor or oppose by vote or otherwise, any legislation or appropriation by Congress or a State legislature after the introduction of any bill or resolution in Congress proposing such legislation or appropriation, or after the introduction of any bill or resolution in a State legislature proposing such legislation or appropriation: *Provided*, That this shall not prevent officers or employees of the Department of Transportation or related agencies funded in this Act from communicating to Members of Congress or to Congress, on the request of any Member, or to members of State legislature, or to a State legislature, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of business.

SEC. 326. (a) IN GENERAL.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a-10c).

(b) SENSE OF THE CONGRESS; REQUIREMENT REGARDING NOTICE.—

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a “Made in America” inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 327. Rebates, refunds, incentive payments, minor fees and other funds received by the Department from travel management centers, charge card programs, the subleasing of building space, and miscellaneous sources are to be credited to appropriations of the Department and allocated to elements of the Department using fair and equitable criteria and such funds shall be available until December 31, 2002.

SEC. 328. Notwithstanding any other provision of law, rule or regulation, the Secretary of Transportation is authorized to allow the issuer of any preferred stock heretofore sold to the Department to redeem or repurchase such stock upon the payment to the Department of an amount determined by the Secretary.

SEC. 329. For necessary expenses of the Amtrak Reform Council authorized under section 203 of Public Law 105-134, \$225,000.

¹(\$225,000)

SEC. 330. In addition to amounts otherwise made available in this Act, to enable the Secretary of Transportation to make grants for surface transportation projects, \$144,000,000, to remain available until expended.

¹(144,000,000)

SEC. 331. During fiscal year 2002, for providing support to the Department of Defense, the Coast Guard Yard and other Coast Guard specialized facilities designated by the Commandant shall qualify as components of the Department of Defense for competition and workload assignment purposes: *Provided*, That in addition, for purposes of entering into joint public-private partnerships and other cooperative arrangements for the performance of work, the Coast Guard Yard and other Coast Guard specialized facilities may enter into agreements or other arrangements, receive and retain funds from and pay funds to such public and private entities, and may accept contributions of funds, materials, services, and the use of facilities from such entities: *Provided further*, That amounts received under this section may be credited to appropriate Coast Guard accounts for fiscal year 2002.

SEC. 332. None of the funds in this Act may be used to make a grant unless the Secretary of Transportation notifies the House

¹ Included in Title I total.

and Senate Committees on Appropriations not less than 3 full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling \$1,000,000 or more is announced by the department or its modal administrations from: (1) any discretionary grant program of the Federal Highway Administration other than the emergency relief program; (2) the airport improvement program of the Federal Aviation Administration; or (3) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs: *Provided*, That no notification shall involve funds that are not available for obligation.

SEC. 333. (a) None of the funds made available in this Act shall be available for the design or construction of a light rail system in Houston, Texas.

(b) Notwithstanding (a), amounts made available in this Act under the heading "Federal Transit Administration, Capital investment grants" for a Houston, Texas, Metro advanced transit plan project shall be available for obligation or expenditure subject to the following conditions:

(1) Sufficient amounts shall be used for major investment studies in 4 major corridors.

(2) The Texas Department of Transportation shall review and comment on the findings of the studies under paragraph (1). Any comments by such department on such findings shall be included in any final report on such studies.

(3) If a final report on the studies under paragraph (1) is not available for at least the 1-month period preceding the date of any referendum held by the City of Houston, Texas, or by a county of Texas, regarding approval of the issuance of bonds for funding a light rail system in Houston, Texas, all information developed by such studies regarding passenger and cost estimates for such a system shall be made available to the public at least 1 month before the date of the referendum.

SEC. 334. None of the funds made available in this Act may be used for engineering work related to an additional runway at New Orleans International Airport.

SEC. 335. None of the funds in this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Federal Aviation Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to air traffic control, air navigation or weather reporting: *Provided*, That the prohibition of funds in this section does not apply to negotiations between the agency and airport sponsors to achieve agreement on "below-market" rates for these items or to grant assurances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities.

SEC. 336. Notwithstanding any other provision of law, whenever an allocation is made of the sums authorized to be appropriated for expenditure on the Federal lands highway program, and whenever an apportionment is made of the sums authorized to be appropriated for expenditure on the surface transportation program, the congestion mitigation and air quality improvement program, the National Highway System, the Interstate maintenance program, the bridge program, the Appalachian development highway system, and the minimum guarantee program, the Secretary of Transportation shall deduct a sum in such amount not to exceed two-

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

fifths of 1 percent of all sums so made available, as the Secretary determines necessary, to administer the provisions of law to be financed from appropriations for motor carrier safety programs and motor carrier safety research. The sum so deducted shall remain available until expended: *Provided*, That any deduction by the Secretary of Transportation in accordance with this paragraph shall be deemed to be a deduction under section 104(a)(1)(B) of title 23, United States Code.

SEC. 337. For an airport project that the Administrator of the Federal Aviation Administration (FAA) determines will add critical airport capacity to the national air transportation system, the Administrator is authorized to accept funds from an airport sponsor, including entitlement funds provided under the “Grants-in-Aid for Airports” program, for the FAA to hire additional staff or obtain the services of consultants: *Provided*, That the Administrator is authorized to accept and utilize such funds only for the purpose of facilitating the timely processing, review, and completion of environmental activities associated with such project.

SEC. 338. None of the funds made available in this Act may be used to further any efforts toward developing a new regional airport for southeast Louisiana until a comprehensive plan is submitted by a commission of stakeholders to the Administrator of the Federal Aviation Administration and that plan, as approved by the Administrator, is submitted to and approved by the Senate Committee on Appropriations and the House Committee on Appropriations.

SEC. 339. Notwithstanding any other provision of law, States may use funds provided in this Act under section 402 of title 23, United States Code, to produce and place highway safety public service messages in television, radio, cinema and print media, and on the Internet in accordance with guidance issued by the Secretary of Transportation: *Provided*, That any State that uses funds for such public service messages shall submit to the Secretary a report describing and assessing the effectiveness of the messages: *Provided further*, That \$8,000,000 of the funds allocated for innovative seat belt projects under section 157 of title 23, United States Code, shall be used by the States, as directed by the National Highway Traffic Safety Administrator, to purchase advertising in broadcast or print media to publicize the States’ seat belt enforcement efforts during one or more of the Operation ABC National Mobilizations: *Provided further*, That up to \$2,000,000 of the funds allocated for innovative seat belt projects under section 157 of title 23, United States Code, shall be used by the Administrator to evaluate the effectiveness of State seat belt programs that purchase advertising as provided by this section.

Reports.

SEC. 340. Item 1348 of the table contained in section 1602 of the Transportation Equity Act for the 21st Century is amended by striking “Extend West Douglas Road” and inserting “Construct Gastineau Channel Second Crossing to Douglas Island”.

112 Stat. 306.

SEC. 341. None of the funds in this Act may be obligated for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, except for activities underway on the date of enactment of this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

112 Stat. 281. SEC. 342. Item 642 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century, relating to Washington, is amended by striking “Construct passenger ferry facility to serve Southworth, Seattle” and inserting “Passenger only ferry to serve Kitsap and King Counties to Seattle”.

112 Stat. 322. SEC. 343. Item 1793 in section 1602 of the Transportation Equity Act for the 21st Century, relating to Washington, is amended by striking “Southworth Seattle Ferry” and inserting “Passenger only ferry to serve Kitsap and King Counties to Seattle”.

SEC. 344. Item 576 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 278) is amended by striking “Bull Shoals Lake Ferry in Taney County” and inserting “Construct the Missouri Center for Advanced Highway Safety (MOCAHS)”.

SEC. 345. The transit station operated by the Washington Metropolitan Area Transit Authority located at Ronald Reagan Washington National Airport, and known as the National Airport Station, shall be known and designated as the “Ronald Reagan Washington National Airport Station”. The Washington Metropolitan Area Transit Authority shall modify the signs at the transit station, and all maps, directories, documents, and other records published by the Authority, to reflect the redesignation.

SEC. 346. None of the funds appropriated or otherwise made available in this Act may be made available to any person or entity convicted of violating the Buy American Act (41 U.S.C. 10a-10c).

SEC. 347. For fiscal year 2002, notwithstanding any other provision of law, historic covered bridges eligible for Federal assistance under section 1224 of the Transportation Equity Act for the 21st Century, as amended, may be funded from amounts set aside for the discretionary bridge program.

SEC. 348. None of the funds provided in this Act or prior Appropriations Acts for Coast Guard “Acquisition, construction, and improvements” shall be available after the fifteenth day of any quarter of any fiscal year, unless the Commandant of the Coast Guard first submits a quarterly report to the House and Senate Committees on Appropriations on all major Coast Guard acquisition projects including projects executed for the Coast Guard by the United States Navy and vessel traffic service projects: *Provided*, That such reports shall include an acquisition schedule, estimated current and year funding requirements, and a schedule of anticipated obligations and outlays for each major acquisition project: *Provided further*, That such reports shall rate on a relative scale the cost risk, schedule risk, and technical risk associated with each acquisition project and include a table detailing unobligated balances to date and anticipated unobligated balances at the close of the fiscal year and the close of the following fiscal year should the Administration’s pending budget request for the acquisition, construction, and improvements account be fully funded: *Provided further*, That such reports shall also provide abbreviated information on the status of shore facility construction and renovation projects: *Provided further*, That all information submitted in such reports shall be current as of the last day of the preceding quarter.

SEC. 349. Funds provided in this Act for the Transportation Administrative Service Center (TASC) shall be reduced by \$5,000,000, which limits fiscal year 2002 TASC obligational authority for elements of the Department of Transportation funded

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

in this Act to no more than \$120,323,000: *Provided*, That such reductions from the budget request shall be allocated by the Department of Transportation to each appropriations account in proportion to the amount included in each account for the Transportation Administrative Service Center.

SEC. 350. SAFETY OF CROSS-BORDER TRUCKING BETWEEN UNITED STATES AND MEXICO. (a) No funds limited or appropriated in this Act may be obligated or expended for the review or processing of an application by a Mexican motor carrier for authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border until the Federal Motor Carrier Safety Administration—

49 USC 13902
note.

(1)(A) requires a safety examination of such motor carrier to be performed before the carrier is granted conditional operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border; (B) requires the safety examination to include—

(i) verification of available performance data and safety management programs;

(ii) verification of a drug and alcohol testing program consistent with part 40 of title 49, Code of Federal Regulations;

(iii) verification of that motor carrier's system of compliance with hours-of-service rules, including hours-of-service records;

(iv) verification of proof of insurance;

(v) a review of available data concerning that motor carrier's safety history, and other information necessary to determine the carrier's preparedness to comply with Federal Motor Carrier Safety rules and regulations and Hazardous Materials rules and regulations;

(vi) an inspection of that Mexican motor carrier's commercial vehicles to be used under such operating authority, if any such commercial vehicles have not received a decal from the inspection required in subsection (a)(5);

(vii) an evaluation of that motor carrier's safety inspection, maintenance, and repair facilities or management systems, including verification of records of periodic vehicle inspections;

(viii) verification of drivers' qualifications, including a confirmation of the validity of the Licencia de Federal de Conductor of each driver of that motor carrier who will be operating under such authority; and

(ix) an interview with officials of that motor carrier to review safety management controls and evaluate any written safety oversight policies and practices.

(C) requires that—

(i) Mexican motor carriers with three or fewer commercial vehicles need not undergo on-site safety examination; however 50 percent of all safety examinations of all Mexican motor carriers shall be conducted onsite; and

(ii) such on-site inspections shall cover at least 50 percent of estimated truck traffic in any year.

(2) requires a full safety compliance review of the carrier consistent with the safety fitness evaluation procedures set forth in part 385 of title 49, Code of Federal Regulations, and gives the motor carrier a satisfactory rating, before the

carrier is granted permanent operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border, and requires that any such safety compliance review take place within 18 months of that motor carrier being granted conditional operating authority, provided that—

(A) Mexican motor carriers with three or fewer commercial vehicles need not undergo onsite compliance review; however 50 percent of all compliance reviews of all Mexican motor carriers shall be conducted on-site; and

(B) any Mexican motor carrier with 4 or more commercial vehicles that did not undergo an on-site safety exam under (a)(1)(C), shall undergo an on-site safety compliance review under this section.

(3) requires Federal and State inspectors to verify electronically the status and validity of the license of each driver of a Mexican motor carrier commercial vehicle crossing the border;

(A) for every such vehicle carrying a placardable quantity of hazardous materials;

(B) whenever the inspection required in subsection (a)(5) is performed; and

(C) randomly for other Mexican motor carrier commercial vehicles, but in no case less than 50 percent of all other such commercial vehicles.

(4) gives a distinctive Department of Transportation number to each Mexican motor carrier operating beyond the commercial zone to assist inspectors in enforcing motor carrier safety regulations including hours-of-service rules under part 395 of title 49, Code of Federal Regulations;

(5) requires, with the exception of Mexican motor carriers that have been granted permanent operating authority for three consecutive years—

(A) inspections of all commercial vehicles of Mexican motor carriers authorized, or seeking authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border that do not display a valid Commercial Vehicle Safety Alliance inspection decal, by certified inspectors in accordance with the requirements for a Level I Inspection under the criteria of the North American Standard Inspection (as defined in section 350.105 of title 49, Code of Federal Regulations), including examination of the driver, vehicle exterior and vehicle under-carriage;

(B) a Commercial Vehicle Safety Alliance decal to be affixed to each such commercial vehicle upon completion of the inspection required by clause (A) or a re-inspection if the vehicle has met the criteria for the Level I inspection; and

(C) that any such decal, when affixed, expire at the end of a period of not more than 90 days, but nothing in this paragraph shall be construed to preclude the Administration from requiring reinspection of a vehicle bearing a valid inspection decal or from requiring that such a decal be removed when a certified Federal or State inspector determines that such a vehicle has a safety violation subsequent to the inspection for which the decal was granted.

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

(6) requires State inspectors who detect violations of Federal motor carrier safety laws or regulations to enforce them or notify Federal authorities of such violations;

(7)(A) equips all United States-Mexico commercial border crossings with scales suitable for enforcement action; equips 5 of the 10 such crossings that have the highest volume of commercial vehicle traffic with weigh-in-motion (WIM) systems; ensures that the remaining 5 such border crossings are equipped within 12 months; requires inspectors to verify the weight of each Mexican motor carrier commercial vehicle entering the United States at said WIM equipped high volume border crossings; and

(B) initiates a study to determine which other crossings should also be equipped with weigh-in-motion systems;

(8) the Federal Motor Carrier Safety Administration has implemented a policy to ensure that no Mexican motor carrier will be granted authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border unless that carrier provides proof of valid insurance with an insurance company licensed in the United States;

(9) requires commercial vehicles operated by a Mexican motor carrier to enter the United States only at commercial border crossings where and when a certified motor carrier safety inspector is on duty and where adequate capacity exists to conduct a sufficient number of meaningful vehicle safety inspections and to accommodate vehicles placed out-of-service as a result of said inspections.

(10) publishes—

Publication.

(A) interim final regulations under section 210(b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31144 note) that establish minimum requirements for motor carriers, including foreign motor carriers, to ensure they are knowledgeable about Federal safety standards, that may include the administration of a proficiency examination;

(B) interim final regulations under section 31148 of title 49, United States Code, that implement measures to improve training and provide for the certification of motor carrier safety auditors;

(C) a policy under sections 218(a) and (b) of that Act (49 U.S.C. 31133 note) establishing standards for the determination of the appropriate number of Federal and State motor carrier inspectors for the United States-Mexico border;

(D) a policy under section 219(d) of that Act (49 U.S.C. 14901 note) that prohibits foreign motor carriers from leasing vehicles to another carrier to transport products to the United States while the lessor is subject to a suspension, restriction, or limitation on its right to operate in the United States; and

(E) a policy under section 219(a) of that Act (49 U.S.C. 14901 note) that prohibits foreign motor carriers from operating in the United States that is found to have operated illegally in the United States.

(b) No vehicles owned or leased by a Mexican motor carrier and carrying hazardous materials in a placardable quantity may be permitted to operate beyond a United States municipality or

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

commercial zone until the United States has completed an agreement with the Government of Mexico which ensures that drivers of such vehicles carrying such placardable quantities of hazardous materials meet substantially the same requirements as United States drivers carrying such materials.

(c) No vehicles owned or leased by a Mexican motor carrier may be permitted to operate beyond United States municipalities and commercial zones under conditional or permanent operating authority granted by the Federal Motor Carrier Safety Administration until—

Deadline.

(1) the Department of Transportation Inspector General conducts a comprehensive review of border operations within 180 days of enactment to verify that—

(A) all new inspector positions funded under this Act have been filled and the inspectors have been fully trained;

(B) each inspector conducting on-site safety compliance reviews in Mexico consistent with the safety fitness evaluation procedures set forth in part 385 of title 49, Code of Federal Regulations, is fully trained as a safety specialist;

(C) the requirement of subparagraph (a)(2) has not been met by transferring experienced inspectors from other parts of the United States to the United States-Mexico border, undermining the level of inspection coverage and safety elsewhere in the United States;

(D) the Federal Motor Carrier Safety Administration has implemented a policy to ensure compliance with hours-of-service rules under part 395 of title 49, Code of Federal Regulations, by Mexican motor carriers seeking authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border;

(E) the information infrastructure of the Mexican government is sufficiently accurate, accessible, and integrated with that of United States enforcement authorities to allow United States authorities to verify the status and validity of licenses, vehicle registrations, operating authority and insurance of Mexican motor carriers while operating in the United States, and that adequate telecommunications links exist at all United States-Mexico border crossings used by Mexican motor carrier commercial vehicles, and in all mobile enforcement units operating adjacent to the border, to ensure that licenses, vehicle registrations, operating authority and insurance information can be easily and quickly verified at border crossings or by mobile enforcement units;

(F) there is adequate capacity at each United States-Mexico border crossing used by Mexican motor carrier commercial vehicles to conduct a sufficient number of meaningful vehicle safety inspections and to accommodate vehicles placed out-of-service as a result of said inspections;

(G) there is an accessible database containing sufficiently comprehensive data to allow safety monitoring of all Mexican motor carriers that apply for authority to operate commercial vehicles beyond United States municipalities and commercial zones on the United States-Mexico border and the drivers of those vehicles; and

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

(H) measures are in place to enable United States law enforcement authorities to ensure the effective enforcement and monitoring of license revocation and licensing procedures of Mexican motor carriers.

(2) The Secretary of Transportation certifies in writing in a manner addressing the Inspector General's findings in paragraphs (c)(1)(A) through (c)(1)(H) of this section that the opening of the border does not pose an unacceptable safety risk to the American public.

Certification.

(d) The Department of Transportation Inspector General shall conduct another review using the criteria in (c)(1)(A) through (c)(1)(H) consistent with paragraph (c) of this section, 180 days after the first review is completed, and at least annually thereafter.

Deadline.

(e) For purposes of this section, the term "Mexican motor carrier" shall be defined as a Mexico-domiciled motor carrier operating beyond United States municipalities and commercial zones on the United States-Mexico border.

(f) In addition to amounts otherwise made available in this Act, to be derived from the Highway Trust Fund, there is hereby appropriated to the Federal Motor Carrier Safety Administration, \$25,866,000 for the salary, expense, and capital costs associated with the requirements of this section.

¹(\$25,866,000)

SEC. 351. Notwithstanding any other provision of law, for the purpose of calculating the non-federal contribution to the net project cost of the Regional Transportation Commission Resort Corridor Fixed Guideway Project in Clark County, Nevada, the Secretary of Transportation shall include all non-federal contributions (whether public or private) made on or after January 1, 2000 for engineering, final design, and construction of any element or phase of the project, including any fixed guideway project or segment connecting to that project, and also shall allow non-federal funds (whether public or private) expended on one element or phase of the project to be used to meet the non-federal share requirement of any element or phase of the project.

SEC. 352. (a) FINDINGS.—Congress makes the following findings:

(1) The condition of highway, railway, and waterway infrastructure across the Nation varies widely and is in need of improvement and investment.

(2) Thousands of tons of hazardous materials, including a very small amount of high-level radioactive material, are transported along the Nation's highways, railways, and waterways each year.

(3) The volume of hazardous material transport increased by over one-third in the last 25 years and is expected to continue to increase. Some propose significantly increasing radioactive material transport.

(4) Approximately 261,000 people were evacuated across the Nation because of rail-related incidents involving hazardous materials between 1978 and 1995, and during that period industry reported 8 transportation accidents involving the small volume of high level radioactive waste transported during that period.

(5) The Federal Railroad Administration has significantly decreased railroad inspections and has allocated few resources since 1993 to assure the structural integrity of railroad bridges. Train derailments have increased by 18 percent over roughly the same period.

¹Included in Title I total.

(6) The poor condition of highway, railway, and waterway infrastructure, increases in the volume of hazardous material transport, and proposed increases in radioactive material transport increase the risk of incidents involving such materials.

(7) Measuring the risks of hazardous or radioactive material incidents and preventing such incidents requires specific information concerning the condition and suitability of specific transportation routes contemplated for such transport to inform and enable investment in related infrastructure.

(8) Mitigating the impact of hazardous and radioactive material transportation incidents requires skilled, localized, and well-equipped emergency response personnel along all specifically identified transportation routes.

(9) Incidents involving hazardous or radioactive material transport pose threats to the public health and safety, the environment, and the economy.

(b) STUDY.—The Secretary of Transportation shall, in consultation with the Comptroller General of the United States, conduct a study of the effects to public health and safety, the environment, and the economy associated with the transportation of hazardous and radioactive material.

(c) MATTERS TO BE ADDRESSED.—The study under subsection (b) shall address the following matters:

(1) Whether the Federal Government conducts or reviews individualized and detailed evaluations and inspections of the condition and suitability of specific transportation routes for the current, and any anticipated or proposed, transport of hazardous and radioactive material, including whether resources and information are adequate to conduct such evaluations and inspections.

(2) The costs and time required to ensure adequate inspection of specific transportation routes and related infrastructure and to complete the infrastructure improvements necessary to ensure the safety of current, and any anticipated or proposed, hazardous and radioactive material transport.

(3) Whether emergency preparedness personnel, emergency response personnel, and medical personnel are adequately trained and equipped to promptly respond to incidents along specific transportation routes for current, anticipated, or proposed hazardous and radioactive material transport.

(4) The costs and time required to ensure that emergency preparedness personnel, emergency response personnel, and medical personnel are adequately trained and equipped to promptly respond to incidents along specific transportation routes for current, anticipated, or proposed hazardous and radioactive material transport.

(5) The availability of, or requirements to, establish governmental and commercial information collection and dissemination systems adequate to provide public and emergency responders in an accessible manner, with timely, complete, specific, and accurate information (including databases) concerning actual, proposed, or anticipated shipments by highway, railway, or waterway of hazardous and radioactive materials, including incidents involving the transportation of such materials by those means and the public safety implications of such dissemination.

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

(d) DEADLINE FOR COMPLETION.—The study under subsection (b) shall be completed not later than 6 months after the date of the enactment of this Act.

(e) REPORT.—Upon completion of the study under subsection (b), the Secretary shall submit to Congress a report on the study.

SEC. 353. In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the States of Georgia, Alabama, and Mississippi shall give priority consideration to the following projects:

State listing.

(1) Improving Johnson Ferry Road from the Chattahoochee River to Abernathy Road, including the bridge over the Chattahoochee River, Georgia.

(2) Widening Abernathy Road from 2 to 4 lanes from Johnson Ferry Road to Roswell Road, Georgia.

(3) Constructing approaches to the Patton Island Bridge, Alabama.

(4) Planning, design, engineering, and construction of an interchange on I-55, at approximately mile marker 114, and connector roads in Madison County, Mississippi.

SEC. 354. Section 355(a) of the National Highway System Designation Act of 1995 (109 Stat. 624) is amended by striking “has achieved” and all that follows and inserting the following: “has achieved a safety belt use rate of not less than 50 percent.”.

SEC. 355. Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall conduct a study and submit to Congress a report on the costs and benefits of constructing a third bridge across the Mississippi River in the Memphis, Tennessee, metropolitan area.

Deadline.
Reports.
Tennessee.

SEC. 356. (a) Congress makes the following findings:

(1) Section 345 of the National Highway System Designation Act of 1995 authorizes limited relief to drivers of certain types of commercial motor vehicles from certain restrictions on maximum driving time and on-duty time.

(2) Subsection (c) of that section requires the Secretary of Transportation to determine by rulemaking proceedings that the exemptions granted are not in the public interest and adversely affect the safety of commercial motor vehicles.

(3) Subsection (d) of that section requires the Secretary of Transportation to monitor the safety performance of drivers of commercial motor vehicles who are subject to an exemption under section 345 and report to Congress prior to the rulemaking proceedings.

(b) It is the sense of Congress that the Secretary of Transportation should not take any action that would diminish or revoke any exemption in effect on the date of the enactment of this Act for drivers of vehicles under section 345 of the National Highway System Designation Act of 1995 (Public Law 104-59; 109 Stat. 613; 49 U.S.C. 31136 note) unless the requirements of subsections (c) and (d) of such section are satisfied.

SEC. 357. Point Retreat Light Station shall be transferred to the Alaska Lighthouse Association consistent with the terms and conditions of section 416(b)(2) of Public Law 105-383.

Government
organization.

SEC. 358. PRIORITY HIGHWAY PROJECTS, MINNESOTA. In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the State of Minnesota shall give priority consideration to the following projects:

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

(1) The Southeast Main and Rail Relocation Project in Moorhead, Minnesota.

(2) Improving access to and from I-35 W at Lake Street in Minneapolis, Minnesota.

SEC. 359. Notwithstanding any other provision of law, the Secretary of Transportation shall approve the use of funds apportioned under paragraphs (1) and (3) of section 104(b) of title 23, United States Code, for construction of Type II noise barriers—

(1) at the locations identified in section 358 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (113 Stat. 1027);

(2) on the west side of Interstate Route 285 from Henderson Mill Road to Chamblee Tucker Road in DeKalb County, Georgia;

(3) on the east and west side of Interstate Route 85, extending from Virginia Avenue to Metropolitan Parkway in Fulton County, Georgia;

(4) on the east and west sides of Interstate 285 from the South Fulton Parkway/Interstate Route 85 interchange north to Interstate Route 20;

(5) on the east side of Interstate Route 75 from Howell Mill Road to West Paces Ferry Road in Fulton County, Georgia;

(6) on the east and west sides of Interstate Route 75 between Chastain Road and Georgia State Route 92 in Cobb and Cherokee Counties, Georgia; and

(7) on the south side of Interstate 95 in Bensalem Township, between exit 25 and exit 26, Bucks County, Pennsylvania.

SEC. 360. Notwithstanding any other provision of law, of the funds apportioned to the State of Oklahoma under section 110 of title 23, United States Code, for fiscal year 2001, the \$4,300,000 specified under the heading “Federal-Aid Highways (Limitation on Obligations)” in the Department of Transportation and Related Agencies Appropriations Act, 2001 (Public Law 106-346) for reconstruction of U.S. 177 in the vicinity of Cimarron River, Oklahoma, shall be available instead only for the widening of U.S. 177 from SH-33 to 32nd Street in Stillwater, Oklahoma, and such amount shall be subject to the provisions of the last proviso under such heading.

112 Stat. 379.

SEC. 361. Section 3030(d)(3) of the Transportation Equity Act for the 21st Century (Public Law 105-178) is amended by inserting at the end:

“(D) Alabama State Docks intermodal passenger and freight facility.”

SEC. 362. Section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended by adding at the end the following:

“(44) The Louisiana Highway 1 corridor from Grand Isle, Louisiana, along Louisiana Highway 1, to the intersection with United States Route 90.”

SEC. 363. Item 425 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 272) is amended by striking “Extend” and all that follows through “Parish” and inserting the following: “Extend and improve Louisiana Route 42 from and along U.S. 61 to I-10 in Ascension and East Baton Rouge Parishes”.

SEC. 364. Items 111 and 1583 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112

PUBLIC LAW 107-87—DEC. 18, 2001

115 STAT.

Stat. 261 and 315), relating to Kentucky, are each amended by inserting after “Paducah” the following: “and other areas in the city of Paducah and McCracken County, Kentucky”.

SEC. 365. (a) Section 1105(c)(3) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240), as amended, is hereby further amended by striking: “then to a Kentucky Corridor centered on the cities of Pikeville, Jenkins, Hazard, London, Somerset, Columbia, Bowling Green, Hopkinsville, Benton, and Paducah” and inserting: “then to a Kentucky Corridor centered on the cities of Pikeville, Jenkins, Hazard, London, and Somerset; then, generally following the Louie B. Nunn Parkway corridor from Somerset to Columbia, to Glasgow, to I-65; then to Bowling Green, Hopkinsville, Benton, and Paducah”.

105 Stat. 2032.

(b) Section 1105(e)(5)(A) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240), as amended, is hereby further amended by inserting after “subsection (c)(1)”, the following: “subsection (c)(3) (solely as it relates to the Kentucky Corridor)”.

SEC. 366. Section 1105(c)(18) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240), as amended, is hereby further amended by adding:

“(E) In Kentucky, the corridor shall utilize the existing Purchase Parkway from the Tennessee State line to Interstate 24.”.

SEC. 367. Section 1105(e)(5)(B)(i) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240), as amended, is hereby further amended by adding: “The Louie B. Nunn Parkway corridor referred to in subsection (c)(3) shall be designated as Interstate Route 66. A State having jurisdiction over any segment of routes and/or corridors referred to in subsections (c)(3) shall erect signs identifying such segment that is consistent with the criteria set forth in subsections (e)(5)(A)(i) and (e)(5)(A)(ii) as Interstate Route 66. Notwithstanding the provisions of subsections (e)(5)(A)(i) and (e)(5)(A)(ii), or any other provisions of this Act, the Commonwealth of Kentucky shall erect signs, as approved by the Secretary, identifying the routes and/or corridors described in subsection (c)(3) for the Commonwealth, as segments of future Interstate Route 66. The Purchase Parkway corridor referred to in subsection (c)(18)(E) shall be designated as Interstate Route 69. A State having jurisdiction over any segment of routes and/or corridors referred to in subsections (c)(18) shall erect signs identifying such segment that is consistent with the criteria set forth in subsections (e)(5)(A)(i) and (e)(5)(A)(ii) as Interstate Route 69. Notwithstanding the provisions of subsections (e)(5)(A)(i) and (e)(5)(A)(ii), or any other provisions of this Act, the Commonwealth of Kentucky shall erect signs, as approved by the Secretary, identifying the routes and/or corridors described in subsection (c)(18) for the Commonwealth, as segments of future Interstate Route 69.”.

SEC. 368. Notwithstanding any other provision of law, any funds made available to the southern coalition for advanced transportation (SCAT) in the Department of Transportation and Related Agencies Appropriations Act, 2000, Public Law 106-69, under Capital Investment Grants, or identified in the conference report accompanying the Department of Transportation and Related Agencies Appropriations Act, 2001, Public Law 106-346, that remain unobligated shall be transferred to Transit Planning and

115 STAT.

PUBLIC LAW 107-87—DEC. 18, 2001

Research and made available to the electric transit vehicle institute (ETVI) in Tennessee for research administered under the provisions of 49 U.S.C. 5312.

Ante, p. 187.

SEC. 369. Chapter 9 of title II of the Supplemental Appropriations Act, 2001 (Public Law 107-20) is amended by deleting the heading “(Highway Trust Fund)” under the heading “Federal-aid Highways”; and inserting in the body under the heading “Federal-aid Highways” after “available” the following: “from the Highway Trust Fund (other than the mass transit account) or the general fund”; and striking “103-311” and inserting in lieu thereof “103-331”.

SEC. 370. Notwithstanding the project descriptions contained in table item number 865 of section 1602 of Public Law 105-178, table item number 77 of section 1106(a) of Public Law 102-240 and section 1069(d) relating to the Riverside Expressway in Fairmont, West Virginia, amounts available under such provision shall be available to carry out any project eligible under title 23, United States Code, in the vicinity of Fairmont, West Virginia.

112 Stat. 259.

SEC. 371. Item 71 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century, Public Law 105-178, is amended by replacing “restore First and Main Streets to two-way traffic” with “traffic safety and pedestrian improvements in downtown Miamisburg”.

SEC. 372. Item 258 in the table under the heading “Capital Investment Grants” in title I of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106-69; 113 Stat. 1006) is amended by striking “Killington-Sherburne satellite bus facility” and inserting “Marble Valley Regional Transit District buses”.

SEC. 373. Of the funds available in item 73 of the table contained in section 1106(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240), \$5,700,000 shall be available for construction of a parking facility for the inner harbor/redevelopment project in Buffalo, New York.

SEC. 374. Of the funds available in item 630 of the table contained in section 1602 of the Transportation Equity Act for the 21st Century (Public Law 105-178) as amended by section 1102 of chapter 11 of the Consolidated Appropriations Act, 2001 (Public Law 106-554) shall be available for the construction of a parking facility for the inner harbor/redevelopment project in Buffalo, New York.

This Act may be cited as the “Department of Transportation and Related Agencies Appropriations Act, 2002”.

Approved December 18, 2001.

LEGISLATIVE HISTORY—H.R. 2299 (S. 1178):

HOUSE REPORTS: Nos. 107-108 (Comm. on Appropriations) and 107-308 (Comm. of Conference).

SENATE REPORTS: No. 107-38 accompanying S. 1178 (Comm. on Appropriations).
CONGRESSIONAL RECORD, Vol. 147 (2001):

June 26, considered and passed House.

July 19, 20, 23-27, Aug. 1, considered and passed Senate, amended.

Nov. 30, House agreed to conference report.

Dec. 4, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Dec. 18, Presidential statement.

[In thousands of dollars]

| | |
|---|--------------|
| Net grand total, Department of Transportation and Related Agencies Appropriations Act, 2002 | \$17,524,970 |
| Appropriations | (17,888,594) |
| Rescissions | (- 383,624) |
| Advance appropriations, FY 2002 | (20,000) |
| <i>Limitation on obligations</i> | (41,107,800) |
| <i>Exempt obligations</i> | (955,000) |
| Net total budgetary rescues | (59,587,770) |
| Consisting of: | |
| General Government—Independent Agencies | 73,015 |
| Department of Transportation (net) | 17,506,955 |
| Other budget adjustments | - 55,000 |

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**TREASURY AND GENERAL
GOVERNMENT
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-67

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

Public Law 107-67
107th Congress

An Act

Nov. 12, 2001
[H.R. 2590]

Making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes.

Treasury and
General
Government
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes, namely:

Treasury
Department
Appropriations
Act, 2002.

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

\$177,142,000

Deadline.

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$3,500,000 for official travel expenses; not to exceed \$3,813,000, to remain available until expended for information technology modernization requirements; not to exceed \$150,000 for official reception and representation expenses; not to exceed \$258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, \$177,142,000: *Provided*, That of these amounts \$2,900,000 is available for grants to State and local law enforcement groups to help fight money laundering: *Provided further*, That of these amounts \$2,000,000 shall be available for a grant associated with research on transfer pricing, and that such sum shall be transferred within 90 days of enactment of this Act.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

68,828,000

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, \$68,828,000, to remain available until expended: *Provided*, That these funds shall be transferred to accounts and in

amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds appropriated shall be used to support or supplement the Internal Revenue Service appropriations for Information Systems.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed \$2,000,000 for official travel expenses, including hire of passenger motor vehicles; and not to exceed \$100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury, \$35,424,000. \$35,424,000

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended, including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; not to exceed \$6,000,000 for official travel expenses; and not to exceed \$500,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration, \$123,746,000. 123,746,000

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, \$28,932,000, to remain available until expended. 28,932,000

EXPANDED ACCESS TO FINANCIAL SERVICES

(INCLUDING TRANSFER OF FUNDS)

To develop and implement programs to expand access to financial services for low- and moderate-income individuals, \$2,000,000, such funds to become available upon authorization of this program as provided by law and to remain available until expended: *Provided*, That of these funds, such sums as may be necessary may be transferred to accounts of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act. 2,000,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed \$14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, \$45,837,000, of which not to exceed \$3,400,000 shall remain available until September 30, 2004; and of which \$7,790,000 shall remain available until September 30, 2003: *Provided*, That funds appropriated in this account may be used to procure personal services contracts.

\$45,837,000

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Secretary, \$40,000,000, to remain available until expended, to reimburse any Department of the Treasury organization for the costs of providing support to counter, investigate, or prosecute unexpected threats or acts of terrorism, including payment of rewards in connection with these activities: *Provided*, That use of such funds shall be subject to prior notification of the Committees on Appropriations in accordance with guidelines for reprogramming and transfer of funds.

40,000,000

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed \$11,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109, \$105,680,000, of which \$650,000 shall be available for an interagency effort to establish written standards on accreditation of Federal law enforcement training; and of which up to \$18,892,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2004, and of which up to 20 percent of the \$18,892,000 also shall be available for travel, room and board costs for participating agency basic training during the first quarter of a fiscal year, subject to full reimbursement by the benefiting agency: *Provided*, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a

105,680,000

42 USC 3771
note.

basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken pursuant to section 801 of the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104-32; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and travel expenses of non-Federal personnel to attend course development meetings and training sponsored by the Center: *Provided further*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide training for the Gang Resistance Education and Training program to Federal and non-Federal personnel at any facility in partnership with the Bureau of Alcohol, Tobacco and Firearms: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, \$33,434,000, to remain available until expended.
 [Total, \$139,114,000.]

\$33,434,000

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For expenses necessary to conduct investigations and convict offenders involved in organized crime drug trafficking, including cooperative efforts with State and local law enforcement, as it relates to the Treasury Department law enforcement violations such as money laundering, violent crime, and smuggling, \$107,576,000, of which \$7,827,000 shall remain available until expended.

107,576,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

\$212,850,000 For necessary expenses of the Financial Management Service, \$212,850,000, of which not to exceed \$9,220,000 shall remain available until September 30, 2004, for information systems modernization initiatives; and of which not to exceed \$2,500 shall be available for official reception and representation expenses.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

823,316,000 For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 822 vehicles for police-type use, of which 650 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where a major investigative assignment requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed \$20,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; not to exceed \$50,000 for cooperative research and development programs for Laboratory Services and Fire Research Center activities; and provision of laboratory assistance to State and local agencies, with or without reimbursement, \$823,316,000, of which \$3,500,000 shall be available for retrofitting and upgrades of the National Tracing Center Facility in Martinsburg, West Virginia; of which not to exceed \$1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); of which up to \$2,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries including Social Security and Medicare, travel, fuel, training, equipment, supplies, and other similar costs of State and local law enforcement personnel, including sworn officers and support personnel, that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms, and of which \$13,000,000, to remain available until expended, shall be available for disbursements through grants, cooperative agreements or contracts to local governments for Gang Resistance Education and Training: *Provided*, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in fiscal year 2002: *Provided further*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: *Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer

or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of “Curios or relics” in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase and lease of up to 1,235 motor vehicles of which 550 are for replacement only and of which 1,215 are for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed \$40,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service, \$2,079,357,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations; not to exceed \$4,000,000 shall be available until expended for research; not less than \$100,000 shall be available to promote public awareness of the child pornography tipline; not less than \$200,000 shall be available for Project Alert; not less than \$1,000,000 shall be provided to develop a curriculum for the training of law enforcement dogs to combat and respond to terrorist activities specifically related to chemical and biological threats; not to exceed \$5,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081; not to exceed \$8,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation; not to exceed \$33,151,000 shall be available until expended for the procurement and deployment of non-intrusive inspection technology; and not to exceed \$5,000,000 shall be available until expended for repairs to Customs facilities: *Provided*, That of the total amount of funds made available for forced child labor activities in fiscal year 2002, not to exceed \$4,400,000 shall remain available until expended for operations and support of such activities: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That notwithstanding any other provision of law, the fiscal year aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be \$30,000.

\$2,079,357,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

HARBOR MAINTENANCE FEE COLLECTION

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103-182, \$3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs "Salaries and Expenses" account for such purposes.

OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, \$177,860,000, which shall remain available until expended: *Provided*, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of the Treasury, during fiscal year 2002 without the prior approval of the Committees on Appropriations.

AUTOMATION MODERNIZATION

For expenses not otherwise provided for Customs automated systems, \$427,832,000, to remain available until expended, of which \$5,400,000 shall be for the International Trade Data System, and not less than \$300,000,000 shall be for the development of the Automated Commercial Environment: *Provided*, That none of the funds appropriated under this heading may be obligated for the Automated Commercial Environment until the United States Customs Service prepares and submits to the Committees on Appropriations a plan for expenditure that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including OMB Circular A-11, part 3; (2) complies with the United States Customs Service's Enterprise Information Systems Architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the Customs Investment Review Board, the Department of the Treasury, and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office: *Provided further*, That none of the funds appropriated under this heading may be obligated for the Automated Commercial Environment until such expenditure plan has been approved by the Committees on Appropriations.

[Total, United States Customs Service, \$2,688,049,000.]

PUBLIC LAW 107-67—NOV. 12, 2001

115 STAT.

UNITED STATES MINT

UNITED STATES MINT PUBLIC ENTERPRISE FUND

Pursuant to section 5136 of title 31, United States Code, the United States Mint is provided funding through the United States Mint Public Enterprise Fund for costs associated with the production of circulating coins, numismatic coins, and protective services, including both operating expenses and capital investments. The aggregate amount of new liabilities and obligations incurred during fiscal year 2002 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed \$43,000,000. From amounts in the United States Mint Public Enterprise Fund, the Secretary of the Treasury shall pay to the Comptroller General an amount not to exceed \$250,000 to reimburse the Comptroller General for the cost of a study to be conducted by the Comptroller General on any changes necessary to maximize public interest and acceptance and to achieve a better balance in the numbers of coins of different denominations in circulation, with particular attention to increasing the number of \$1 coins in circulation.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, \$191,353,000, of which not to exceed \$15,000 shall be available for official reception and representation expenses, and of which not to exceed \$2,000,000 shall remain available until expended for systems modernization: *Provided*, That the sum appropriated herein from the General Fund for fiscal year 2002 shall be reduced by not more than \$4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 2002 appropriation from the General Fund estimated at \$186,953,000. In addition, \$40,000, to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380.

\$186,953,000

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for pre-filing taxpayer assistance and education, filing and account services, shared services support, general management and administration; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$3,797,890,000, of which up to \$3,950,000 shall be for the Tax Counseling for the Elderly Program, of which \$7,000,000 shall be available for low-income taxpayer clinic grants, and of which not to exceed \$25,000 shall be for official reception and representation expenses.

3,797,890,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; conducting a document matching program; resolving taxpayer problems through prompt identification, referral and settlement; compiling statistics of income and conducting compliance research; purchase (for police-type use, not to exceed 850) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$3,538,347,000, of which not to exceed \$1,000,000 shall remain available until September 30, 2004, for research.

\$3,538,347,000

EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives pursuant to section 5702 of the Balanced Budget Act of 1997 (Public Law 105-33), \$146,000,000, of which not to exceed \$10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997.

146,000,000

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$1,563,249,000, which shall remain available until September 30, 2003.

1,563,249,000

BUSINESS SYSTEMS MODERNIZATION

For necessary expenses of the Internal Revenue Service, \$391,593,000, to remain available until September 30, 2004, for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including contractual costs associated with operations authorized by 5 U.S.C. 3109: *Provided*, That none of these funds may be obligated until the Internal Revenue Service submits to the Committees on Appropriations, and such Committees approve, a plan for expenditure that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11 part 3; (2) complies with the Internal Revenue Service's enterprise architecture, including the modernization blueprint; (3) conforms with the Internal Revenue Service's enterprise life cycle methodology; (4) is approved by the Internal Revenue Service, the Department of the Treasury, and the Office of Management and Budget; (5) has been reviewed by the General Accounting Office; and (6) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

391,593,000

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SEC. 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

26 USC 7804
note.

SEC. 103. The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information.

Confidentiality.
26 USC 6103
note.

SEC. 104. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1-800 help line service for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1-800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1-800 help line service.

Communications
and tele-
communications.

[Total, IRS, \$9,437,079,000.]

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 1,149 vehicles for police-type use, of which 945 shall be for replacement only, and hire of passenger motor vehicles; purchase of American-made side-car compatible motorcycles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed \$25,000 for official reception and representation expenses; not to exceed \$100,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year, \$920,615,000, of which \$1,633,000 shall be available for forensic and related support of investigations of missing and exploited children, and of which \$3,009,000 shall be available as a grant for activities related to the investigations of exploited children and shall remain available

\$920,615,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

until expended: *Provided*, That up to \$18,000,000 provided for protective travel shall remain available until September 30, 2003.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED
EXPENSES

\$3,457,000 For necessary expenses of construction, repair, alteration, and improvement of facilities, \$3,457,000, to remain available until expended.

[*Total, U.S. Secret Service, \$924,072,000.*]

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 110. Any obligation or expenditure by the Secretary of the Treasury in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 2002, shall be made in compliance with reprogramming guidelines.

Contracts.

SEC. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 112. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 2002 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 113. Not to exceed 2 percent of any appropriations in this Act made available to the Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, Interagency Crime and Drug Enforcement, and United States Secret Service may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 114. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Office of Inspector General, Treasury Inspector General for Tax Administration, Financial Management Service, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 115. Not to exceed 2 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to the Treasury Inspector General for Tax Administration's appropriation upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 116. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of

the Treasury certifies that the purchase by the respective Treasury bureau is consistent with Departmental vehicle management principles: *Provided*, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 117. None of the funds appropriated in this Act or otherwise available to the Department of the Treasury or the Bureau of Engraving and Printing may be used to redesign the \$1 Federal Reserve note.

SEC. 118. The Secretary of the Treasury may transfer funds from “Salaries and Expenses”, Financial Management Service, to the Debt Services Account as necessary to cover the costs of debt collection: *Provided*, That such amounts shall be reimbursed to such Salaries and Expenses account from debt collections received in the Debt Services Account.

SEC. 119. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence and intelligence-related activities of the Department of the Treasury are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2002 until enactment of the Intelligence Authorization Act for fiscal year 2002.

SEC. 120. Section 122 of Public Law 105-119 (5 U.S.C. 3104 note), as amended by Public Law 105-277, is further amended in subsection (g)(1), by striking “3 years” and inserting “4 years”; and by striking “, the United States Customs Service, and the United States Secret Service”.

SEC. 121. None of the funds appropriated or otherwise made available by this or any other Act may be used by the United States Mint to construct or operate any museum without the explicit approval of the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs.

SEC. 122. None of the funds appropriated or made available by this Act may be used for the production of Customs Declarations that do not inquire whether the passenger had been in the proximity of livestock.

SEC. 123. In addition to any other transfer authority in this Act and upon approval of the Committees on Appropriations, the Secretary of the Treasury may transfer out of any appropriations available in this title such sums as are necessary to meet financial statement audit requirements of the United States Customs Service and the Financial Management Service, not to exceed a total of \$3,000,000.

This title may be cited as the “Treasury Department Appropriations Act, 2002”.

[*Total, title I, Department of the Treasury, \$15,041,918,000.*]

TITLE II—POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, \$76,619,000, of which \$47,619,000 shall not be available for obligation until October 1, 2002: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds

Postal Service
Appropriations
Act, 2002.

¹\$29,000,000

47,619,000
(*fiscal year 2003*)
39 USC 403 note.

¹In addition, \$67,093,000 provided for FY 2002 in Treasury and General Government Appropriations, 2001 (P.L. 106-554).

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in fiscal year 2002.

This title may be cited as the “Postal Service Appropriations Act, 2002”.

[*Total (including advances), \$143,712,000.*]

Executive Office
Appropriations
Act, 2002.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

\$450,000
3 USC 102 note.

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by 3 U.S.C. 102, \$450,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

54,651,000

For necessary expenses for the White House as authorized by law, including not to exceed \$3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed \$100,000 to be expended and accounted for as provided by 3 U.S.C. 103); and not to exceed \$19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President, \$54,651,000: *Provided*, That \$10,740,000 of the funds appropriated shall be available for reimbursements to the White House Communications Agency.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

11,695,000

For the care, maintenance, repair and alteration, refurbishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, \$11,695,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112–114.

REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: *Provided*, That all reimbursable operating expenses of the Executive Residence

shall be made in accordance with the provisions of this paragraph: *Provided further*, That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: *Provided further*, That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: *Provided further*, That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit \$25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: *Provided further*, That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: *Provided further*, That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: *Provided further*, That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a report setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: *Provided further*, That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: *Provided further*, That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.

Notice.
Deadlines.

Deadline.
Reports.

Records.

WHITE HOUSE REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Executive Residence at the White House, \$8,625,000, to remain available until expended, of which \$1,306,000 is for six projects for required maintenance, safety and health issues, and continued preventative maintenance; and of which \$7,319,000 is for 3 projects for required maintenance and continued preventative maintenance in conjunction with the General Services Administration, the United States Secret Service, the Office of the President, and other agencies charged with the administration and care of the White House.

\$8,625,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL
RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions; services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles, \$3,925,000.

\$3,925,000

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the care, operation, refurbishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President; the hire of passenger motor vehicles; and not to exceed \$90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate, \$318,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

318,000

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council of Economic Advisers in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), \$4,211,000.

4,211,000

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, \$4,142,000.

4,142,000

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, \$7,494,000.

7,494,000

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles, \$46,955,000, of which \$11,775,000 shall remain available until expended for the Capital Investment Plan for continued modernization of the information technology infrastructure within the Executive Office of the President: *Provided*, That \$4,475,000 of the Capital Investment Plan

46,955,000

funds may not be obligated until the Executive Office of the President has submitted a report to the Committees on Appropriations that: (1) includes an Enterprise Architecture, as defined in OMB Circular A-130 and the Federal Chief Information Officers Council guidance; (2) presents an Information Technology (IT) Human Capital Plan, to include an inventory of current IT workforce knowledge and skills, a definition of needed IT knowledge and skills, a gap analysis of any shortfalls, and a plan for addressing any shortfalls; (3) presents a capital investment plan for implementing the Enterprise Architecture; (4) includes a description of the IT capital planning and investment control process; and (5) is reviewed and approved by the Office of Management and Budget, is reviewed by the General Accounting Office, and is approved by the Committees on Appropriations.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, \$70,752,000, of which not to exceed \$5,000,000 shall be available to carry out the provisions of chapter 35 of title 44, United States Code, and of which not to exceed \$3,000 shall be available for official representation expenses: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committees on Appropriations or the Committees on Veterans' Affairs or their subcommittees: *Provided further*, That the preceding shall not apply to printed hearings released by the Committees on Appropriations or the Committees on Veterans' Affairs: *Provided further*, That none of the funds appropriated in this Act may be available to pay the salary or expenses of any employee of the Office of Management and Budget who, after February 15, 2002, calculates, prepares, or approves any tabular or other material that proposes the sub-allocation of budget authority or outlays by the Committees on Appropriations among their subcommittees: *Provided further*, That of the amounts appropriated, not to exceed \$6,331,000 shall be available to the Office of Information and Regulatory Affairs, of which \$1,582,750 shall not be obligated until the Office of Management and Budget submits a report to the Committees on Appropriations that provides an assessment of the total costs and benefits of implementing Executive Order No. 13166: *Provided further*, That such assessment shall be submitted no later than 120 days after enactment of this Act.

\$70,752,000

Reports.

Deadline.

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C. 1701 et seq.); not to exceed \$10,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement, \$25,263,000; of which \$2,350,000 shall remain available until expended, consisting of \$1,350,000 for policy research and evaluation, and \$1,000,000 for the National Alliance for Model State Drug Laws: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

\$25,263,000

21 USC 1702
note.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Counterdrug Technology Assessment Center for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C. 1701 et seq.), \$42,300,000, which shall remain available until expended, consisting of \$20,064,000 for counternarcotics research and development projects, and \$22,236,000 for the continued operation of the technology transfer program: *Provided*, That the \$20,064,000 for counternarcotics research and development projects shall be available for transfer to other Federal departments or agencies.

42,300,000

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

Deadline.

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, \$226,350,000, for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than 51 percent shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of the enactment of this Act: *Provided*, That up to 49 percent, to remain available until September 30, 2003, may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided further*, That, of this latter amount, not less than \$2,100,000 shall be used for auditing services and activities: *Provided further*, That High Intensity Drug Trafficking Areas Programs designated as of September 30, 2001, shall be funded at no less than fiscal year 2001 levels unless the Director submits to the Committees on Appropriations, and the Committees approve, justification for changes in those levels based on clearly articulated priorities for

226,350,000

the High Intensity Drug Trafficking Areas Programs, as well as published Office of National Drug Control Policy performance measures of effectiveness.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and for other purposes, authorized by 21 U.S.C. 1701 et seq., \$239,400,000, to remain available until expended, of which \$180,000,000 shall be to support a national media campaign, as authorized in the Drug-Free Media Campaign Act of 1998, of which \$4,800,000 shall be made available no later than 30 days after the enactment of this Act to the United States Anti-Doping Agency for their anti-doping efforts; of which \$50,600,000 shall be to continue a program of matching grants to drug-free communities, as authorized in chapter 2 of the National Narcotics Leadership Act of 1988, as amended; of which \$1,000,000 shall be available to the National Drug Court Institute; and of which \$3,000,000 shall be for the Counterdrug Intelligence Executive Secretariat: *Provided*, That such funds may be transferred to other Federal departments and agencies to carry out such activities.

Deadline.
\$239,400,000

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, as authorized by 3 U.S.C. 108, \$1,000,000. This title may be cited as the “Executive Office Appropriations Act, 2002”.

1,000,000

[*Total, title III, Executive Office of the President and Funds Appropriated to the President, \$747,531,000.*]

TITLE IV—INDEPENDENT AGENCIES

Independent
Agencies
Appropriations
Act, 2002.

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by Public Law 92-28, \$4,629,000.

4,629,000

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, \$43,689,000, of which no less than \$5,128,000 shall be available for internal automated data processing systems, and of which not to exceed \$5,000 shall be available for reception and representation expenses.

43,689,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere, \$26,524,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFER OF FUNDS)

For an additional amount to be deposited in, and to be used for the purposes of, the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), \$8,000,000. The revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of \$6,100,382,000, of which: (1) \$386,280,000 shall remain available until expended for construction (including funds for sites and expenses and associated design and construction services) of additional projects at the following locations:

¹ Provided in Fiscal Year 2001 Act, P.L. 106-246.

² Limitations.

New Construction:

Alabama:

Mobile, United States Courthouse, \$11,290,000

Arkansas:

Little Rock, United States Courthouse Annex,
\$5,022,000

California:

Fresno, United States Courthouse, \$121,225,000

District of Columbia:

Washington, United States Courthouse Annex,
\$6,595,000

Washington, Southeast Federal Center Site Remediation, \$5,000,000

Florida:

Ft. Pierce, United States Courthouse, \$2,269,000

Miami, United States Courthouse, \$15,000,000

Orlando, United States Courthouse, \$4,000,000

Illinois:

Rockford, United States Courthouse, \$4,933,000

Iowa:

Cedar Rapids, United States Courthouse, \$9,785,000

Maine:

Jackman, Border Station, \$868,000

Maryland:

Montgomery County, FDA Consolidation, \$19,060,000

Prince Georges County, National Center for Environmental Prediction, \$3,000,000

Suitland, United States Census Bureau, \$2,813,000

Suitland, National Oceanic and Atmospheric Administration II, \$34,083,000

Massachusetts:

Springfield, United States Courthouse, \$6,473,000

Michigan:

Detroit, Ambassador Bridge Border Station, \$9,470,000

Mississippi:

Gulfport, United States Courthouse, \$3,000,000

Jackson, United States Courthouse, \$6,710,000

Montana:

Raymond, Border Station, \$693,000

New Mexico:

Las Cruces, United States Courthouse, \$4,110,000

New York:

Brooklyn, United States Courthouse Annex—GPO,
\$3,361,000

Buffalo, United States Courthouse Annex, \$716,000

Champlain, Border Station, \$500,000

New York, United States Mission to the United Nations, \$4,617,000

Oklahoma:

Norman, NOAA Norman Consolidation Project, \$8,000,000, to be directly transferred to the National Oceanic and Atmospheric Administration

Oregon:

Eugene, United States Courthouse, \$4,470,000

Pennsylvania:

Erie, United States Courthouse Annex, \$30,739,000

Tennessee:

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

Nashville, United States Courthouse, \$14,700,000

Texas:

Del Rio III, Border Station, \$1,869,000

Eagle Pass, Border Station, \$2,256,000

El Paso, United States Courthouse, \$11,193,000

Fort Hancock, Border Station, \$2,183,000

Houston, Federal Bureau of Investigation, \$6,268,000

Utah:

Salt Lake City, United States Courthouse, \$3,000,000

Virginia:

Norfolk, United States Courthouse Annex, \$11,609,000

Nationwide:

Non-prospectus construction, \$5,400,000:

Provided, That funding for any project identified above may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in an approved prospectus, if required, unless advance approval is obtained from the Committees on Appropriations of a greater amount: *Provided further*, That all funds for direct construction projects shall expire on September 30, 2003, and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (2) \$826,676,000 shall remain available until expended for repairs and alterations which includes associated design and construction services: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project, as follows, except each project may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount:

Repairs and Alterations:

Alabama:

Montgomery, Frank M. Johnson, Jr. Federal Building—United States Courthouse, \$4,000,000

California:

Laguna Niguel, Chet Holifield Federal Building, \$11,711,000

San Diego, Edward J. Schwartz Federal Building, United States Courthouse, \$13,070,000

Colorado:

Lakewood, Denver Federal Center, Building 67, \$8,484,000

District of Columbia:

Washington, 320 First Street, Federal Building, \$8,260,000

Washington, Internal Revenue Service Main Building, Phase 2, \$20,391,000

Washington, Main Interior Building, \$22,739,000

Washington, Main Justice Building, Phase 3, \$45,974,000

Florida:

Jacksonville, Charles E. Bennett Federal Building, \$23,552,000

Tallahassee, United States Courthouse, \$4,894,000

Illinois:

Chicago, Federal Building, 536 South Clark Street, \$60,073,000

Expiration date.

PUBLIC LAW 107-67—NOV. 12, 2001

115 STAT.

Chicago, Harold Washington Social Security Center,
\$13,692,000

Chicago, John C. Kluczynski Federal Building,
\$12,725,000

Iowa:

Des Moines, 210 Walnut Street, Federal Building,
\$11,992,000

Missouri:

Kansas City, Federal Building, 811 Grand Boulevard,
\$1,604,000

St. Louis, Federal Building, 104/105 Goodfellow,
\$20,212,000

New Jersey:

Newark, Peter W. Rodino Federal Building, \$5,295,000

Nevada:

Las Vegas, Foley Federal Building—United States
Courthouse, \$26,978,000

Ohio:

Cleveland, Anthony J. Celebrezze Federal Building,
\$22,986,000

Cleveland, Howard M. Metzenbaum United States
Courthouse, \$27,856,000

Oklahoma:

Muskogee, Federal Building—United States Court-
house, \$8,214,000

Oregon:

Portland, Pioneer Courthouse, \$16,629,000

Pennsylvania:

Pittsburgh, United States Post Office and Courthouse,
\$12,600,000

Rhode Island:

Providence, United States Federal Building and Court-
house, \$5,039,000

Wisconsin:

Milwaukee, Federal Building—United States Court-
house, \$10,015,000

Nationwide:

Design Program, \$33,657,000

Heating, Ventilation and Air Conditioning Moderniza-
tion—Various Buildings, \$6,650,000

Transformers—Various Buildings, \$15,588,000

Basic Repairs and Alterations, \$351,796,000:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations: *Provided further*, That the amounts provided in this or any prior Act for “Repairs and Alterations” may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: *Provided further*, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading “Repairs and Alterations”, may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That all funds

Expiration date.

for repairs and alterations prospectus projects shall expire on September 30, 2003, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading “Repairs and Alterations” or used to fund authorized increases in prospectus projects; (3) \$186,427,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) \$2,952,050,000 for rental of space which shall remain available until expended; and (5) \$1,748,949,000 for building operations which shall remain available until expended: *Provided further*, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 2002, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of \$6,100,382,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation; procurement and supply; Government-wide responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed \$7,500 for official reception and representation expenses, \$143,139,000, of which \$25,887,000 shall remain available until expended.

\$143,139,000

PUBLIC LAW 107-67—NOV. 12, 2001

115 STAT.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, \$36,346,000: *Provided*, That not to exceed \$15,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed \$2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness. \$36,346,000

ELECTRONIC GOVERNMENT FUND
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in support of interagency projects that enable the Federal Government to expand its ability to conduct activities electronically, through the development and implementation of innovative uses of the Internet and other electronic methods, \$5,000,000 to remain available until expended: *Provided*, That these funds may be transferred to Federal agencies to carry out the purposes of the Fund: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That such transfers may not be made until 10 days after a proposed spending plan and justification for each project to be undertaken has been submitted to the Committees on Appropriations. 5,000,000

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS
(INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138, \$3,196,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts. 3,196,000

GENERAL SERVICES ADMINISTRATION
GENERAL PROVISIONS

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 2002 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided*, That any proposed transfers shall be approved in advance by the Committees on Appropriations.

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 2003 request for United States Courthouse construction that: (1) does not meet the design guide standards

for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: *Provided*, That the fiscal year 2003 request must be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92-313).

SEC. 406. Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under section 110 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757) and sections 5124(b) and 5128 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1424(b) and 1428), for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

SEC. 407. From funds made available under the heading “Federal Buildings Fund, Limitations on Availability of Revenue”, claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.

SEC. 408. The amount expended by the General Services Administration during fiscal year 2002 for the purchase of alternative fuel vehicles shall be at least \$5,000,000 more than the amount expended during fiscal year 2001 for such purpose.

SEC. 409. Notwithstanding any other provision of law, the General Services Administration is directed to maintain the vehicle rental rates and per mile rates charged for buses used by schools and dormitories funded by the Bureau of Indian Affairs that were in effect on April 30, 2001 until such time as appropriations to the Bureau of Indian Affairs funding for the Student Transportation Program for schools and dormitories funded by the Bureau of Indian Affairs equals or exceeds \$3 per mile.

SEC. 410. DESIGNATION OF JUDGE BRUCE M. VAN SICKLE FEDERAL BUILDING AND UNITED STATES COURTHOUSE. (a) The Federal building and courthouse located at 100 1st Street, SW, Minot, North Dakota, shall be known and designated as the “Judge Bruce M. Van Sickle Federal Building and United States Courthouse”.

(b) Any reference in law, map, regulation, document, paper, or other record of the United States to the Federal building and courthouse referred to in section (a) shall be deemed to be a reference to the Judge Bruce M. Van Sickle Federal Building and United States Courthouse.

SEC. 411. Section 410 of Appendix C of Public Law 106-554 (114 Stat. 2763A-146) is amended—

(1) by striking “a 125 foot wide right-of-way” and inserting “up to a 125 foot wide right-of-way”;

(2) by striking “northeast corner of the existing port” and inserting “southeast corner of the existing port”;

(3) striking “approximately 4,750 feet” and inserting “and then west to a connection with State Highway 11 between approximately 5,000 and 7,000 feet”;

(4) by striking “a road to be built by the County of Luna, New Mexico to connect to”;

(5) by striking “*Provided further*, That notwithstanding any other provision of law, Luna County shall construct the roadway from State Highway 11 to the terminus of the northbound road to be constructed by the General Services Administration in time for completion of the road to be constructed by the General Services Administration in time for completion of the road to be constructed by the General Services Administration.”; and

(6) by striking “consisting of approximately 12 acres” and inserting “consisting of approximately 10.22 acres”.

SEC. 412. Notwithstanding any other provision of law, the United States Government is directed to deed block four (4) of the LOCH HAVEN REPLAT, as recorded in Plat Book “Q”, Page 9, Public Records of Orange County, Florida, back to the City of Orlando, Florida, for park and recreation purposes, under the same terms that the land was deeded to the United States Government by the City of Orlando in the recorded deed from the City dated September 20, 1951. Florida.

SEC. 413. DESIGNATION OF G. ROSS ANDERSON, JR. FEDERAL BUILDING AND UNITED STATES COURTHOUSE. (a) The Federal building and courthouse located at 315 S. McDuffie Street, Anderson, South Carolina, shall be known and designated as the “G. Ross Anderson, Jr. Federal Building and United States Courthouse”.

(b) Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building and courthouse referred to in subsection (a) shall be deemed to be a reference to the G. Ross Anderson, Jr. Federal Building and United States Courthouse.

[*Total, General Services Administration, \$472,081,000.*]

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, \$30,555,000 together with not to exceed \$2,520,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

30,555,000
2,520,000
(limitation)

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY TRUST FUND

For payment to the Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund, pursuant to the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (20 U.S.C. 5601 et seq.), \$1,996,000, to remain available until expended: *Provided*, That up to 60 percent of such funds may be transferred by the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation for the necessary expenses of the Native Nations Institute: *Provided further*, That not later than 90 days after the date of the enactment of this Act, the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation shall submit to the Committees on Appropriations a report describing the distribution of such funds.

\$1,996,000

Deadline.

ENVIRONMENTAL DISPUTE RESOLUTION FUND

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1998, \$1,309,000, to remain available until expended.

1,309,000

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and archived Federal records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, \$244,247,000: *Provided*, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings: *Provided further*, That of the funds made available, \$22,302,000 is for the electronic records archive, \$16,337,000 of which shall be available until September 30, 2004.

244,247,000

-6,612,000

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities, and to provide adequate storage for holdings, \$39,143,000, to remain available until expended: *Provided*, That the Archivist of the United States is authorized, pursuant to 44 U.S.C. 2903, to construct a new Southeast Regional Archives on land to be acquired (Federal site), by direct payment or the provision of site improvements, from the State of Georgia or Clayton County or some other governmental authority thereof; such Federal site to be located near the campus of Clayton College and State University in Clayton County, Georgia, and abut land designated for construction of the Georgia State Archives facility, with both archival facilities co-located on a combined site. Of the funds provided in this account, \$28,500,000 shall be available until expended to be used

39,143,000

for acquiring the Federal site, construction, and related services for building the new Federal archival facility, other related costs for improvement of the combined site which may also indirectly benefit the Georgia State Archives facility, and other necessary expenses.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, \$6,436,000, to remain available until expended. \$6,436,000

[*Total, National Archives and Records Administration, \$283,214,000.*]

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed \$1,500 for official reception and representation expenses, \$10,117,000. 10,117,000

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, \$99,636,000, of which \$3,200,000 shall remain available until expended for the cost of the governmentwide human resources data network project; and in addition \$115,928,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, of which \$21,777,000 shall remain available until expended for the cost of automating the retirement record-keeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), 8909(g), and 9004(f)(1)(A) and (2)(A) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and 99,636,000
115,928,000

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2002, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, \$1,498,000; and in addition, not to exceed \$10,016,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

\$1,498,000
10,016,000

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

6,145,000,000

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

33,000,000

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. [Total, Office of Personnel Management, \$15,634,078,000.]

9,229,000,000

33 USC 776.

PUBLIC LAW 107-67—NOV. 12, 2001

115 STAT.

OFFICE OF SPECIAL COUNSEL
SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95-454), the Whistleblower Protection Act of 1989 (Public Law 101-12), Public Law 103-424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103-353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; \$11,891,000.

\$11,891,000

UNITED STATES TAX COURT
SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, \$37,305,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

37,305,000
26 USC 7443
note.

This title may be cited as the “Independent Agencies Appropriations Act, 2002”.

[*Total, title IV, Independent Agencies, \$16,559,908,000.*]

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Contracts.
Public
information.

SEC. 503. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 504. None of the funds made available by this Act shall be available in fiscal year 2002 for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Department of the Treasury.

SEC. 505. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of

not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 506. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-10c, popularly known as the "Buy American Act").

SEC. 507. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 508. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

Abortion.

SEC. 509. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. 510. The provision of section 509 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 511. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2002 from appropriations made available for salaries and expenses for fiscal year 2002 in this Act, shall remain available through September 30, 2003, for each such account for the purposes authorized: *Provided*, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: *Provided further*, That these requests shall be made in compliance with reprogramming guidelines.

SEC. 512. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 513. The cost accounting standards promulgated under section 26 of the Office of Federal Procurement Policy Act (Public

Law 93-400; 41 U.S.C. 422) shall not apply with respect to a contract under the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

SEC. 514. For the purpose of resolving litigation and implementing any settlement agreements regarding the nonforeign area cost-of-living allowance program, the Office of Personnel Management may accept and utilize (without regard to any restriction on unanticipated travel expenses imposed in an Appropriations Act) funds made available to the Office pursuant to court approval.

SEC. 515. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating the Buy American Act (41 U.S.C. 10a-10c).

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2002 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

Drug-free
workplace.

SEC. 603. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at \$8,100 except station wagons for which the maximum shall be \$9,100: *Provided*, That these limits may be exceeded by not to exceed \$3,700 for police-type vehicles, and by not to exceed \$4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101-549 over the cost of comparable conventionally fueled vehicles.

31 USC 1343
note.

SEC. 604. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

SEC. 605. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency

5 USC 3101 note.

the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person: (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of the enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than \$4,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 606. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 607. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 13101 (September 14, 1998), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 608. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 609. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 610. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 611. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 612. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 613. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 2002, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

5 USC 5343 note.

(1) during the period from the date of expiration of the limitation imposed by section 613 of the Treasury and General Government Appropriations Act, 2001, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 2002, in an amount that exceeds the rate payable for the applicable grade and step of the

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

applicable wage schedule in accordance with such section 613; and
 (2) during the period consisting of the remainder of fiscal year 2002, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

- (A) the percentage adjustment taking effect in fiscal year 2002 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and
- Locality pay. (B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 2002 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 2001 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

- Regulations. (c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 2001, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 2001, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

- Applicability. (e) This section shall apply with respect to pay for service performed after September 30, 2001.

(f) For the purpose of administering any provision of law (including any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of \$5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such

furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the word “office” shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 615. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 616. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for fiscal year 2002 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

SEC. 617. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

- (1) the Central Intelligence Agency;
- (2) the National Security Agency;
- (3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

- (7) the Director of Central Intelligence.

SEC. 618. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2002 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as

Discrimination.
Sexual
harassment.

amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 619. None of the funds made available in this Act for the United States Customs Service may be used to allow—

(1) the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined pursuant to section 307 of the Tariff Act of 1930 (19 U.S.C. 1307); or

(2) the release into the United States of any good, ware, article, or merchandise on which the United States Customs Service has in effect a detention order, pursuant to such section 307, on the basis that the good, ware, article, or merchandise may have been mined, produced, or manufactured by forced or indentured child labor.

SEC. 620. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 621. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

Religion.

(4) contains any methods or content associated with religious or quasi-religious belief systems or “new age” belief systems as defined in Equal Employment Opportunity Commission Notice N-915.022, dated September 2, 1988; or

Lifestyle-orientation.

(5) is offensive to, or designed to change, participants’ personal values or lifestyle outside the workplace.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 622. No funds appropriated in this or any other Act may be used to implement or enforce the agreements in Standard Forms 312 and 4414 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: “These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.”: *Provided*, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 623. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 624. None of the funds appropriated by this or any other Act may be used by an agency to provide a Federal employee’s home address to any labor organization except when the employee has authorized such disclosure or when such disclosure has been ordered by a court of competent jurisdiction.

Labor
organizations.

SEC. 625. None of the funds made available in this Act or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

SEC. 626. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 627. (a) In this section the term “agency”—

(1) means an Executive agency as defined under section 105 of title 5, United States Code;

(2) includes a military department as defined under section 102 of such title, the Postal Service, and the Postal Rate Commission; and

(3) shall not include the General Accounting Office.

(b) Unless authorized in accordance with law or regulations to use such time for other purposes, an employee of an agency shall use official time in an honest effort to perform official duties. An employee not under a leave system, including a Presidential appointee exempted under section 6301(2) of title 5, United States Code, has an obligation to expend an honest effort and a reasonable proportion of such employee’s time in the performance of official duties.

SEC. 628. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, funds made available for fiscal year 2002 by this or any other Act to any department or agency, which is a member of the Joint Financial Management Improvement Program (JFMIP), shall be available to finance an appropriate share of JFMIP administrative costs, as determined by the JFMIP, but not to exceed a total of \$800,000 including the salary of the Executive Director and staff support.

SEC. 629. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, the head of each Executive department and agency is hereby authorized to transfer to the “Policy and Operations” account, General Services Administration, with the approval of the Director of the Office of Management and Budget, funds made available for fiscal year 2002 by this or any other Act, including rebates from charge card and other contracts. These funds shall be administered by the Administrator of General Services to support Government-wide financial, information technology, procurement, and other management innovations, initiatives, and activities, as approved by the Director of the Office of Management and Budget, in consultation with the appropriate interagency groups designated by the Director (including the Chief Financial Officers Council and the Joint Financial Management Improvement Program for financial management initiatives, the Chief Information Officers Council for information technology initiatives, and the Procurement Executives Council for procurement initiatives). The total funds transferred shall not exceed \$17,000,000. Such transfers may only be made 15 days following notification of the Committees on Appropriations by the Director of the Office of Management and Budget.

SEC. 630. (a) IN GENERAL.—Hereafter, in accordance with regulations promulgated by the Office of Personnel Management, an Executive agency which provides or proposes to provide child care services for Federal employees may use appropriated funds (otherwise available to such agency for salaries and expenses) to provide child care, in a Federal or leased facility, or through contract, for civilian employees of such agency.

(b) AFFORDABILITY.—Amounts so provided with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using

Regulations.
Child care.
40 USC 490b-1.

or seeking to use the child care services offered by such facility or contractor.

(c) **ADVANCES.**—Notwithstanding 31 U.S.C. 3324, amounts paid to licensed or regulated child care providers may be in advance of services rendered, covering agreed upon periods, as appropriate.

(d) **DEFINITION.**—For purposes of this section, the term “Executive agency” has the meaning given such term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

(e) **NOTIFICATION.**—None of the funds made available in this or any other Act may be used to implement the provisions of this section absent advance notification to the Committees on Appropriations.

SEC. 631. Notwithstanding any other provision of law, a woman may breastfeed her child at any location in a Federal building or on Federal property, if the woman and her child are otherwise authorized to be present at the location.

Breastfeeding.

SEC. 632. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for fiscal year 2002 by this or any other Act shall be available for the interagency funding of specific projects, workshops, studies, and similar efforts to carry out the purposes of the National Science and Technology Council (authorized by Executive Order No. 12881), which benefit multiple Federal departments, agencies, or entities: *Provided*, That the Office of Management and Budget shall provide a report describing the budget of and resources connected with the National Science and Technology Council to the Committees on Appropriations, the House Committee on Science; and the Senate Committee on Commerce, Science, and Transportation 90 days after enactment of this Act.

Reports.
Deadline.

SEC. 633. Any request for proposals, solicitation, grant application, form, notification, press release, or other publications involving the distribution of Federal funds shall indicate the agency providing the funds and the amount provided. This provision shall apply to direct payments, formula funds, and grants received by a State receiving Federal funds.

Applicability.

SEC. 634. Subsection (f) of section 403 of Public Law 103-356 (31 U.S.C. 501 note) is amended by striking “October 1, 2001” and inserting “October 1, 2002”.

SEC. 635. Section 3 of Public Law 93-346 as amended (3 U.S.C. 111 note) is amended by inserting “, utilities (including electrical) for,” after “military staffing”.

SEC. 636. Section 6 of Public Law 93-346 as amended (3 U.S.C. 111 note) is amended by inserting “, or for use at official functions in or about,” after “about”.

SEC. 637. During fiscal year 2002 and thereafter, the head of an entity named in 3 U.S.C. 112 may, with respect to civilian personnel of any branch of the Federal Government performing duties in such entity, exercise authority comparable to the authority that may by law (including chapter 57 and sections 8344 and 8468 of title 5, United States Code) be exercised with respect to the employees of an Executive agency (as defined in 5 U.S.C. 105) by the head of such Executive agency, and the authority granted by this section shall be in addition to any other authority available in law.

3 USC 112 note.

SEC. 638. Each Executive agency covered by section 630 of the Treasury and General Government Appropriations Act, 1999

Reports.

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

Deadline. (as contained in section 101(h) of division A of Public Law 105-277) shall submit a report 60 days after the close of fiscal year 2001 to the Office of Personnel Management regarding its efforts to implement the intent of such section 630. The Office of Personnel Management shall prepare a summary of the information received and shall submit the summary report to the House Committee on Appropriations 90 days after the close of fiscal year 2001.

SEC. 639. (a) PROHIBITION OF FEDERAL AGENCY MONITORING OF PERSONAL INFORMATION ON USE OF INTERNET.—None of the funds made available in this or any other Act may be used by any Federal agency—

(1) to collect, review, or create any aggregate list, derived from any means, that includes the collection of any personally identifiable information relating to an individual's access to or use of any Federal Government Internet site of the agency; or

(2) to enter into any agreement with a third party (including another government agency) to collect, review, or obtain any aggregate list, derived from any means, that includes the collection of any personally identifiable information relating to an individual's access to or use of any nongovernmental Internet site.

(b) EXCEPTIONS.—The limitations established in subsection (a) shall not apply to—

(1) any record of aggregate data that does not identify particular persons;

(2) any voluntary submission of personally identifiable information;

(3) any action taken for law enforcement, regulatory, or supervisory purposes, in accordance with applicable law; or

(4) any action described in subsection (a)(1) that is a system security action taken by the operator of an Internet site and is necessarily incident to the rendition of the Internet site services or to the protection of the rights or property of the provider of the Internet site.

(c) DEFINITIONS.—For the purposes of this section:

(1) The term “regulatory” means agency actions to implement, interpret or enforce authorities provided in law.

(2) The term “supervisory” means examinations of the agency's supervised institutions, including assessing safety and soundness, overall financial condition, management practices and policies and compliance with applicable standards as provided in law.

SEC. 640. (a) Section 8335(a) of title 5, United States Code, is amended by striking the period at the end of the first sentence and inserting: “or completes the age and service requirements for an annuity under section 8336, whichever occurs later.”.

Effective date.
5 USC 8335 note.

(b) The amendment made by subsection (a) takes effect on the date of enactment with regard to any individual subject to chapter 83 of title 5, United States Code, who is employed as an air traffic controller on that date.

SEC. 641. (a) IN GENERAL.—Title 5, United States Code, is amended by inserting after section 4507 the following:

“§ 4507a. Awarding of ranks to other senior career employees

“(a) For the purpose of this section, the term ‘senior career employee’ means an individual appointed to a position classified above GS-15 and paid under section 5376 who is not serving—

“(1) under a time-limited appointment; or

“(2) in a position that is excepted from the competitive service because of its confidential or policy-making character.

“(b) Each agency employing senior career employees shall submit annually to the Office of Personnel Management recommendations of senior career employees in the agency to be awarded the rank of Meritorious Senior Professional or Distinguished Senior Professional, which may be awarded by the President for sustained accomplishment or sustained extraordinary accomplishment, respectively.

“(c) The recommendations shall be made, reviewed, and awarded under the same terms and conditions (to the extent determined by the Office of Personnel Management) that apply to rank awards for members of the Senior Executive Service under section 4507.”.

(b) REGULATIONS.—Section 4506 of title 5, United States Code, is amended by striking “the agency awards program” and inserting “the awards programs”.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 45 of title 5, United States Code, is amended by inserting after the item relating to section 4507 the following:

“4507a. Awarding of ranks to other senior career employees.”.

(d) The amendments made by this section shall take effect for awards granted in 2003.

Effective date.
5 USC 4506 note.

SEC. 642. Section 640(c) of the Treasury and General Government Appropriations Act, 2000 (Public Law 106-58; 2 U.S.C. 437g note) is amended by striking “violations occurring between January 1, 2000 and December 31, 2001” and inserting “violations that relate to reporting periods that begin on or after January 1, 2000, and that end on or before December 31, 2003”.

SEC. 643. (a) None of the funds appropriated by this Act may be used to enter into or renew a contract which includes a provision providing prescription drug coverage, except where the contract also includes a provision for contraceptive coverage.

(b) Nothing in this section shall apply to a contract with—

(1) any of the following religious plans:

(A) Personal Care’s HMO; and

(B) OSF Health Plans, Inc.; and

(2) any existing or future plan, if the carrier for the plan objects to such coverage on the basis of religious beliefs.

(c) In implementing this section, any plan that enters into or renews a contract under this section may not subject any individual to discrimination on the basis that the individual refuses to prescribe or otherwise provide for contraceptives because such activities would be contrary to the individual’s religious beliefs or moral convictions.

(d) Nothing in this section shall be construed to require coverage of abortion or abortion-related services.

Abortion.

SEC. 644. The Congress of the United States recognizes the United States Anti-Doping Agency (USADA) as the official anti-doping agency for Olympic, Pan American, and Paralympic sport in the United States.

115 STAT.

PUBLIC LAW 107-67—NOV. 12, 2001

22 USC 7002. SEC. 645. (a) Section 1238(e)(3) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398) is amended by adding at the end the following: “The executive director and any personnel who are employees of the United States-China Security Review Commission shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, and 90 of that title.”.

Effective date.
22 USC 7002
note. (b) The amendment made by this section shall take effect on January 3, 2001.

Pay raise.
5 USC 5303 note. SEC. 646. (a) The adjustment in rates of basic pay for the statutory pay systems that takes effect in fiscal year 2002 under sections 5303 and 5304 of title 5, United States Code, shall be an increase of 4.6 percent.

(b) Funds used to carry out this section shall be paid from appropriations which are made to each applicable department or agency for salaries and expenses for fiscal year 2002.

Deadline.
Reports. SEC. 647. Not later than 6 months after the date of enactment of this Act, the Inspector General of each applicable department or agency shall submit to the Committee on Appropriations a report detailing what policies and procedures are in place for each department or agency to give first priority to the location of new offices and other facilities in rural areas, as directed by the Rural Development Act of 1972.

SEC. 648. DEADLINE FOR SUBMISSION OF ANNUAL REPORTS BY UNITED STATES-CHINA SECURITY REVIEW COMMISSION. Section 1238(c)(1) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by section 1 of Public Law 106-398) is amended by striking “March” and inserting “June”.

SEC. 649. Subsection (a) of section 2105 of title 44, United States Code, is amended to read as follows:

“(a)(1) The Archivist is authorized to select, appoint, employ, and fix the compensation of such officers and employees, pursuant to part III of title 5, as are necessary to perform the functions of the Archivist and the Administration.

“(2) Notwithstanding paragraph (1), the Archivist is authorized to appoint, subject to the consultation requirements set forth in paragraph (f)(2) of section 2203 of this title, a director at each Presidential archival depository established under section 2112 of this title. The Archivist may appoint a director without regard to subchapter I and subchapter VIII of chapter 33 of title 5, United States Code, governing appointments in the competitive service and the Senior Executive Service. A director so appointed shall be responsible for the care and preservation of the Presidential records and historical materials deposited in a Presidential archival depository, shall serve at the pleasure of the Archivist and shall perform such other functions as the Archivist may specify.”.

Breast Cancer
Research Stamp
Act of 2001.
39 USC 101 note.

SEC. 650. REAUTHORIZATION OF BREAST CANCER RESEARCH SPECIAL POSTAGE STAMP. (a) SHORT TITLE.—This section may be cited as the “Breast Cancer Research Stamp Act of 2001”.

(b) REAUTHORIZATION AND INAPPLICABILITY OF LIMITATION.—

(1) IN GENERAL.—Section 414 of title 39, United States Code, is amended by striking subsection (g) and inserting the following:

“(g) For purposes of section 416 (including any regulation prescribed under subsection (e)(1)(C) of that section), the special postage stamp issued under this section shall not apply to any limitation relating to whether more than 1 semipostal may be offered for sale at the same time.

“(h) This section shall cease to be effective after December 31, 2003.”

Termination date.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the earlier of—

39 USC 414 note.

(A) the date of enactment of this Act; or

(B) July 29, 2002.

(c) RATE OF POSTAGE.—Section 414(b) of title 39, United States Code, is amended—

(1) in paragraph (1), by striking “of not to exceed 25 percent” and inserting “of not less than 15 percent”; and

(2) by adding after the sentence following paragraph (3) the following: “The special rate of postage of an individual stamp under this section shall be an amount that is evenly divisible by 5.”

SEC. 651. AMENDMENT TO TITLE 39. Section 5402(d) of title 39, United States Code, is amended by—

(1) inserting “(1)” after “(d)”; and

(2) inserting at the end the following:

“(2)(A) In the exercise of its authority under paragraph (1), the Postal Service may require any air carrier to accept as mail shipments of day-old poultry and such other live animals as postal regulations allow to be transmitted as mail matter. The authority of the Postal Service under this subparagraph shall not apply in the case of any air carrier who commonly and regularly refuses to accept any live animals as cargo.

“(B) Notwithstanding any other provision of law, the Postal Service is authorized to assess, as postage to be paid by the mailers of any shipments covered by subparagraph (A), a reasonable surcharge that the Postal Service determines in its discretion to be adequate to compensate air carriers for any necessary additional expense incurred in handling such shipments.

“(C) The authority of the Postal Service under subparagraph (B) shall apply during the period beginning on the date of enactment of this paragraph, and ending June 30, 2002.”

Applicability.

SEC. 652. THE 9/11 HEROES STAMP OF 2001. (a) SHORT TITLE.—This section may be cited as the “9/11 Heroes Stamp Act of 2001”.

9/11 Heroes Stamp Act of 2001.

(b) IN GENERAL.—In order to afford the public a direct and tangible way to provide assistance to the families of emergency relief personnel killed or permanently disabled in the line of duty in connection with the terrorist attacks against the United States on September 11, 2001, the United States Postal Service shall issue a semipostal in accordance with subsection (c).

39 USC 416 note.

(c) REQUIREMENTS.—The provisions of section 416(a), (c), (d), and (f) of title 39, United States Code, shall apply as practicable with respect to the semipostal described in subsection (b), subject to the following:

(1) RATE OF POSTAGE.—Section 414(c) of title 39, United States Code, is amended—

(A) in paragraph (1), by striking “of not to exceed 25 percent” and inserting “of not less than 15 percent”; and

(B) by adding after the sentence following paragraph (2) the following: “The special rate of postage of an individual stamp under this section shall be an amount that is evenly divisible by 5.”

(2) DISPOSITION OF AMOUNTS BECOMING AVAILABLE.—All amounts becoming available from the sale of the semipostal (as determined under such section) shall be transferred to the Federal Emergency Management Agency under such arrangements as the Postal Service shall by mutual agreement with such agency establish in order to carry out the purposes of this section.

(3) COMMENCEMENT AND TERMINATION DATES.—Stamps under this section shall be issued—

(A) beginning on the earliest date practicable; and

(B) for such period of time as the Postal Service considers necessary and appropriate, but in no event after December 31, 2004.

(d) LIMITATION.—For purposes of section 416 of title 39, United States Code (including any regulation prescribed under subsection (e)(1)(C) of that section), the semipostal postage stamp issued under this section shall not apply to any limitation relating to whether more than one semipostal may be offered for sale at the same time.

(e) DESIGN.—It is the sense of the Congress that the semipostal issued under this section should depict, by such design as the Postal Service considers to be most appropriate, the efforts of emergency relief personnel at the site of the World Trade Center in New York City and the Pentagon in Arlington, Virginia.

(f) DEFINITIONS.—For purposes of this section—

(1) the term “emergency relief personnel” means firefighters, law enforcement officers, paramedics, emergency medical technicians, members of the clergy, and other individuals (including employees of legally organized and recognized volunteer organizations, whether compensated or not) who, in the course of professional duties, respond to fire, medical, hazardous material, or other similar emergencies; and

(2) the term “semipostal” has the meaning given such term by section 416 of title 39, United States Code.

SEC. 653. DOMESTIC VIOLENCE SEMIPOSTAL STAMP. (a) SHORT TITLE.—This section may be cited as the “Stamp Out Domestic Violence Act of 2001”.

(b) IN GENERAL.—In order to afford the public a direct and tangible way to contribute to funding for domestic violence programs, the United States Postal Service shall issue a semipostal in accordance with subsection (c).

(c) REQUIREMENTS.—The provisions of section 416 of title 39, United States Code, shall apply as practicable with respect to the semipostal described in subsection (b), subject to the following:

(1) DISPOSITION OF AMOUNTS BECOMING AVAILABLE.—All amounts becoming available from the sale of the semipostal (as determined under such section) shall be transferred to the Department of Health and Human Services under such arrangements as the Postal Service shall by mutual agreement with such agency establish in order to carry out the purposes of this section.

(2) COMMENCEMENT AND TERMINATION DATES.—Stamps under this section shall be issued—

Stamp Out
Domestic
Violence Act of
2001.
39 USC 416 note.

(A) beginning on the earliest date practicable, but not later than January 1, 2004; and

(B) for such period of time as the Postal Service considers necessary and appropriate, but in no event after December 31, 2006.

(d) LIMITATION.—For purposes of section 416 of title 39, United States Code (including any regulation prescribed under subsection (e)(1)(C) of that section), the semipostal stamp issued under this section shall not apply to any limitation relating to whether more than one semipostal may be offered for sale at the same time.

(e) DEFINITION.—For purposes of this section the term “semipostal” has the meaning given such term by section 416 of title 39, United States Code.

This Act may be cited as the “Treasury and General Government Appropriations Act, 2002”.

Approved November 12, 2001.

LEGISLATIVE HISTORY—H.R. 2590 (S. 1398):

HOUSE REPORTS: Nos. 107-152 (Comm. on Appropriations) and 107-253 (Comm. of Conference).

SENATE REPORTS: No. 107-57 accompanying S. 1398 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

July 25, considered and passed House.

Sept. 19, considered and passed Senate, amended.

Oct. 31, House agreed to conference report.

Nov. 1, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Nov. 12, Presidential statement.

[In thousands of dollars]

| | |
|---|------------------------|
| Grand total, Treasury and General Government Appropriations Act, 2002 | \$32,525,069 |
| Current year, FY 2002 | 32,477,450 |
| Appropriations | (32,133,957) |
| Advance appropriations, FY 2002 | ¹ (343,493) |
| Advance appropriations, FY 2003 | 47,619 |
| Consisting of: | |
| Executive Office of the President | 747,531 |
| General Government—Independent Agencies ... | 482,749 |
| Advance appropriations, FY 2002 | ¹ 67,093 |
| Advance appropriations, FY 2003 | 47,619 |
| General Services Administration | 8,000 |
| Advance appropriations, FY 2002 | ¹ 276,400 |
| Office of Personnel Management | 15,634,078 |
| Department of the Treasury | 15,041,918 |
| Other budget adjustments | 32,000 |

¹ Advance provided in Fiscal Year 2001 Act (P.L. 106-554).

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

**DEPARTMENTS OF VETERANS
AFFAIRS AND HOUSING
AND URBAN DEVELOPMENT,
AND INDEPENDENT AGENCIES
APPROPRIATIONS ACT, 2002**

PUBLIC LAW 107-73

VETERANS AFFAIRS, HUD APPROPRIATIONS, 2002

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

Public Law 107-73
107th Congress

An Act

Nov. 26, 2001
[H.R. 2620]

Making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

Departments of
Veterans Affairs
and Housing and
Urban
Development,
and Independent
Agencies
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

\$24,944,288,000

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 540 et seq.) and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$24,944,288,000, to remain available until expended: *Provided*, That not to exceed \$17,940,000 of the amount appropriated under this heading shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

PUBLIC LAW 107-73—NOV. 26, 2001

115 STAT.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61), \$2,135,000,000, to remain available until expended: *Provided*, That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under section 3104(a) of title 38, United States Code, other than under subsection (a)(1), (2), (5), and (11) of that section, shall be charged to this account.

\$2,135,000,000

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, \$26,200,000, to remain available until expended.

26,200,000

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That during fiscal year 2002, within the resources available, not to exceed \$300,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

203,278,000
(indefinite)¹300,000

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, \$164,497,000, which may be transferred to and merged with the appropriation for "General operating expenses".

164,497,000

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, \$1,000, as authorized by 38 U.S.C. 3698, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$3,400.

1,000

¹3,400

In addition, for administrative expenses necessary to carry out the direct loan program, \$64,000, which may be transferred to and merged with the appropriation for "General operating expenses".

64,000

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, \$72,000, as authorized by 38 U.S.C. chapter 31, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided*

72,000

¹ Limitation on direct loans.

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

further, That funds made available under this heading are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$3,301,000.

¹\$3,301,000

274,000

In addition, for administrative expenses necessary to carry out the direct loan program, \$274,000, which may be transferred to and merged with the appropriation for “General operating expenses”.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, \$544,000, which may be transferred to and merged with the appropriation for “General operating expenses”.

544,000

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS
VETERANS PROGRAM ACCOUNT

For the administrative expenses to carry out the guaranteed transitional housing loan program authorized by 38 U.S.C. chapter 37, subchapter VI, not to exceed \$750,000 of the amounts appropriated by this Act for “General operating expenses” and “Medical care” may be expended.

[*Total, Veterans Benefits Administration, \$27,474,218,000.*]

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the department for collecting and recovering amounts owed the department as authorized under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq., \$21,331,164,000, plus reimbursements: *Provided*, That of the funds made available under this heading, \$675,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 2002, and shall remain available until September 30, 2003: *Provided further*, That of the funds made

21,331,164,000

¹Limitation on direct loans.

available under this heading, not to exceed \$900,000,000 shall be available until September 30, 2003: *Provided further*, That of the funds made available under this heading for non-recurring maintenance and repair (NRM) activities, \$15,000,000 shall be available without fiscal year limitation to support the NRM activities necessary to implement Capital Asset Realignment for Enhanced Services (CARES) activities: *Provided further*, That from amounts appropriated under this heading, additional amounts, as designated by the Secretary no later than September 30, 2002, may be used for CARES activities without fiscal year limitation: *Provided further*, That the Secretary of Veterans Affairs shall conduct by contract a program of recovery audits for the fee basis and other medical services contracts with respect to payments for hospital care; and, notwithstanding 31 U.S.C. 3302(b), amounts collected, by setoff or otherwise, as the result of such audits shall be available, without fiscal year limitation, for the purposes for which funds are appropriated under this heading and the purposes of paying a contractor a percent of the amount collected as a result of an audit carried out by the contractor: *Provided further*, That all amounts so collected under the preceding proviso with respect to a designated health care region (as that term is defined in 38 U.S.C. 1729A(d)(2)) shall be allocated, net of payments to the contractor, to that region.

Contracts.

In addition, in conformance with Public Law 105-33 establishing the Department of Veterans Affairs Medical Care Collections Fund, such sums as may be deposited to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.

1

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2003, \$371,000,000, plus reimbursements.

\$371,000,000

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities, \$66,731,000, plus reimbursements: *Provided*, That technical and consulting services offered by the Facilities Management Field Service, including project management and real property administration (including leases, site acquisition and disposal activities directly supporting projects), shall be provided to Department of Veterans Affairs components only on a reimbursable basis, and such amounts will remain available until September 30, 2002.

66,731,000

[Total, Veterans Health Administration, \$21,768,895,000.]

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including administrative

¹ CBO estimates indefinite appropriations of \$691,000,000 and offsetting receipts of -\$691,000,000.

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

\$1,195,728,000 expenses in support of Department-wide capital planning, management and policy activities, uniforms or allowances therefor; not to exceed \$25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail, \$1,195,728,000: *Provided*, That expenses for services and assistance authorized under 38 U.S.C. 3104(a)(1), (2), (5), and (11) that the Secretary determines are necessary to enable entitled veterans: (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account: *Provided further*, That of the funds made available under this heading, not to exceed \$60,000,000 shall be available for obligation until September 30, 2003: *Provided further*, That from the funds made available under this heading, the Veterans Benefits Administration may purchase up to four passenger motor vehicles for use in operations of that Administration in Manila, Philippines: *Provided further*, That travel expenses for this account shall not exceed \$15,665,000.

NATIONAL CEMETERY ADMINISTRATION

121,169,000 For necessary expenses of the National Cemetery Administration for operations and maintenance, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of one passenger motor vehicle for use in cemeterial operations; and hire of passenger motor vehicles, \$121,169,000.

OFFICE OF INSPECTOR GENERAL

52,308,000 For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$52,308,000.

CONSTRUCTION, MAJOR PROJECTS

183,180,000 For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is \$4,000,000 or more or where funds for a project were made available in a previous major project appropriation, \$183,180,000, to remain available until expended, of which \$60,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities; and of which not to exceed \$20,000,000 shall be for costs associated with land acquisitions for national cemeteries in the vicinity of Sacramento, California; Pittsburgh, Pennsylvania; and Detroit, Michigan: *Provided*, That of the amount made available under this heading for CARES activities, up to \$40,000,000 shall be for construction of a blind and spinal cord injury center at the Hines Veterans Affairs Medical Center pursuant

to the Veterans Integrated Service Network (VISN) 12 CARES study, and construction of such center is hereby deemed authorized pursuant to title 38, United States Code: *Provided further*, That the amounts designated in the previous proviso shall be available for obligation only after the Secretary of Veterans Affairs has initiated all actions necessary to implement fully Option B of the July 19, 2001 VISN 12 Service Delivery Options after consulting with interested and affected parties, and has initiated Phase II of the CARES process: *Provided further*, That except for advance planning activities, including needs assessments which may or may not lead to capital investments, and other capital asset management related activities, such as portfolio development and management activities, and investment strategy studies funded through the advance planning fund and the planning and design activities funded through the design fund and CARES funds, including needs assessments which may or may not lead to capital investments, none of the funds appropriated under this heading shall be used for any project which has not been approved by the Congress in the budgetary process: *Provided further*, That funds provided in this appropriation for fiscal year 2002, for each approved project (except those for CARES activities and the three land acquisitions referenced above) shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2002; and (2) by the awarding of a construction contract by September 30, 2003: *Provided further*, That the Secretary of Veterans Affairs shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: *Provided further*, That no funds from any other account except the “Parking revolving fund”, may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until 1 year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

Contracts.
Deadline.

Reports.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning and assessments of needs which may lead to capital investments, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, 8122, and 8162 of title 38, United States Code, where the estimated cost of a project is less than \$4,000,000, \$210,900,000, to remain available until expended, along with unobligated balances of previous “Construction, minor projects” appropriations which are hereby made available for any project where the estimated cost is less than \$4,000,000, of which \$25,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities: *Provided*, That from amounts appropriated under this heading, additional amounts may be used for CARES activities upon notification of and approval by the Committees on Appropriations: *Provided further*, That funds in this account shall be available

\$210,900,000

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

\$4,000,000 For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected and \$4,000,000 from the general fund, both to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from “Medical care”.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

100,000,000 For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, \$100,000,000, to remain available until expended.

GRANTS FOR CONSTRUCTION OF STATE VETERANS CEMETERIES

25,000,000 For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by 38 U.S.C. 2408, \$25,000,000, to remain available until expended.
[Total, Departmental Administration, \$1,892,285,000.]

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for fiscal year 2002 for “Compensation and pensions”, “Readjustment benefits”, and “Veterans insurance and indemnities” may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2002 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for “Construction, major projects”, “Construction, minor projects”, and the “Parking revolving fund”) shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the “Medical care” account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 2002 for “Compensation and pensions”, “Readjustment benefits”, and “Veterans insurance and indemnities” shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 2001.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 2002 shall be available to pay

prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100-86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 2002, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2002, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year 2002, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. Notwithstanding any other provision of law, the Department of Veterans Affairs shall continue the Franchise Fund pilot program authorized to be established by section 403 of Public Law 103-356 until October 1, 2002: *Provided*, That the Franchise Fund, established by title I of Public Law 104-204 to finance the operations of the Franchise Fund pilot program, shall continue until October 1, 2002.

31 USC 501 note.

SEC. 109. Amounts deducted from enhanced-use lease proceeds to reimburse an account for expenses incurred by that account during a prior fiscal year for providing enhanced-use lease services, may be obligated during the fiscal year in which the proceeds are received.

SEC. 110. Funds available in any Department of Veterans Affairs appropriation for fiscal year 2002 or funds for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for all services provided at rates which will recover actual costs but not exceed \$28,555,000 for the Office of Resolution Management and \$2,383,000 for the Office of Employment and Discrimination Complaint Adjudication: *Provided*, That payments may be made in advance for services to be furnished based on estimated costs: *Provided further*, That amounts received shall be credited to "General operating expenses" for use by the office that provided the service.

SEC. 111. The Secretary of Veterans Affairs shall treat the North Dakota Veterans Cemetery, Mandan, North Dakota, as a veterans cemetery owned by the State of North Dakota for purposes of making grants to States in expanding or improving veterans cemeteries under section 2408 of title 38, United States Code. This section shall take effect on the date of enactment of this Act, and shall apply with respect to grants under section 2408 of title 38, United States Code, that occur on or after that date.

North Dakota.
Grants.

Effective date.
Applicability.

[*Total, title I, Department of Veterans Affairs, \$51,135,398,000.*]

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

TITLE II—DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, \$16,280,975,000, of which \$640,000,000 shall be from unobligated balances from amounts recaptured from fiscal year 2000 and prior years pursuant to a reduction in the amounts provided for Annual Contributions Contract Reserve Accounts, and amounts that are recaptured in this account to remain available until expended: *Provided*, That not later than October 1, 2001, the Department of Housing and Urban Development shall reduce from 60 days to 30 days the amount of reserve funds made available to public housing authorities: *Provided further*, That of the total amount provided under this heading, \$16,071,975,000, of which \$11,231,975,000 and the aforementioned recaptures shall be available on October 1, 2001 and \$4,200,000,000 shall be available on October 1, 2002, shall be for assistance under the United States Housing Act of 1937, as amended (“the Act” herein) (42 U.S.C. 1437 et seq.): *Provided further*, That the foregoing amounts shall be for use in connection with expiring or terminating section 8 subsidy contracts, for amendments to section 8 subsidy contracts, for enhanced vouchers (including amendments and renewals) under any provision of law authorizing such assistance under section 8(t) of the Act (42 U.S.C. 1437f(t)), contract administrators, and contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act: *Provided further*, That amounts available under the second proviso under this heading shall be available for section 8 rental assistance under the Act: (1) for the relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134; Stat. 1321-269); (2) for the conversion of section 23 projects to assistance under section 8; (3) for funds to carry out the family unification program; (4) for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency; (5) for tenant protection assistance, including replacement and relocation assistance; and (6) for the 1-year renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990: *Provided further*, That of the total amount provided under this heading, no less than \$13,400,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That of the total amount provided under this heading, \$143,979,000 shall be made available for incremental vouchers

¹\$11,440,975,000

Deadline.

4,200,000,000
(fiscal year 2003)¹Total funding of \$15,640,975,000.

under section 8 of the Act, of which \$103,979,000 shall be made available on a fair share basis to those public housing agencies that have no less than a 97 percent occupancy rate; and of which \$40,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of the Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act (42 U.S.C. 13618), and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: *Provided further*, That up to \$195,601,000 from amounts made available under this heading may be made available for contract administrators: *Provided further*, That amounts available under this heading may be made available for administrative fees and other expenses to cover the cost of administering rental assistance programs under section 8 of the Act: *Provided further*, That the fee otherwise authorized under section 8(q) of the Act shall be determined in accordance with section 8(q), as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998: *Provided further*, That \$1,200,000,000 is rescinded from unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under this heading or the heading "Annual contributions for assisted housing" or any other heading for fiscal year 2001 and prior years: *Provided further*, That any such balances governed by reallocation provisions under the statute authorizing the program for which the funds were originally appropriated shall not be available for this rescission: *Provided further*, That the Secretary shall have until September 30, 2002, to meet the rescission in the proviso preceding the immediately preceding proviso: *Provided further*, That any obligated balances of contract authority that have been terminated shall be canceled.

42 USC 1437f note.

-\$1,200,000,000 (rescission)

Deadline.

PUBLIC HOUSING CAPITAL FUND
(INCLUDING TRANSFER OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), \$2,843,400,000, to remain available until September 30, 2005: *Provided*, That, hereafter, notwithstanding any other provision of law or any failure of the Secretary of Housing and Urban Development to issue regulations to carry out section 9(j) of the United States Housing Act of 1937 (42 U.S.C. 1437g(j)), such section is deemed to have taken effect on October 1, 1998, and, except as otherwise provided in this heading, shall apply to all assistance made available under this same heading on or after such date: *Provided further*, That of the total amount provided under this heading, in addition to amounts otherwise allocated under this heading, \$550,000,000 shall be allocated for such capital and management activities only among public housing agencies that have obligated all assistance for the agency for fiscal years 1998 and 1999 made available under this same heading in accordance with the requirements under paragraphs (1) and (2) of section 9(j) of such Act: *Provided further*,

2,843,400,000
Effective date.
Applicability.
42 USC 1437g
note.

That notwithstanding any other provision of law or regulation, during fiscal year 2002, the Secretary may not delegate to any Department official other than the Deputy Secretary any authority under paragraph (2) of such section 9(j) regarding the extension of the time periods under such section for obligation of amounts made available for fiscal year 1998, 1999, 2000, 2001, or 2002: *Provided further*, That notwithstanding the first proviso and paragraphs (3) and (5)(B) of such section 9(j), if at any time before the effectiveness of final regulations issued by the Secretary under section 6(j) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)) providing for assessment of public housing agencies and designation of high-performing agencies, any amounts made available under the public housing Capital Fund for fiscal year 1999, 2000, 2001, or 2002 remain unobligated in violation of paragraph (1) of such section 9(j) or unexpended in violation of paragraph (5)(A) of such section 9(j), the Secretary shall recapture any such amounts and reallocate such amounts among public housing agencies that, at the time of such reallocation, are not in violation of any requirement under paragraph (1) or (5)(A) of such section: *Provided further*, That for purposes of this heading, the term “obligate” means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays immediately or in the future: *Provided further*, That of the total amount provided under this heading, up to \$51,000,000 shall be for carrying out activities under section 9(h) of such Act, of which up to \$10,000,000 shall be for the provision of remediation services to public housing agencies identified as “troubled” under the Section 8 Management Assessment Program: *Provided further*, That of the total amount provided under this heading, up to \$500,000 shall be for lease adjustments to section 23 projects, and no less than \$52,700,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended: *Provided further*, That of the total amount provided under this heading, up to \$75,000,000 shall be available for the Secretary of Housing and Urban Development to make grants to public housing agencies for emergency capital needs resulting from emergencies and natural disasters in fiscal year 2002: *Provided further*, That of the total amount provided under this heading, \$15,000,000 shall be for a Neighborhood Networks initiative for activities authorized in section 9(d)(1)(E) of the United States Housing Act of 1937, as amended: *Provided further*, That notwithstanding any other provision of law, amounts made available in the previous proviso shall be awarded to public housing agencies on a competitive basis as provided in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

PUBLIC HOUSING OPERATING FUND

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

For payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g(e)), \$3,494,868,000, to remain available until September 30, 2003: *Provided*, That of the total amount provided under this heading, \$5,000,000 shall be provided to the Office of Inspector

\$3,494,868,000

General: *Provided further*, That of the total amount provided under this heading, \$10,000,000 shall be for programs, as determined appropriate by the Attorney General, which assist in the investigation, prosecution, and prevention of violent crimes and drug offenses in public and federally-assisted low-income housing, including Indian housing: *Provided further*, That funds made available in the previous proviso shall be administered by the Department of Justice through a reimbursable agreement with the Department of Housing and Urban Development: *Provided further*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended: *Provided further*, That of the unobligated balances remaining from funds appropriated in fiscal year 2001 and prior years under the heading “Drug elimination grants for low-income housing” for activities related to the Operation Safe Home Program, \$11,000,000 is hereby rescinded.

-\$11,000,000
(rescission)

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937, as amended, \$573,735,000 to remain available until September 30, 2003, of which the Secretary may use up to \$6,250,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: *Provided*, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein: *Provided further*, That of the total amount provided under this heading, \$5,000,000 shall be for a Neighborhood Networks initiative for activities authorized in section 24(d)(1)(G) of the United States Housing Act of 1937, as amended: *Provided further*, That notwithstanding any other provision of law, amounts made available in the previous proviso shall be awarded to public housing agencies on a competitive basis as provided in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

573,735,000

NATIVE AMERICAN HOUSING BLOCK GRANTS
(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), \$648,570,000, to remain available until expended, of which \$2,200,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA; of which \$5,000,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance, including up to \$300,000 for

648,570,000

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

related travel; and of which no less than \$3,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That of the amount provided under this heading, \$5,987,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed \$52,726,000: *Provided further*, That the Secretary of Housing and Urban Development may provide technical and financial assistance to Indian tribes and their tribally-designated housing entities in accordance with the provisions of NAHASDA for emergency housing, housing assistance, and other assistance to address the problem of mold: *Provided further*, That for administrative expenses to carry out the guaranteed loan program, up to \$150,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for “Salaries and expenses”, to be used only for the administrative costs of these guarantees.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a), \$5,987,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$234,283,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to \$200,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for “Salaries and expenses”, to be used only for the administrative costs of these guarantees.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b), \$1,000,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$40,000,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to \$35,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for “Salaries and expenses”, to be used only for the administrative costs of these guarantees.

[Total, Public and Indian Housing, FY02, \$21,997,535,000.]

¹ Limitation on guaranteed loans.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), \$277,432,000, to remain available until September 30, 2003: *Provided*, That the Secretary shall renew all expiring contracts for permanent supportive housing that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section: *Provided further*, That the Secretary may use up to \$2,000,000 of the funds under this heading for training, oversight, and technical assistance activities.

\$277,432,000

RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, \$25,000,000 to remain available until expended, which amount shall be awarded by June 1, 2002, to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative housing and economic development activities in rural areas: *Provided*, That all grants shall be awarded on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

Deadline.
25,000,000

Grants.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES

For grants in connection with a second round of empowerment zones and enterprise communities, \$45,000,000, to remain available until expended, for “Urban Empowerment Zones”, as authorized in section 1391(g) of the Internal Revenue Code of 1986 (26 U.S.C. 1391(g)), including \$3,000,000 for each empowerment zone for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone.

45,000,000

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, \$5,000,000,000, to remain available until September 30, 2004: *Provided*, That of the amount provided, \$4,341,000,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the “Act” herein) (42 U.S.C. 5301 et seq.): *Provided further*, That \$70,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act; \$3,300,000 shall be available as a grant to the Housing Assistance Council; \$2,600,000 shall be available as a grant to the National American Indian Housing Council; \$5,000,000 shall be available as a grant to the National Housing Development Corporation, for operating expenses not to exceed \$2,000,000 and for a program of affordable housing acquisition and rehabilitation; \$5,000,000 shall be available as a grant to the National Council of La Raza for the HOPE Fund, of which \$500,000 is for technical assistance

5,000,000,000

Grants.

Grants.

and fund management, and \$4,500,000 is for investments in the HOPE Fund and financing to affiliated organizations; and \$42,500,000 shall be for grants pursuant to section 107 of the Act of which \$4,000,000 shall be made available to support Alaska Native serving institutions and Native Hawaiian serving institutions as defined under the Higher Education Act, as amended, and of which \$3,000,000 shall be made available to tribal colleges and universities to build, expand, renovate and equip their facilities: *Provided further*, That \$9,600,000 shall be made available to the Department of Hawaiian Homelands to provide assistance as authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (22 U.S.C. 4221 et seq.) (with no more than 5 percent of such funds being available for administrative costs): *Provided further*, That no less than \$13,800,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That \$22,000,000 shall be for grants pursuant to the Self Help Housing Opportunity Program: *Provided further*, That not to exceed 20 percent of any grant made with funds appropriated under this heading (other than a grant made available in this paragraph to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Act) shall be expended for “Planning and Management Development” and “Administration”, as defined in regulations promulgated by the Department.

Of the amount made available under this heading, \$29,000,000 shall be made available for capacity building, of which \$25,000,000 shall be made available for Capacity Building for Community Development and Affordable Housing for LISC and the Enterprise Foundation for activities as authorized by section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), as in effect immediately before June 12, 1997, with not less than \$5,000,000 of the funding to be used in rural areas, including tribal areas, and of which \$4,000,000 shall be for capacity building activities administered by Habitat for Humanity International.

Of the amount made available under this heading, the Secretary of Housing and Urban Development may use up to \$55,000,000 for supportive services for public housing residents, as authorized by section 34 of the United States Housing Act of 1937, as amended, and for residents of housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) and for grants for service coordinators and congregate services for the elderly and disabled residents of public and assisted housing and housing assisted under NAHASDA.

Of the amount made available under this heading, \$42,000,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives: *Provided*, That these grants shall be provided in accord with the terms and conditions specified in the statement of managers accompanying this conference report.

Of the amount made available under this heading, notwithstanding any other provision of law, \$65,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title

IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: *Provided*, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: *Provided further*, That no more than 10 percent of any grant award may be used for administrative costs: *Provided further*, That not less than \$10,000,000 shall be available for grants to establish YouthBuild programs in underserved and rural areas: *Provided further*, That of the amount provided under this paragraph, \$2,000,000 shall be set aside and made available for a grant to YouthBuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended.

Grants.

Of the amount made available under this heading, \$294,200,000 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety of targeted economic investments in accordance with the terms and conditions specified in the statement of managers accompanying this conference report.

Grants.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, \$14,000,000, to remain available until September 30, 2003, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$608,696,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended: *Provided further*, That in addition, for administrative expenses to carry out the guaranteed loan program, \$1,000,000, which shall be transferred to and merged with the appropriation for “Salaries and expenses”.

\$14,000,000

¹608,696,000

1,000,000

BROWNFIELDS REDEVELOPMENT

For Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, \$25,000,000, to remain available until September 30, 2003: *Provided*, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

25,000,000

HOME INVESTMENT PARTNERSHIPS PROGRAM
(INCLUDING TRANSFER OF FUNDS)

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, \$1,846,040,000 to remain available until September 30, 2004: *Provided*, That of the total amount provided under this heading, \$50,000,000 shall be available for the Downpayment

1,846,040,000

¹ Limitation on guaranteed loans.

Assistance Initiative, subject to the enactment of subsequent legislation authorizing such initiative: *Provided further*, That should legislation authorizing such initiative not be enacted by June 30, 2002, amounts designated in the previous proviso shall become available for any such purpose authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended: *Provided further*, That of the total amount provided under this heading, up to \$20,000,000 shall be available for housing counseling under section 106 of the Housing and Urban Development Act of 1968; and no less than \$17,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems.

HOMELESS ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

\$1,122,525,000 For the emergency shelter grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the supportive housing program as authorized under subtitle C of title IV of such Act; the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act; and the shelter plus care program as authorized under subtitle F of title IV of such Act, \$1,122,525,000, to remain available until September 30, 2004: *Provided*, That not less than 30 percent of funds made available, excluding amounts provided for renewals under the shelter plus care program, shall be used for permanent housing: *Provided further*, That all funds awarded for services shall be matched by 25 percent in funding by each grantee: *Provided further*, That the Secretary shall renew on an annual basis expiring contracts or amendments to contracts funded under the shelter plus care program if the program is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary: *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: *Provided further*, That \$2,000,000 of the funds appropriated under this heading shall be available for the national homeless data analysis project: *Provided further*, That \$6,600,000 of the funds appropriated under this heading shall be available for technical assistance: *Provided further*, That no less than \$5,600,000 of the funds appropriated under this heading shall be transferred to the Working Capital Fund: *Provided further*, That \$500,000 shall be made available to the Interagency Council on the Homeless for administrative needs.

[*Total, Community planning and development, \$8,355,997,000.*]

PUBLIC LAW 107-73—NOV. 26, 2001

115 STAT.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

(INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, \$1,024,151,000, to remain available until September 30, 2004: *Provided*, That \$783,286,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing, of which amount \$50,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which amount \$50,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) for conversion of eligible projects under such section to assisted living or related use: *Provided further*, That of the amount under this heading, \$240,865,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act: *Provided further*, That no less than \$1,200,000, to be divided evenly between the appropriations for the section 202 and section 811 programs, shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That, in addition to amounts made available for renewal of tenant-based rental assistance contracts pursuant to the second proviso of this paragraph, the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is 5 years in duration: *Provided further*, That the Secretary may waive any provision of such section 202 and such section 811 (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate, or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

\$1,024,151,000
Grants.

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2001, and any collections made during fiscal year 2002, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5401 et seq.), \$13,566,000, to remain available until expended, to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: *Provided further*, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation from the general fund estimated at not more than \$0 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year 2002 appropriation.

\$13,566,000

-13,566,000
(offsetting
collections)

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2002, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of \$160,000,000,000.

¹ 160,000,000,000

During fiscal year 2002, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$250,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

Loans.
² 250,000,000

For administrative expenses necessary to carry out the guaranteed and direct loan program, \$336,700,000, of which not to exceed \$332,678,000 shall be transferred to the appropriation for "Salaries and expenses"; and not to exceed \$4,022,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses, \$160,000,000, of which no less than \$118,400,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That to the extent guaranteed loan commitments exceed \$65,500,000,000 on or before April 1, 2002, an additional \$1,400 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below

336,700,000

³ -2,323,000,000
160,000,000

1,000,000

¹ Limitation on guaranteed loans.² Limitation on direct loans.³ CBO estimate of negative subsidy.

\$1,000,000), but in no case shall funds made available by this proviso exceed \$16,000,000.

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), including the cost of loan guarantee modifications, as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, \$15,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to \$21,000,000,000: *Provided further*, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

¹ 21,000,000,000

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed \$50,000,000, of which not to exceed \$30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed \$20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

² 50,000,000

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, \$216,100,000, of which \$197,779,000, shall be transferred to the appropriation for “Salaries and expenses”; and of which \$18,321,000 shall be transferred to the appropriation for “Office of Inspector General”. In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, \$144,000,000, of which no less than \$41,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That to the extent guaranteed loan commitments exceed \$8,426,000,000 on or before April 1, 2002, an additional \$1,980 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments over \$8,426,000,000 (including a pro rata amount for any increment below \$1,000,000), but in no case shall funds made available by this proviso exceed \$14,400,000.

216,100,000

³ - 225,000,000

⁴ 15,000,000

144,000,000

⁵ 4,000,000

[Total, Federal Housing Administration, -\$1,671,200,000.]

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C.

¹ Limitation on guaranteed loans.

² Limitation on direct loans.

³ CBO estimate of negative subsidy.

⁴ CBO estimate of subsidy.

⁵ CBO estimate of additional contract expenses.

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

¹ \$200,000,000,000 1721(g)), shall not exceed \$200,000,000,000, to remain available until September 30, 2003.

9,383,000 For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, \$9,383,000, to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed \$9,383,000 shall be transferred to the appropriation for "Salaries and expenses".

² -382,000,000

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

50,250,000 For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, \$50,250,000, to remain available until September 30, 2003: *Provided*, That \$1,500,000 shall be for necessary expenses of the Millennial Housing Commission, as authorized by section 206 of Public Law 106-74, with the final report due no later than May 30, 2002 and a termination date of August 30, 2002, notwithstanding section 206(f) and (g) of Public Law 106-74: *Provided further*, That \$1,000,000 shall be for necessary expenses of the commission established under section 525 of the Preserving Affordable Housing for Senior Citizens and Families in the 21st Century Act, with the final report due no later than June 30, 2002 and a termination date of September 30, 2002, notwithstanding section 525(f) and (g) of Public Law 106-74: *Provided further*, That of the total amount provided under this heading, \$8,750,000 shall be for the Partnership for Advancing Technology in Housing (PATH) Initiative.

Reports.
Deadlines.
Termination
dates.
42 USC 12701
note.
42 USC 12701
note.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

45,899,000 For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, \$45,899,000, to remain available until September 30, 2003, of which \$20,250,000 shall be to carry out activities pursuant to such section 561: *Provided*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

109,758,000 For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, \$109,758,000 to remain available until September 30, 2003, of which \$10,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach

¹ Limitation on guaranteed loans.

² Offsetting receipts.

concerning lead-based paint poisoning and other housing-related diseases and hazards: *Provided*, That of the amounts provided under this heading, \$3,500,000 shall be for a one-time grant to the National Center for Lead-Safe Housing.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed \$25,000 for official reception and representation expenses, \$1,097,292,000, of which \$530,457,000 shall be provided from the various funds of the Federal Housing Administration, \$9,383,000 shall be provided from funds of the Government National Mortgage Association, \$1,000,000 shall be provided from the “Community development loan guarantees program” account, \$150,000 shall be provided by transfer from the “Native American housing block grants” account, \$200,000 shall be provided by transfer from the “Indian housing loan guarantee fund program” account and \$35,000 shall be transferred from the “Native Hawaiian housing loan guarantee fund” account: *Provided*, That no less than \$85,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That the Secretary shall fill 7 out of 10 vacancies at the GS-14 and GS-15 levels until the total number of GS-14 and GS-15 positions in the Department has been reduced from the number of GS-14 and GS-15 positions on the date of enactment of Public Law 106-377 by 2½ percent: *Provided further*, That the Secretary shall submit a staffing plan for the Department by January 15, 2002.

\$556,067,000
¹ 530,457,000
¹ 9,383,000
¹ 1,000,000
¹ 150,000
¹ 200,000

Deadline.

[Total funds available, \$1,097,292,000.]

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$93,898,000, of which \$22,343,000 shall be provided from the various funds of the Federal Housing Administration and \$5,000,000 shall be provided from the appropriation for the “Public housing operating fund”: *Provided*, That the Inspector General shall have independent authority over all personnel issues within the Office of Inspector General.

66,555,000
¹ 22,343,000
¹ 5,000,000

[Total funds available, \$93,898,000.]

CONSOLIDATED FEE FUND

(RESCISSION)

Of the balances remaining available from fees and charges under section 7(j) of the Department of Housing and Urban Development Act, \$6,700,000 is rescinded.

- 6,700,000
 (rescission)

¹ Transfer.

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT
SALARIES AND EXPENSES
(INCLUDING TRANSFER OF FUNDS)

| | |
|----------------------------------|--|
| \$27,000,000 | For carrying out the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, including not to exceed \$500 million for official reception and representation expenses, \$27,000,000, to remain available until expended, to be derived from the Federal Housing Enterprises Oversight Fund: <i>Provided</i> , That not to exceed such amount shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: <i>Provided further</i> , That the general fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the general fund estimated at not more than \$0: |
| -27,000,000 <i>(receipts)</i> | |
| Deadline. | <i>Provided further</i> , That this Office shall submit a staffing plan to the House and Senate Committees on Appropriations no later than January 30, 2002. |

ADMINISTRATIVE PROVISIONS

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437 note) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 202. None of the amounts made available under this Act may be used during fiscal year 2002 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a non-frivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

| | |
|------------------|--|
| Grants. AIDS. | SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 2002 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that— |
|------------------|--|

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 2002 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2002 do not have the number

of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year 2002, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

SEC. 204. (a) Section 225(a) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, Public Law 106-74 (113 Stat. 1076), is amended by inserting “and fiscal year 2002” after “fiscal year 2001”.

(b) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development shall allocate to Wake County, North Carolina, the amounts that otherwise would be allocated for fiscal year 2002 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)) to the City of Raleigh, North Carolina, on behalf of the Raleigh-Durham-Chapel Hill, North Carolina Metropolitan Statistical Area. Any amounts allocated to Wake County shall be used to carry out eligible activities under section 855 of such Act (42 U.S.C. 12904) within such metropolitan statistical area.

North Carolina.

SEC. 205. Section 106(c)(9) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(9)) is repealed.

SEC. 206. Section 251 of the National Housing Act (12 U.S.C. 1715z-16) is amended—

(1) in subsection (b), by striking “issue regulations” and all that follows and inserting the following: “require that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of an adjustable rate mortgage consistent with the disclosure requirements applicable to variable rate mortgages secured by a principal dwelling under the Truth in Lending Act.”; and

(2) by adding the following new subsection at the end: “(d)(1) The Secretary may insure under this subsection a mortgage that meets the requirements of subsection (a), except that the effective rate of interest—

“(A) shall be fixed for a period of not less than the first 3 years of the mortgage term;

“(B) shall be adjusted by the mortgagee initially upon the expiration of such period and annually thereafter; and

“(C) in the case of the initial interest rate adjustment, is subject to the 1 percent limitation only if the interest rate remained fixed for five or fewer years.

“(2) The disclosure required under subsection (b) shall be required for a mortgage insured under this subsection.”.

SEC. 207. (a) Section 203(c) of the National Housing Act (12 U.S.C. 1709(c)) is amended—

(1) in paragraph (1), by striking “and (k)” and inserting “or (k)”; and

(2) in paragraph (2)—

(A) by inserting after “subsection (v)” the following: “and each mortgage that is insured under subsection (k) or section 234(c).”; and

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

(B) by striking “and executed on or after October 1, 1994,”.

12 USC 1709
note.
Applicability.

(b) The amendments made by subsection (a) shall—

(1) apply only to mortgages that are executed on or after the date of enactment of this Act; and

(2) be implemented in advance of any necessary conforming changes to regulations.

SEC. 208. (a) During fiscal year 2002, in the provision of rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in connection with a program to demonstrate the economy and effectiveness of providing such assistance for use in assisted living facilities that is carried out in the counties of the State of Michigan specified in subsection (b) of this section, notwithstanding paragraphs (3) and (18)(B)(iii) of such section 8(o), a family residing in an assisted living facility in any such county, on behalf of which a public housing agency provides assistance pursuant to section 8(o)(18) of such Act, may be required, at the time the family initially receives such assistance, to pay rent in an amount exceeding 40 percent of the monthly adjusted income of the family by such a percentage or amount as the Secretary of Housing and Urban Development determines to be appropriate.

(b) The counties specified in this subsection are Oakland County, Macomb County, Wayne County, and Washtenaw County, in the State of Michigan.

SEC. 209. Section 533 of the National Housing Act (12 U.S.C. 1735f-11) is amended to read as follows:

“SEC. 533. REVIEW OF MORTGAGEE PERFORMANCE AND AUTHORITY TO TERMINATE.—

“(a) PERIODIC REVIEW OF MORTGAGEE PERFORMANCE.—To reduce losses in connection with single family mortgage insurance programs under this Act, at least once a year the Secretary shall review the rate of early defaults and claims for insured single family mortgages originated or underwritten by each mortgagee.

“(b) COMPARISON WITH OTHER MORTGAGEES.—For each mortgagee, the Secretary shall compare the rate of early defaults and claims for insured single family mortgage loans originated or underwritten by the mortgagee in an area with the rate of early defaults and claims for other mortgagees originating or underwriting insured single family mortgage loans in the area. For purposes of this section, the term ‘area’ means each geographic area in which the mortgagee is authorized by the Secretary to originate insured single family mortgages.

“(c) TERMINATION OF MORTGAGEE ORIGINATION APPROVAL.—(1) Notwithstanding section 202(c) of this Act, the Secretary may terminate the approval of a mortgagee to originate or underwrite single family mortgages if the Secretary determines that the mortgage loans originated or underwritten by the mortgagee present an unacceptable risk to the insurance funds. The determination shall be based on the comparison required under subsection (b) and shall be made in accordance with regulations of the Secretary. The Secretary may rely on existing regulations published before this section takes effect.

Notice.

“(2) The Secretary shall give a mortgagee at least 60 days prior written notice of any termination under this subsection. The termination shall take effect at the end of the notice period, unless the Secretary withdraws the termination notice or extends the notice period. If requested in writing by the mortgagee within

30 days of the date of the notice, the mortgagee shall be entitled to an informal conference with the official authorized to issue termination notices on behalf of the Secretary (or a designee of that official). At the informal conference, the mortgagee may present for consideration specific factors that it believes were beyond its control and that caused the excessive default and claim rate.”.

SEC. 210. Except as explicitly provided in law, any grant or assistance made pursuant to title II of this Act shall be made on a competitive basis in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989.

SEC. 211. Public housing agencies in the States of Alaska, Iowa, and Mississippi shall not be required to comply with section 2(b) of the United States Housing Act of 1937, as amended, during fiscal year 2002.

SEC. 212. Notwithstanding any other provision of law, in fiscal year 2002, in managing and disposing of any multifamily property that is owned or held by the Secretary and is occupied primarily by elderly or disabled families, the Secretary of Housing and Urban Development shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 that are attached to any dwelling units in the property. To the extent the Secretary determines that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties or provide other rental assistance.

SEC. 213. (a) SECTION 207 LIMITS.—Section 207(c)(3) of the National Housing Act (12 U.S.C. 1713(c)(3)) is amended—

(1) by striking “\$30,420”, “\$33,696”, “\$40,248”, “\$49,608”, and “\$56,160” and inserting “\$38,025”, “\$42,120”, “\$50,310”, “\$62,010”, and “\$70,200”, respectively;

(2) by striking “\$9,000” and inserting “\$11,250”; and

(3) by striking “\$35,100”, “\$39,312”, “\$48,204”, “\$60,372”, and “\$68,262” and inserting “\$43,875”, “\$49,140”, “\$60,255”, “\$75,465”, and “\$85,328”, respectively.

(b) SECTION 213 LIMITS.—Section 213(b)(2) of the National Housing Act (12 U.S.C. 1715e(b)(2)) is amended—

(1) by striking “\$30,420”, “\$33,696”, “\$40,248”, “\$49,608”, and “\$56,160” and inserting “\$38,025”, “\$42,120”, “\$50,310”, “\$62,010”, and “\$70,200”, respectively; and

(2) by striking “\$35,100”, “\$39,312”, “\$48,204”, “\$60,372”, and “\$68,262” and inserting “\$43,875”, “\$49,140”, “\$60,255”, “\$75,465”, and “\$85,328”, respectively.

(c) SECTION 220 LIMITS.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii)) is amended—

(1) by striking “\$30,420”, “\$33,696”, “\$40,248”, “\$49,608”, and “\$56,160” and inserting “\$38,025”, “\$42,120”, “\$50,310”, “\$62,010”, and “\$70,200”, respectively; and

(2) by striking “\$35,100”, “\$39,312”, “\$48,204”, “\$60,372”, and “\$68,262” and inserting “\$43,875”, “\$49,140”, “\$60,255”, “\$75,465”, and “\$85,328”, respectively.

(d) SECTION 221(d)(3) LIMITS.—Section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(3)(ii)) is amended—

(1) by striking “\$33,638”, “\$38,785”, “\$46,775”, “\$59,872”, and “\$66,700” and inserting “\$42,048”, “\$48,481”, “\$58,469”, “\$74,840”, and “\$83,375”, respectively; and

(2) by striking “\$35,400”, “\$40,579”, “\$49,344”, “\$63,834”, and “\$70,070” and inserting “\$44,250”, “\$50,724”, “\$61,680”, “\$79,793”, and “\$87,588”, respectively.

(e) SECTION 221(d)(4) LIMITS.—Section 221(d)(4)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(4)(ii)) is amended—

(1) by striking “\$30,274”, “\$34,363”, “\$41,536”, “\$52,135”, and “\$59,077” and inserting “\$37,843”, “\$42,954”, “\$51,920”, “\$65,169”, and “\$73,846”, respectively; and

(2) by striking “\$32,701”, “\$37,487”, “\$45,583”, “\$58,968”, and “\$64,730” and inserting “\$40,876”, “\$46,859”, “\$56,979”, “\$73,710”, and “\$80,913”, respectively.

(f) SECTION 231 LIMITS.—Section 231(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended—

(1) by striking “\$28,782”, “\$32,176”, “\$38,423”, “\$46,238”, and “\$54,360” and inserting “\$35,978”, “\$40,220”, “\$48,029”, “\$57,798”, “\$67,950”, respectively; and

(2) by striking “\$32,701”, “\$37,487”, “\$45,583”, “\$58,968”, and “\$64,730” and inserting “\$40,876”, “\$46,859”, “\$56,979”, “\$73,710”, and “\$80,913”, respectively.

(g) SECTION 234 LIMITS.—Section 234(e)(3) of the National Housing Act (12 U.S.C. 1715y(e)(3)) is amended—

(1) by striking “\$30,420”, “\$33,696”, “\$40,248”, “\$49,608”, and “\$56,160” and inserting “\$38,025”, “\$42,120”, “\$50,310”, “\$62,010”, and “\$70,200”, respectively; and

(2) by striking “\$35,100”, “\$39,312”, “\$48,204”, “\$60,372”, and “\$68,262” and inserting “\$43,875”, “\$49,140”, “\$60,255”, “\$75,465”, and “\$85,328”, respectively.

SEC. 214. Of the amounts appropriated in the Consolidated Appropriations Act, 2001 (Public Law 106-554), for the operation of an historical archive at the University of South Carolina, Department of Archives, South Carolina, such funds shall be available to the University of South Carolina to fund an endowment for the operation of an historical archive at the University of South Carolina, without fiscal year limitation.

SEC. 215. Section 247 of the National Housing Act (12 U.S.C. 1715z-12) is amended—

(1) in subsection (d), by striking paragraphs (1) and (2) and inserting the following:

“(1) NATIVE HAWAIIAN.—The term ‘native Hawaiian’ means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands before January 1, 1778, or, in the case of an individual who is awarded an interest in a lease of Hawaiian home lands through transfer or succession, such lower percentage as may be established for such transfer or succession under section 208 or 209 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 111), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled ‘An Act to provide for the admission of the State of Hawaii into the Union’, approved March 18, 1959 (73 Stat. 5).

“(2) HAWAIIAN HOME LANDS.—The term ‘Hawaiian home lands’ means all lands given the status of Hawaiian home lands under section 204 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled ‘An Act to provide for the admission

of the State of Hawaii into the Union’, approved March 18, 1959 (73 Stat. 5).”; and

(2) by adding at the end the following:

“(e) CERTIFICATION OF ELIGIBILITY FOR EXISTING LESSEES.— Possession of a lease of Hawaiian home lands issued under section 207(a) of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), shall be sufficient to certify eligibility to receive a mortgage under this section.”.

SEC. 216. Notwithstanding the requirement regarding commitment of funds in the first sentence of section 288(b) of the HOME Investment Partnerships Act (42 U.S.C. 12838(b)), the Secretary of Housing and Urban Development (in this section referred to as the “Secretary”) shall approve the release of funds under that section to the Arkansas Development Finance Authority (in this section referred to as the “ADFA”) for projects, if—

(1) funds were committed to those projects on or before June 12, 2001;

(2) those projects had not been completed as of June 12, 2001;

(3) the ADFA has fully carried out its responsibilities as described in section 288(a); and

(4) the Secretary has approved the certification that meets the requirements of section 288(c) with respect to those projects.

SEC. 217. Notwithstanding any other provision of law with respect to this or any other fiscal year, the Housing Authority of Baltimore City may use the remaining balance of the grant award of \$20,000,000 made to such authority for development efforts at Hollander Ridge in Baltimore, Maryland with funds appropriated for fiscal year 1996 under the heading “Public Housing Demolition, Site Revitalization, and Replacement Housing Grants” for the rehabilitation of the Claremont Homes project and for the provision of affordable housing in areas within the City of Baltimore either: (1) designated by the partial consent decree in *Thompson v. HUD* as nonimpacted census tracts; or (2) designated by said authority as either strong neighborhoods experiencing private investment or dynamic growth areas where public and/or private commercial or residential investment is occurring.

[*Total, title II, Department of Housing and Urban Development (net), \$34,347,695,000.*]

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries, \$30,466,000, to remain available until expended.

\$30,466,000

In addition, for the partial cost of construction of a new interpretive and visitor center at the American Cemetery in Normandy, France, \$5,000,000, to remain available until expended: *Provided, That the Commission shall ensure that the placement,*

5,000,000

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

scope and character of this new center protect the solemnity of the site and the sensitivity of interested parties including families of servicemen interred at the cemetery, the host country and Allied forces who participated in the invasion and ensuing battle: *Provided further*, That not more than \$1,000,000 shall be for non-construction related costs including initial consultations with interested parties and the conceptual study and design of the new center.

[Total, \$35,466,000.]

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, as amended, including hire of passenger vehicles, uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902, and for services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, \$7,850,000, \$5,350,000 of which to remain available until September 30, 2002 and \$2,500,000 of which to remain available until September 30, 2003: *Provided*, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions: *Provided further*, That, hereafter, there shall be an Inspector General at the Board who shall have the duties, responsibilities, and authorities specified in the Inspector General Act of 1978, as amended: *Provided further*, That an individual appointed to the position of Inspector General of the Federal Emergency Management Agency (FEMA) shall, by virtue of such appointment, also hold the position of Inspector General of the Board: *Provided further*, That the Inspector General of the Board shall utilize personnel of the Office of Inspector General of FEMA in performing the duties of the Inspector General of the Board, and shall not appoint any individuals to positions within the Board.

\$7,850,000

Government
organization.
5 USC app. note.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

FUND PROGRAM ACCOUNT

To carry out the Community Development Banking and Financial Institutions Act of 1994, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES-3, \$80,000,000, to remain available until September 30, 2003, of which \$5,000,000 shall be for technical assistance and training programs designed to benefit Native American, Native Hawaiian, and Alaskan Native communities, and up to \$9,500,000 may be used for administrative expenses, including administration of the New Markets Tax Credit, up to \$6,000,000 may be used for the cost of direct loans, and up to \$1,000,000 may be used for administrative expenses to carry out the direct loan program: *Provided*, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross

80,000,000

PUBLIC LAW 107-73—NOV. 26, 2001

115 STAT.

obligations for the principal amount of direct loans not to exceed \$51,800,000.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed \$500 for official reception and representation expenses, \$55,200,000.

\$55,200,000

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

For necessary expenses for the Corporation for National and Community Service (the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (the "Act") (42 U.S.C. 12501 et seq.), \$401,980,000, to remain available until September 30, 2003: *Provided*, That not more than \$31,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)) with not less than \$2,000,000 targeted for the acquisition of a cost accounting system for the Corporation's financial management system, an integrated grants management system that provides comprehensive financial management information for all Corporation grants and cooperative agreements, and the establishment, operation, and maintenance of a central archives serving as the repository for all grant, cooperative agreement, and related documents, without regard to the provisions of section 501(a)(4)(B) of the Act: *Provided further*, That not more than \$2,500 shall be for official reception and representation expenses: *Provided further*, That of amounts previously transferred to the National Service Trust, \$5,000,000 shall be available for national service scholarships for high school students performing community service: *Provided further*, That not more than \$240,492,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program), of which not more than \$47,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)); not more than \$25,000,000 shall be made available to activities dedicated to developing computer and information technology skills for students and teachers in low-income communities: *Provided further*, That not more than \$10,000,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.), of which not more than \$2,500,000 may be used to establish or support an endowment fund, the corpus of which shall remain

401,980,000

intact and the interest income from which shall be used to support activities described in title III of the Act, provided that the Foundation may invest the corpus and income in federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, mutual funds, obligations of the United States, and other market instruments and securities but not in real estate investments: *Provided further*, That notwithstanding any other law \$2,500,000 of the funds made available by the Corporation to the Foundation under Public Law 106-377 may be used in the manner described in the preceding proviso: *Provided further*, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): *Provided further*, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: *Provided further*, That not more than \$25,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further*, That not more than \$43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further*, That not more than \$28,488,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): *Provided further*, That not more than \$5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further*, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, and shall reduce the total Federal costs per participant in all programs: *Provided further*, That not more than \$7,500,000 of the funds made available under this heading shall be made available to America's Promise—The Alliance for Youth, Inc. only to support efforts to mobilize individuals, groups, and organizations to build and strengthen the character and competence of the Nation's youth: *Provided further*, That not more than \$5,000,000 of the funds made available under this heading shall be made available to the Communities In Schools, Inc. to support dropout prevention activities: *Provided further*, That not more than \$2,500,000 of the funds made available under this heading shall be made available to the YMCA of the USA to support school-based programs designed to strengthen collaborations and linkages between public schools and communities: *Provided further*, That not more than \$1,000,000 of the funds made available under this heading shall be made available to Teach For America: *Provided further*, That not more than \$1,500,000 of the funds made available under this heading shall be made available to Parents As Teachers National Center, Inc. to support literacy activities: *Provided further*, That not more than \$1,500,000 of the funds made available under this heading shall be made available to the Youth Life Foundation to meet the needs of children living in insecure environments.

PUBLIC LAW 107-73—NOV. 26, 2001

115 STAT.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$5,000,000, to remain available until September 30, 2003. \$5,000,000
 [Total, CNCS, \$406,980,000.]

UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Appeals for Veterans Claims as authorized by 38 U.S.C. 7251-7298, \$13,221,000, of which \$895,000 shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102-229. 13,221,000

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed \$1,000 for official reception and representation expenses, \$22,537,000, to remain available until expended. 22,537,000

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For necessary expenses for the National Institute of Environmental Health Sciences in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, \$70,228,000. 70,228,000

AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

TOXIC SUBSTANCES AND ENVIRONMENTAL PUBLIC HEALTH

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; section 118(f) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended; and section 3019 of the Solid Waste Disposal Act, as amended, \$78,235,000, to be derived from the Hazardous Substance Superfund Trust Fund pursuant to section 517(a) of SARA (26 U.S.C. 9507): *Provided*, That notwithstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations, or activities, including, without 78,235,000

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: *Provided further*, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A) of CERCLA: *Provided further*, That none of the funds appropriated under this heading shall be available for ATSDR to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 2002, and existing profiles may be updated as necessary.

[*Total, Department of Health and Human Services, \$148,463,000.*]

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$75,000 per project, \$698,089,000, which shall remain available until September 30, 2003.

\$698,089,000
136,891,000

[*Total funding available, \$734,980,000.*]

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$75,000 per project; and not to exceed \$6,000 for official reception and representation expenses, \$2,054,511,000, which shall remain available until September 30, 2003.

2,054,511,000

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$75,000 per project, \$34,019,000, to remain available until September 30, 2003.

111,867,000

34,019,000

[*Total funding available, \$45,886,000.*]

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by,

¹ Transfer from Hazardous Substance Superfund.

PUBLIC LAW 107-73—NOV. 26, 2001

115 STAT.

the Environmental Protection Agency, \$25,318,000, to remain available until expended. \$25,318,000

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$75,000 per project; \$1,270,000,000 (of which \$100,000,000 shall not become available until September 1, 2002) to remain available until expended, consisting of \$635,000,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101-508, and \$635,000,000 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That of the funds appropriated under this heading, \$11,867,000 shall be transferred to the “Office of Inspector General” appropriation to remain available until September 30, 2003, and \$36,891,000 shall be transferred to the “Science and technology” appropriation to remain available until September 30, 2003.

1,270,000,000

- 11,867,000

- 36,891,000

LEAKING UNDERGROUND STORAGE TANK PROGRAM

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$75,000 per project, \$73,000,000, to remain available until expended. 73,000,000

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, \$15,000,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended. 15,000,000

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, \$3,733,276,000, to remain available until expended, of which \$1,350,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended (the “Act”); \$850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations Acts, shall be reserved by the Administrator for health effects studies on drinking water 3,733,276,000

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

contaminants; \$75,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; \$40,000,000 shall be for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; \$343,900,000, in addition to \$124,725 previously appropriated under this heading in Public Law 106-377 and \$498,900 previously appropriated under this heading in Public Law 106-554, shall be for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the statement of the managers accompanying this Act; and \$1,074,376,000 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104-134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities of which and subject to terms and conditions specified by the Administrator, \$25,000,000 shall be for Environmental Information Exchange Network grants, including associated program support costs: *Provided*, That for fiscal year 2002, State authority under section 302(a) of Public Law 104-182 shall remain in effect: *Provided further*, That notwithstanding section 603(d)(7) of the Act, the limitation on the amounts in a State water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2002 and prior years where such amounts represent costs of administering the fund to the extent that such amounts are or were deemed reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration: *Provided further*, That for fiscal year 2002, and notwithstanding section 518(f) of the Federal Water Pollution Control Act, as amended, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian tribes pursuant to section 319(h) and 518(e) of that Act: *Provided further*, That for fiscal year 2002, notwithstanding the limitation on amounts in section 518(c) of the Act, up to a total of 1½ percent of the funds appropriated for State Revolving Funds under title VI of that Act may be reserved by the Administrator for grants under section 518(c) of such Act: *Provided further*, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional colonia areas, or the development within an existing colonia the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure.

42 USC 300j-12
note.

33 USC 1377
note.

ADMINISTRATIVE PROVISIONS

For fiscal year 2002, notwithstanding 31 U.S.C. 6303(1) and 6305(1), the Administrator of the Environmental Protection Agency, in carrying out the Agency's function to implement directly Federal environmental programs required or authorized by law in the absence of an acceptable tribal program, may award cooperative agreements to federally-recognized Indian Tribes or Intertribal consortia, if authorized by their member Tribes, to assist the Administrator in implementing Federal environmental programs for Indian Tribes required or authorized by law, except that no such cooperative agreements may be awarded from funds designated for State financial assistance agreements.

Section 136a-1 of title 7, U.S.C. is amended—

(1) in subsection (i)(5)(C)(i) by striking “\$14,000,000” and inserting “\$17,000,000”; and, by striking “each” and inserting “2002” after “fiscal year”;

(2) in subsection (i)(5)(H) by striking “2001” and inserting “2002”;

(3) in subsection (i)(6) by striking “2001” and inserting “2002”; and

(4) in subsection (k)(3)(A) by striking “2001” and inserting “2002”; and, by striking “ $\frac{1}{7}$ ” and inserting “ $\frac{1}{10}$ ”.

[Total, EPA, \$7,903,213,000.]

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed \$2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, \$5,267,000.

\$5,267,000

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, and not to exceed \$750 for official reception and representation expenses, \$2,974,000: *Provided*, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council.

2,974,000

42 USC 4342
note.

[Total, EOP, \$8,241,000.]

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$33,660,000, to be derived from the Bank Insurance

133,360,000

¹ Transfer.

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), \$664,000,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended, of which not to exceed \$2,900,000 may be transferred to “Emergency management planning and assistance” for the consolidated emergency management performance grant program; \$25,000,000 shall be transferred to the Flood Map Modernization Fund; \$25,000,000 shall be transferred to “Emergency management planning and assistance”, for pre-disaster mitigation activities; and \$21,577,000 may be used by the Office of Inspector General for audits and investigations.

In addition, for the purposes under this heading, \$1,500,000,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That such amount shall be available only to the extent that an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, \$405,000 as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$25,000,000.

In addition, for administrative expenses to carry out the direct loan program, \$543,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 5 U.S.C. 5302; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5302; services as authorized by 5 U.S.C. 5309, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed \$2,500 for official reception and representation expenses, \$233,801,000.

¹ Transfer to EMPA.

² Limitation on direct loans.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$10,303,000: *Provided*, That notwithstanding any other provision of law, the Inspector General of the Federal Emergency Management Agency shall also serve as the Inspector General of the Chemical Safety and Hazard Investigation Board.

\$10,303,000
Government
organization.
5 USC app. note.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404-405), and Reorganization Plan No. 3 of 1978, \$254,623,000: *Provided*, That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131(b) and (c) and 42 U.S.C. 5196(e) and (i), \$25,000,000 of the funds made available for project grants under this heading by transfer from “Disaster relief”, shall be available until expended.

254,623,000

For an additional amount for “Emergency management planning and assistance”, \$150,000,000 for programs as authorized by section 33 of the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.): *Provided*, That up to 5 percent of this amount shall be transferred to “Salaries and expenses” for program administration.

150,000,000

¹2,900,000

[Total, \$404,623,000.]

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

The aggregate charges assessed during fiscal year 2002, as authorized by Public Law 106-377, shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for the next fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 2002, and remain available until expended.

²-1,000,000

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100-77, as amended, \$140,000,000, to remain available until expended: *Provided*, That total administrative costs shall not exceed 3½ percent of the total appropriation.

140,000,000

¹ Transfer from Disaster relief.

² CBO estimate.

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

NATIONAL FLOOD INSURANCE FUND
(INCLUDING TRANSFERS OF FUNDS)

For activities under the National Flood Insurance Act of 1968 (“the Act”), the Flood Disaster Protection Act of 1973, as amended, not to exceed \$28,798,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed \$76,381,000 for flood mitigation, including up to \$20,000,000 for expenses under section 1366 of the Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2003. In fiscal year 2002, no funds in excess of: (1) \$55,000,000 for operating expenses; (2) \$536,750,000 for agents’ commissions and taxes; and (3) \$30,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations.

\$28,798,000

76,381,000

¹–20,000,000

In addition, up to \$7,000,000 in fees collected but unexpended during fiscal years 2000 through 2001 shall be transferred to the Flood Map Modernization Fund and available for expenditure in fiscal year 2002.

Section 1309(a)(2) of the Act (42 U.S.C. 4016(a)(2)), as amended, is further amended by striking “2001” and inserting “2002”.

Section 1319 of the Act, as amended (42 U.S.C. 4026), is amended by striking “September 30, 2001” and inserting “December 31, 2002”.

Section 1336(a) of the Act, as amended (42 U.S.C. 4056), is amended by striking “September 30, 2001” and inserting “December 31, 2002”.

Section 1376(c) of the Act, as amended (42 U.S.C. 4127(c)), is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

NATIONAL FLOOD MITIGATION FUND

Notwithstanding sections 1366(b)(3)(B)–(C) and 1366(f) of the National Flood Insurance Act of 1968, as amended, \$20,000,000, to remain available until September 30, 2003, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which \$20,000,000 shall be derived from the National Flood Insurance Fund. Of the amount provided, \$2,500,000 is to be used for the purchase of flood-prone properties in the city of Austin, Minnesota, and any cost-share is waived.

¹20,000,000

[*Total, Federal Emergency Management Agency, \$3,057,854,000.*]

GENERAL SERVICES ADMINISTRATION

FEDERAL CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Federal Consumer Information Center, including services authorized by 5 U.S.C. 3109, \$7,276,000, to be deposited into the Federal Consumer Information Center Fund: *Provided*, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Consumer Information Center activities in the aggregate amount of \$12,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2002 in excess of \$12,000,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

7,276,000

¹Transfer.

PUBLIC LAW 107-73—NOV. 26, 2001

115 STAT.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed \$20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, \$6,912,400,000, to remain available until September 30, 2003, of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to "Science, aeronautics and technology" in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106-377.

\$6,912,400,000

SCIENCE, AERONAUTICS AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization, and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed \$20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, \$7,857,100,000, to remain available until September 30, 2003, of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to "Human space flight" in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106-377, except

7,857,100,000

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

that no funds may be transferred to the program budget element for the Space Station.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$23,700,000 \$23,700,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for “Human space flight”, or “Science, aeronautics and technology” by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated for institutional minor revitalization and construction of facilities, and institutional facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for “Human space flight”, or “Science, aeronautics and technology” by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2004.

Notwithstanding the limitation on the availability of funds appropriated for “Office of Inspector General”, amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 2002 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year. Funds for announced prizes otherwise authorized shall remain available, without fiscal year limitation, until the prize is claimed or the offer is withdrawn.

No funds in this Act or any other appropriations Act may be used to finalize an agreement prior to December 1, 2002 between NASA and a nongovernment organization to conduct research utilization and commercialization management activities of the International Space Station.

[Total, NASA, \$14,793,200,000.]

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 2002, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by 12 U.S.C. 1795 et seq., shall not exceed \$1,500,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility shall not exceed \$309,000: *Provided further*, That \$1,000,000 shall be transferred to the Community Development Revolving Loan Fund, of which \$650,000, together with amounts of principal and interest on loans repaid, shall be available until expended for loans to community development credit unions, and \$350,000 shall be available until expended for technical assistance to low-income and community development credit unions.

¹ Limitation on direct loans.

² Limitation on administrative expenses.

PUBLIC LAW 107-73—NOV. 26, 2001

115 STAT.

NATIONAL SCIENCE FOUNDATION
RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; authorized travel; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; \$3,598,340,000, of which not to exceed \$300,000,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2003: *Provided*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: *Provided further*, That \$75,000,000 of the funds available under this heading shall be made available for a comprehensive research initiative on plant genomes for economically significant crops.

\$3,598,340,000

MAJOR RESEARCH EQUIPMENT AND FACILITIES CONSTRUCTION

For necessary expenses for the acquisition, construction, commissioning, and upgrading of major research equipment, facilities, and other such capital assets pursuant to the National Science Foundation Act of 1950, as amended, including authorized travel, \$138,800,000 to remain available until expended: *Provided*, That the Director shall submit a report to the Committees on Appropriations by February 28, 2002 on the full life-cycle costs of projects funded through this account since fiscal year 1995.

138,800,000

Reports.
Deadline.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109, authorized travel, and rental of conference rooms in the District of Columbia, \$875,000,000, to remain available until September 30, 2003: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

875,000,000

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

\$170,040,000 motor vehicles; not to exceed \$9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; \$170,040,000: *Provided*, That contracts may be entered into under "Salaries and expenses" in fiscal year 2002 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

6,760,000 For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, \$6,760,000, to remain available until September 30, 2003.
[*Total, NSF, \$4,788,940,000.*]

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

105,000,000 For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101-8107), \$105,000,000, of which \$10,000,000 shall be for a homeownership program that is used in conjunction with section 8 assistance under the United States Housing Act of 1937, as amended.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

25,003,000 For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101-4118 for civilian employees; and not to exceed \$750 for official reception and representation expenses; \$25,003,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever the President deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.
[*Total, title III, Independent agencies, \$31,459,444,000.*]

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this provision does not apply to accounts that do not contain an object classification for travel: *Provided further*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel

performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates only to the extent such an increase is approved by the Committees on Appropriations.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made; or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between the domicile and the place of employment of the officer or employee, with the exception of an officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds provided in this Act may be used, directly or through grants, to pay or to provide reimbursement

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act may be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

Contracts.
Public
information.
Records.

SEC. 410. Except as otherwise provided under existing law, or under an existing Executive order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are: (1) a matter of public record and available for public inspection; and (2) thereafter included in a publicly available list of all contracts entered into within 24 months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency: (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder; and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning: (A) the contract pursuant to which the report was prepared; and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than \$300,000 unless the Secretary submits a report which the Committees on Appropriations of the Congress approve within 30 days following the date on which the report is received.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

Notice.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable,

shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A-21.

SEC. 417. Such sums as may be necessary for fiscal year 2002 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2002 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding any other provision of law, the term "qualified student loan" with respect to national service education awards shall mean any loan determined by an institution of higher education to be necessary to cover a student's cost of attendance at such institution and made directly to a student by a State agency, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 421. Unless otherwise provided for in this Act or through a reprogramming of funds, no part of any appropriation for the Department of Housing and Urban Development shall be available for any activity in excess of amounts set forth in the budget estimates submitted to Congress.

SEC. 422. None of the funds appropriated or otherwise made available by this Act shall be used to promulgate a final regulation to implement changes in the payment of pesticide tolerance processing fees as proposed at 64 Fed. Reg. 31040, or any similar proposals. The Environmental Protection Agency may proceed with the development of such a rule.

SEC. 423. The Environmental Protection Agency may not use any of the funds appropriated or otherwise made available by this Act to implement the Registration Fee system codified at 40 Code of Federal Regulations Subpart U (sections 152.400 et seq.) if its authority to collect maintenance fees pursuant to FIFRA

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

section 4(i)(5) is extended for at least 1 year beyond September 30, 2001.

SEC. 424. Except in the case of entities that are funded solely with Federal funds or any natural persons that are funded under this Act, none of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties to lobby or litigate in respect to adjudicatory proceedings funded in this Act. A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.

SEC. 425. No part of any funds appropriated in this Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

Deadline.

SEC. 426. None of the funds provided in title II for technical assistance, training, or management improvements may be obligated or expended unless HUD provides to the Committees on Appropriations a description of each proposed activity and a detailed budget estimate of the costs associated with each activity as part of the Budget Justifications. For fiscal year 2002, HUD shall transmit this information to the Committees by January 8, 2002 for 30 days of review.

SEC. 427. All Departments and agencies funded under this Act are encouraged, within the limits of the existing statutory authorities and funding, to expand their use of “E-Commerce” technologies and procedures in the conduct of their business practices and public service activities.

114 Stat. 589.

SEC. 428. Section 104(n)(4) of the Cerro Grande Fire Assistance Act (Public Law 106-246) is amended by striking “beginning not later than the expiration of the 1-year period beginning on the date of the enactment of this Act.” and inserting “within 120 days after the Director issues the report required by subsection (n) in 2002 and 2003.”

SEC. 429. None of the funds provided by this Act may be used for the purpose of implementing any administrative proposal that would require military retirees to make an “irrevocable choice” for any specified period of time between Department of Veterans Affairs or military health care under the new TRICARE for Life plan authorized in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398).

SEC. 430. None of the funds appropriated by this Act may be used to delay the national primary drinking water regulation for Arsenic published on January 22, 2001, in the Federal Register (66 Fed. Reg. pages 6976 through 7066, amending parts 141 through 142 of title 40 of the Code of Federal Regulations).

SEC. 431. Subtitle B of title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5197-5197g) is amended by adding at the end the following:

“SEC. 629. MINORITY EMERGENCY PREPAREDNESS DEMONSTRATION PROGRAM.42 USC 5197h
note.

“(a) **IN GENERAL.**—The Director shall establish a minority emergency preparedness demonstration program to research and promote the capacity of minority communities to provide data, information, and awareness education by providing grants to or executing contracts or cooperative agreements with eligible nonprofit organizations to establish and conduct such programs.

“(b) **ACTIVITIES SUPPORTED.**—An eligible nonprofit organization may use a grant, contract, or cooperative agreement awarded under this section—

“(1) to conduct research into the status of emergency preparedness and disaster response awareness in African American and Hispanic households located in urban, suburban, and rural communities, particularly in those States and regions most impacted by natural and manmade disasters and emergencies; and

“(2) to develop and promote awareness of emergency preparedness education programs within minority communities, including development and preparation of culturally competent educational and awareness materials that can be used to disseminate information to minority organizations and institutions.

“(c) **ELIGIBLE ORGANIZATIONS.**—A nonprofit organization is eligible to be awarded a grant, contract, or cooperative agreement under this section with respect to a program if the organization is a nonprofit organization that is described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) and exempt from tax under section 501(a) of such Code, whose primary mission is to provide services to communities predominately populated by minority citizens, and that can demonstrate a partnership with a minority-owned business enterprise or minority business located in a HUBZone (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(p))) with respect to the program.

“(d) **USE OF FUNDS.**—A recipient of a grant, contract, or cooperative agreement awarded under this section may only use the proceeds of the grant, contract, or agreement to—

“(1) acquire expert professional services necessary to conduct research in communities predominately populated by minority citizens, with a primary emphasis on African American and Hispanic communities;

“(2) develop and prepare informational materials to promote awareness among minority communities about emergency preparedness and how to protect their households and communities in advance of disasters;

“(3) establish consortia with minority national organizations, minority institutions of higher education, and faith-based institutions to disseminate information about emergency preparedness to minority communities; and

“(4) implement a joint project with a minority serving institution, including a part B institution (as defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2))), an institution described in subparagraph (A), (B), or (C) of section 326 of that Act (20 U.S.C. 1063b(e)(1)(A), (B), or (C)), and a Hispanic-serving institution (as defined in section 502(a)(5) of that Act (20 U.S.C. 1101a(a)(5))).

115 STAT.

PUBLIC LAW 107-73—NOV. 26, 2001

“(e) APPLICATION AND REVIEW PROCEDURE.—To be eligible to receive a grant, contract, or cooperative agreement under this section, an organization must submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. The Director shall establish a procedure by which to accept such applications.

“(f) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section \$1,500,000 for fiscal year 2002 and such funds as may be necessary for fiscal years 2003 through 2007. Such sums shall remain available until expended.”.

SEC. 432. None of the funds made available by this Act may be used to implement or enforce the requirement under section 12(c) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437j(c)) relating to community service, except with respect to any resident of a public housing project funded with any amounts provided under section 24 of the United States Housing Act of 1937, as amended, or any predecessor program for the revitalization of severely distressed public housing (HOPE VI).

114 Stat.
2763A-314.

SEC. 433. Section 1301 of title XIII of division B of H.R. 5666, as enacted by section 1(a)(4) of Public Law 106-554, is amended by striking “facilities” and inserting in lieu thereof “facilities, including the design and construction of such facilities.”.

SEC. 434. The amounts subject to the fifth proviso under the heading, “Emergency Response Fund”, in Public Law 107-38, which are available for transfer to the Department of Housing and Urban Development 15 days after the Director of the Office of Management and Budget has submitted to the House and Senate Committees on Appropriations a proposed allocation and plan for use of the funds for the Department, may be used for purposes of “Community Development Block Grants”, as authorized by title I of the Housing and Community Development Act of 1974, as amended: *Provided*, That such funds may be awarded to the State of New York for assistance for properties and businesses damaged by, and for economic revitalization related to, the September 11, 2001 terrorist attacks on New York City, for the affected area of New York City, and for reimbursement to the State and City of New York for expenditures incurred from the regular Community Development Block Grant formula allocation used to achieve these same purposes: *Provided further*, That the State of New York is authorized to provide such assistance to the City of New York: *Provided further*, That in administering these funds and funds under section 108 of such Act used for economic revitalization activities in New York City, the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding that such waiver is required to facilitate the use of such funds or guarantees, and would not be inconsistent with the overall purpose of the statute or regulation: *Provided further*, That such funds shall not adversely affect the amount of any formula assistance received by the State of New York, New York City, or any categorical application for other Federal assistance: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the

Federal Register,
publication.
Deadline.

Housing and Community Development Act of 1974, as amended, no later than 5 days before the effective date of such waiver: *Provided further*, That the Secretary shall notify the Committees on Appropriations on the proposed allocation of any funds and any related waivers pursuant to this section no later than 5 days before such allocation.

Notice.
Deadline.

This Act may be cited as the “Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002”.

Approved November 26, 2001.

LEGISLATIVE HISTORY—H.R. 2620 (S. 1216):

HOUSE REPORTS: No. 107-159 (Comm. on Appropriations) and 107-272 (Comm. of Conference).

SENATE REPORTS: No. 107-43 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

July 26, 27, 31, considered and passed House.

Aug. 1, 2, considered and passed Senate, amended.

Nov. 8, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Nov. 26, Presidential statement.

[In thousands of dollars]

| | |
|---|----------------------------|
| Net grand total, Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 | ¹ \$116,938,537 |
| Current year, FY 2002 (net) | ¹ 112,738,537 |
| Appropriations | (108,256,237) |
| Rescissions | (-1,217,700) |
| Emergency appropriations | (1,500,000) |
| Advance appropriations, FY 2002 | ¹ (4,200,000) |
| Advance appropriations, FY 2003 | ² 4,200,000 |
| Consisting of: | |
| Department of Defense—Civil: | |
| Cemeterial Expenses, Army | 22,537 |
| Environmental Protection Agency | 7,903,213 |
| Executive Office of the President: | |
| OSTP, CEQ, and OEQ | 8,241 |
| Federal Emergency Management Agency | 1,557,854 |
| Emergency funding | 1,500,000 |
| General Government—Independent Agencies ... | 649,720 |
| General Services Administration: | |
| Federal Consumer Information Center Fund | 7,276 |
| Department of Health and Human Services: | |
| NIEHS and ATSDR | 148,463 |
| Department of Housing and Urban Affairs (net) | 25,947,695 |
| Advance appropriations, FY 2002 | ¹ 4,200,000 |
| Advance appropriations, FY 2003 | ² 4,200,000 |
| National Aeronautics and Space Administration | 14,793,200 |
| National Science Foundation | 4,788,940 |
| Department of the Treasury: | |
| Community Development Financial Institutions | 80,000 |
| Department of Veterans Affairs | 51,135,398 |
| Other budget adjustments | -4,000 |

¹ Includes advance appropriation of \$4.2 million provided in FY 2001 Act (P.L. 106-377).

² FY 2003 advance was not included in tables published by the Committee.

NOTE.—Refer to Tables 4 and 5 for totals by Agency.

EMERGENCY SUPPLEMENTAL ACT, 2002**PUBLIC LAW 107-117**

[**CLERK'S NOTE.**—The following is the text of Division B (“Transfers from the Emergency Response Fund Pursuant to Public Law 107-38”) of the Department of Defense and Emergency Supplemental Appropriations for Recovery from and Response to Terrorist Attacks on the United States Act, 2002, Public Law 107-117 (115 STAT. 2230). For the legislative history of this Act, refer to H.R. 3338, the Department of Defense Appropriations Act, 2002. Division B is cited separately as the “Emergency Supplemental Act, 2002”.]

EMERGENCY SUPPLEMENTAL ACT, 2002

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

Emergency
Supplemental
Act, 2002.**DIVISION B—TRANSFERS FROM THE EMERGENCY
RESPONSE FUND PURSUANT TO PUBLIC LAW 107-38**

The funds appropriated in Public Law 107-38 subject to subsequent enactment and previously designated as an emergency by the President and Congress under the Balanced Budget and Emergency Deficit Control Act of 1985, are transferred to the following chapters and accounts as follows:

CHAPTER 1**DEPARTMENT OF AGRICULTURE****OFFICE OF THE SECRETARY**

\$80,919,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Office of the Secretary”, \$80,919,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

AGRICULTURAL RESEARCH SERVICE**SALARIES AND EXPENSES**

40,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$40,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

BUILDINGS AND FACILITIES

73,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Buildings and Facilities”, \$73,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE**SALARIES AND EXPENSES****(INCLUDING TRANSFER OF FUNDS)**

105,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$105,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, of which \$50,000,000 may be transferred to and merged with the Agricultural Quarantine Inspection User Fee Account.

BUILDINGS AND FACILITIES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Buildings and Facilities”,

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

\$14,081,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$14,081,000

FOOD SAFETY AND INSPECTION SERVICE

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Food Safety and Inspection Service”, \$15,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 15,000,000

FOOD AND NUTRITION SERVICE

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)”, \$39,000,000, to remain available until September 30, 2003, to be obligated from amounts made available in Public Law 107-38: *Provided*, That of the amounts provided in this Act and any amounts available for reallocation in fiscal year 2002, the Secretary shall reallocate funds under section 17(g)(2) of the Child Nutrition Act of 1966 in the manner and under the formula the Secretary deems necessary to respond to the effects of unemployment and other conditions, and starting no later than March 1, 2002, such reallocation shall occur no less frequently than every other month throughout the fiscal year. 39,000,000

Deadline.

[*Total, Department of Agriculture, \$367,000,000.*]

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$151,100,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 151,100,000

INDEPENDENT AGENCY

COMMODITY FUTURES TRADING COMMISSION

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Commodity Futures Trading Commission”, \$16,900,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 16,900,000

GENERAL PROVISIONS, THIS CHAPTER

SEC. 101. Title VI of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (Public Law 107-76) is amended under the heading “Food and Drug Administration, Salaries and Expenses” by striking “\$13,207,000” and inserting “\$13,357,000”.

Ante, p. 730.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

Ante, p. 737. SEC. 102. Section 741(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (Public Law 107-76), is amended by striking “20,000,000 pounds” and inserting “5,000,000 pounds”.
 [Total, chapter 1, \$535,000,000.]

CHAPTER 2

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

USA PATRIOT ACT ACTIVITIES

\$5,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Patriot Act Activities”, \$5,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, of which up to \$2,000,000 may be available for a feasibility report, as authorized by section 405 of Public Law 107-56: *Provided*, That funding for the implementation of such enhancements shall be treated as a reprogramming under section 605 of Public Law 107-77 and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ADMINISTRATIVE REVIEW AND APPEALS

3,500,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Administrative Review and Appeals”, \$3,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

12,500,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses, General Legal Activities”, \$12,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

56,370,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses, United States Attorneys”, \$56,370,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

10,200,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses, United States Marshals Service”, \$10,200,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, of which \$5,000,000 shall be for courthouse security equipment.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

CONSTRUCTION

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Construction”, \$9,125,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$9,125,000

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$745,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 745,000,000

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

ENFORCEMENT AND BORDER AFFAIRS

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$449,800,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 449,800,000

CONSTRUCTION

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Construction”, \$99,600,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 99,600,000

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Justice Assistance”, \$400,000,000, to remain available until expended, for grants, cooperative agreements, and other assistance authorized by sections 819 and 821 of the Antiterrorism and Effective Death Penalty Act of 1996 and section 1014 of the USA PATRIOT ACT (Public Law 107-56) and for other counter terrorism programs, to be obligated from amounts made available in Public Law 107-38, of which \$9,800,000 is for an aircraft for counterterrorism and other required activities for the City of New York. 400,000,000

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, \$251,100,000 shall be for discretionary grants, including equipment, under the Edward Byrne Memorial State and Local Law Enforcement Assistance Program, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 251,100,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

CRIME VICTIMS FUND

\$68,100,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Crime Victims Fund”, \$68,100,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.
 [Total, Department of Justice, \$2,110,295,000.]

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

1,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operations and Administration”, \$1,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

1,756,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operations and Administration”, \$1,756,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

NATIONAL TELECOMMUNICATIONS AND INFORMATION
ADMINISTRATIONPUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND
CONSTRUCTION

8,250,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Public Telecommunications Facilities, Planning and Construction”, \$8,250,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That matching requirements set forth in section 392(b) of the Communications Act of 1934, as amended, shall not apply to funds provided in this Act.

UNITED STATES PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

1,500,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$1,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

5,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Scientific and Technical Research and Services”, \$5,000,000 for a cyber security initiative, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

CONSTRUCTION OF RESEARCH FACILITIES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Construction of Research Facilities”, \$1,225,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$1,225,000

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operations, Research, and Facilities”, \$2,750,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 2,750,000

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$4,776,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 4,776,000
[Total, Department of Commerce, \$26,257,000.]

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Care of the Building and Grounds”, \$30,000,000, to remain available until expended for security enhancements, to be obligated from amounts made available in Public Law 107-38. 30,000,000

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$5,000,000, is for Emergency Communications Equipment, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 5,000,000

COURT SECURITY

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Court Security”, \$57,521,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, for security of the Federal judiciary, of which not less than \$4,000,000 shall be available to reimburse the United States Marshals Service for a Supervisory Deputy Marshal responsible for coordinating security in each judicial district and circuit: *Provided*, That the funds may 57,521,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

be expended directly or transferred to the United States Marshals Service.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

\$2,879,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$2,879,000, to remain available until expended, to enhance security at the Thurgood Marshall Federal Judiciary Building, to be obligated from amounts made available in Public Law 107-38.
[*Total, the Judiciary, \$95,400,000.*]

DEPARTMENT OF STATE AND RELATED AGENCY

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

9,200,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “International Broadcasting Operations”, \$9,200,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

BROADCASTING CAPITAL IMPROVEMENTS

10,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Broadcasting Capital Improvements”, \$10,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

RELATED AGENCIES

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

1,301,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses,” \$1,301,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

20,705,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$20,705,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

SMALL BUSINESS ADMINISTRATION
BUSINESS LOANS PROGRAM ACCOUNT

For emergency expenses for the cost of loan subsidies and for loan modifications as authorized by section 203 of this Act, for disaster recovery activities and assistance related to the terrorist acts in New York, Virginia, and Pennsylvania on September 11, 2001, for “Business Loans Program Account”, \$75,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$75,000,000

DISASTER LOANS PROGRAM ACCOUNT

For emergency expenses for the cost of loan subsidies and for loan modifications as authorized by section 202 of this Act, for disaster recovery activities and assistance related to the terrorist acts in New York, Virginia, and Pennsylvania on September 11, 2001, for “Disaster Loans Program Account”, \$75,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 75,000,000

[Total, Small Business Administration, \$150,000,000.]

GENERAL PROVISIONS—THIS CHAPTER

SEC. 201. Funds appropriated by this Act for the Broadcasting Board of Governors and the Department of State may be obligated and expended notwithstanding section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, and section 15 of the State Department Basic Authorities Act of 1956, as amended.

SEC. 202. For purposes of assistance available under section 7(b)(2) and (4) of the Small Business Act (15 U.S.C. 636(b)(2) and (4)) to small business concerns located in disaster areas declared as a result of the September 11, 2001, terrorist attacks—

(i) the term “small business concern” shall include not-for-profit institutions and small business concerns described in United States Industry Codes 522320, 522390, 523210, 523920, 523991, 524113, 524114, 524126, 524128, 524210, 524291, 524292, and 524298 of the North American Industry Classification System (as described in 13 C.F.R. 121.201, as in effect on January 2, 2001);

(ii) the Administrator may apply such size standards as may be promulgated under such section 121.201 after the date of enactment of this provision, but no later than 1 year following the date of enactment of this Act; and

(iii) payments of interest and principal shall be deferred, and no interest shall accrue during the 2-year period following the issuance of such disaster loan.

SEC. 203. Notwithstanding any other provision of law, the limitation on the total amount of loans under section 7(b) of the Small Business Act (15 U.S.C. 636(b)) outstanding and committed to a borrower in the disaster areas declared in response to the September 11, 2001, terrorist attacks shall be increased to \$10,000,000 and the Administrator shall, in lieu of the fee collected under section 7(a)(23)(A) of the Small Business Act (15 U.S.C. 636(a)(23)(A)), collect an annual fee of 0.25 percent of the outstanding balance of deferred participation loans made under section 7(a) to small businesses adversely affected by the September 11, 2001, terrorist attacks and their aftermath, for a period of 1 year

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

following the date of enactment and to the extent the costs of such reduced fees are offset by appropriations provided by this Act.

Deadline.
Reports.

SEC. 204. Not later than April 1, 2002, the Secretary of State shall submit to the Committees on Appropriations, in both classified and unclassified form, a report on the United States-People's Republic of China Science and Technology Agreement of 1979, including all protocols. The report is intended to provide a comprehensive evaluation of the benefits of the agreement to the Chinese economy, military, and defense industrial base. The report shall include the following elements:

(1) an accounting of all activities conducted under the Agreement for the past 5 years, and a projection of activities to be undertaken through 2010;

(2) an estimate of the annual cost to the United States to administer the Agreement;

(3) an assessment of how the Agreement has influenced the policies of the People's Republic of China toward scientific and technological cooperation with the United States;

(4) an analysis of the involvement of Chinese nuclear weapons and military missile specialists in the activities of the Joint Commission;

(5) a determination of the extent to which the activities conducted under the Agreement have enhanced the military and industrial base of the People's Republic of China, and an assessment of the impact of projected activities through 2010, including transfers of technology, on China's economic and military capabilities; and

(6) recommendations on improving the monitoring of the activities of the Commission by the Secretaries of Defense and State.

The report shall be developed in consultation with the Secretaries of Commerce, Defense, and Energy, the Directors of the National Science Foundation and the Federal Bureau of Investigation, and the intelligence community.

SEC. 205. From within funds available to the State of Alaska or the Alaska Region of the National Marine Fisheries Service, an additional \$500,000 may be made available for the cost of guaranteeing the reduction loan authorized under section 144(d)(4)(A) of title I, division B of Public Law 106-554 (114 Stat. 2763A-242) and that subparagraph is amended to read as follows: "(4)(A) The fishing capacity reduction program required under this subsection is authorized to be financed through a reduction loan of \$100,000,000 under sections 1111 and 1112 of title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1279f and 1279g)".

Ante, p. 784.

SEC. 206. Title IV of the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 2002 (Public Law 107-77) is amended in the third proviso of the first undesignated paragraph under the heading "Diplomatic and Consular Programs" by striking "this heading" and inserting "the appropriations accounts within the Administration of Foreign Affairs".

33 USC 857-19
note.

SEC. 207. Title V of the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 2002 (Public Law 107-77) is amended in the proviso under the heading "Commission on Ocean Policy" by striking "appointment" and inserting "the first meeting of the Commission".

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

SEC. 208. Section 626(c) of the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 2002 (Public Law 107-77) is amended by striking “1:00CV03110(ESG)” and inserting “1:00CV03110(EGS)”. 28 USC 1605.
 [Total, chapter 2, \$2,423,158,000.]

CHAPTER 3

DEPARTMENT OF DEFENSE—MILITARY

OPERATION AND MAINTENANCE

DEFENSE EMERGENCY RESPONSE FUND

(INCLUDING TRANSFER OF FUNDS)

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Defense Emergency Response Fund”, \$3,395,600,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, as follows:

- (1) For increased situational awareness, \$850,000,000;
- (2) For increased worldwide posture, \$1,495,000,000;
- (3) For offensive counterterrorism, \$372,000,000;
- (4) For initial crisis response, \$39,100,000;
- (5) For the Pentagon Reservation Maintenance Revolving Fund, \$475,000,000;
- (6) For relocation costs and other purposes, \$164,500,000:

Provided, That \$500,000 shall be made available only for the White House Commission on the National Moment of Remembrance:

Provided further, That from unobligated balances under the heading “Former Soviet Union Threat Reduction”, \$30,000,000 shall be transferred to “Department of State, Nonproliferation, Anti-terrorism, Demining, and Related Programs” only for the purpose of supporting expansion of the Biological Weapons Redirect and International Science and Technology Centers programs, to prevent former Soviet biological weapons experts from emigrating to proliferant states and to reconfigure former Soviet biological weapons production facilities for peaceful uses.

GENERAL PROVISIONS—THIS CHAPTER

(INCLUDING TRANSFER OF FUNDS)

SEC. 301. Amounts available in the “Defense Emergency Response Fund” (the “Fund”) shall be available for the purposes set forth in the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States (Public Law 107-38): *Provided*, That the Fund may be used to reimburse other appropriations or funds of the Department of Defense, including activities of the National Foreign Intelligence Program funded in defense appropriations acts, only for costs incurred for such purposes on or after September 11, 2001: *Provided further*, That the Fund may be used to liquidate obligations incurred by the Department of Defense under the authorities in section 3732 of the Revised Statutes (41 U.S.C. 11; popularly known as the “Food and Forage Act”) for any costs incurred for such purposes between September 11 and September 30, 2001: *Provided further*,

Deadlines.
Reports.

That the Secretary of Defense may transfer to the Fund amounts from any current appropriation made available in defense appropriations acts, only for the purpose of adjusting and liquidating obligations properly chargeable to the Fund: *Provided further*, That the authority granted in the preceding proviso shall only be exercised after the Secretary of Defense makes a determination that amounts in the Fund are insufficient to liquidate obligations made using appropriations in the Fund, and not prior to 30 days after notifying the congressional defense committees in writing regarding each proposed transfer of funds: *Provided further*, That in order to carry out the specified purposes under this heading, the Secretary of Defense may transfer funds from the Fund to any defense appropriation account enacted in appropriations acts, including “Support for International Sporting Competitions, Defense”: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That within 30 days of enactment of this Act, and quarterly thereafter, the Secretary of Defense and the Director of Central Intelligence shall each provide to the Congress a report (in unclassified and classified form, as needed) specifying the projects and accounts to which funds provided in this chapter are to be transferred.

SEC. 302. Amounts in the appropriation account “Support for International Sporting Competitions, Defense”, may be used to support essential security and safety for the 2002 Winter Olympic Games in Salt Lake City, Utah, without the certification required under subsection 10 U.S.C. 2564(a): *Provided*, That the term “active duty”, in section 5802 of Public Law 104-208 shall include State active duty and full-time National Guard duty performed by members of the Army National Guard and Air National Guard in connection with providing essential security and safety support to the 2002 Winter Olympic Games and logistical and security support to the 2002 Paralympic Games.

SEC. 303. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 304. Notwithstanding any other provision of law, of the amounts appropriated in Public Law 107-38 which remained available in the Defense Emergency Response Fund on December 18, 2001, not to exceed \$100,000,000 may be available for payments to Pakistan and Jordan for logistical and military support provided, or to be provided, to United States military operations in connection with Operation Enduring Freedom: *Provided*, That such payments may be made in amounts as the Secretary may determine in his discretion, and such determination is final and conclusive upon the accounting officers of the United States.

(INCLUDING TRANSFER OF FUNDS)

SEC. 305. (a) During the current fiscal year, \$475,000,000 of appropriations provided in this Act shall be transferred to the Pentagon Reservation Maintenance Revolving Fund only to

reconstruct the Pentagon Reservation and for related activities as a result of the events of September 11, 2001.

(b) In addition to the amounts provided in subsection (a) or otherwise appropriated in this Act, out of funds appropriated by Public Law 107-38 but not subject to subsequent enactment, not subject to the restrictions of the fifth proviso of that Act, and not transferred before December 18, 2001, the amount of \$300,000,000 is transferred to the Pentagon Reservation Maintenance Revolving Fund only to finance accelerated building renovation activities for military command centers and related activities at the Pentagon Reservation in order to accelerate completion of the currently planned Pentagon renovation project by up to 4 years: *Provided*, That notwithstanding any other provision of law, funds allocated and transferred under this section shall be made available until expended: *Provided further*, That the cost to accelerate renovation activities for military command centers and related activities at the Pentagon Reservation shall not be included in any cost cap applicable to the Pentagon renovation: *Provided further*, That the transfer authority provided under this section is in addition to any other transfer authority available to the Department of Defense.

(TRANSFER OF FUNDS)

SEC. 306. Notwithstanding any other provision of law or this Act, of the funds unobligated in all fiscal year 2002 appropriations accounts in titles III and IV of division A of this Act, up to 1½ percent of these funds shall be available for transfer to the Operation and Maintenance accounts of the Department of Defense for such costs incurred in support of Operations Enduring Freedom and Noble Anvil: *Provided*, That the Secretary of Defense shall notify the Committees on Appropriations of the House and Senate of transfers made pursuant to this section not later than 15 days after any such transfer is made: *Provided further*, That the transfer authority provided under this section is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That the transfer authority available under this section may be utilized only after all other funds made available to the Department of Defense pursuant to Public Law 107-38 have been obligated: *Provided further*, That no congressional interest item may be reduced for the purposes of this section: *Provided further*, That such authority to transfer shall expire on April 30, 2002.

Notification.
Deadline.

SEC. 307. During fiscal year 2002 the President, acting by and with the consent of the Senate, is authorized to appoint a commissioned officer of the Armed Forces, in active status, to the Office of Deputy Administrator of the National Aeronautics and Space Administration notwithstanding section 202(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2472(b)). If so appointed, the provisions of section 403(c)(3), (4), and (5) of title 50, United States Code, shall be applicable while the commissioned officer serves as Deputy Administrator in the same manner and extent as if the officer was serving in a position specified in section 403(c) of title 50, United States Code, except that the officer's military pay and allowances shall be reimbursed from funds available to the National Aeronautics and Space Administration.

Expiration date.
42 USC 2472
note.

CHAPTER 4

DISTRICT OF COLUMBIA

FEDERAL FUNDS

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR PROTECTIVE
CLOTHING AND BREATHING APPARATUS

\$7,144,000 For a Federal payment to the District of Columbia for protective clothing and breathing apparatus, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, \$7,144,000, of which \$922,000 is for the Fire and Emergency Medical Services Department, \$4,269,000 is for the Metropolitan Police Department, \$1,500,000 is for the Department of Health, and \$453,000 is for the Department of Public Works.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR SPECIALIZED
HAZARDOUS MATERIALS EQUIPMENT

1,032,000 For a Federal payment to the District of Columbia for specialized hazardous materials equipment, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, \$1,032,000, for the Fire and Emergency Medical Services Department.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR CHEMICAL
AND BIOLOGICAL WEAPONS PREPAREDNESS

10,355,000 For a Federal payment to the District of Columbia for chemical and biological weapons preparedness, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, \$10,355,000, of which \$205,000 is for the Fire and Emergency Medical Services Department, \$258,000 is for the Metropolitan Police Department, and \$9,892,000 is for the Department of Health.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR
PHARMACEUTICALS FOR RESPONDERS

2,100,000 For a Federal payment to the District of Columbia for pharmaceuticals for responders, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, \$2,100,000, for the Department of Health.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR RESPONSE
AND COMMUNICATIONS CAPABILITY

14,960,000 For a Federal payment to the District of Columbia for response and communications capability, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, \$14,960,000, of which \$7,755,000 is for the Fire and Emergency Medical Services Department, \$5,855,000 is for the Metropolitan Police Department, \$113,000 is for the Department of Public Works Division of Transportation, \$58,000 is for the Office of Property Management, \$60,000 is for the Department of Public Works, \$750,000 is for the Department of Health, \$309,000 is

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

for the Department of Human Services, and \$60,000 is for the Department of Parks and Recreation.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR SEARCH,
RESCUE AND OTHER EMERGENCY EQUIPMENT AND SUPPORT

For a Federal payment to the District of Columbia, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, for search, rescue and other emergency equipment and support, \$8,850,000, of which \$5,442,000 is for the Metropolitan Police Department, \$208,000 is for the Fire and Emergency Medical Services Department, \$398,500 is for the Department of Consumer and Regulatory Affairs, \$1,178,500 is for the Department of Public Works, \$542,000 is for the Department of Human Services, and \$1,081,000 is for the Department of Mental Health.

\$8,850,000

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR EQUIPMENT,
SUPPLIES AND VEHICLES FOR THE OFFICE OF THE CHIEF MEDICAL
EXAMINER

For a Federal payment to the District of Columbia, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, for equipment, supplies and vehicles for the Office of the Chief Medical Examiner, \$1,780,000.

1,780,000

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR HOSPITAL
CONTAINMENT FACILITIES FOR THE DEPARTMENT OF HEALTH

For a Federal payment to the District of Columbia, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, for hospital containment facilities for the Department of Health, \$8,000,000.

8,000,000

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR THE OFFICE
OF THE CHIEF TECHNOLOGY OFFICER

For a Federal payment to the District of Columbia, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, for the Office of the Chief Technology Officer, \$45,494,000, for a first response land-line and wireless interoperability project, of which \$1,000,000 shall be used to initiate a comprehensive review, by a non-vendor contractor, of the District's current technology-based systems and to develop a plan for integrating the communications systems of the District of Columbia Metropolitan Police and Fire and Emergency Medical Services Departments with the systems of local, regional and Federal law enforcement agencies, including but not limited to the United States Capitol Police, United States Park Police, United States Secret Service, Federal Bureau of Investigation, Federal Protective Service, and the Washington Metropolitan Area Transit Authority Police: *Provided*, That such plan shall be submitted to the Committees on Appropriations of the Senate and the House of Representatives no later than June 15, 2002.

45,494,000

Deadline.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR EMERGENCY
TRAFFIC MANAGEMENT

\$20,700,000 For a Federal payment to the District of Columbia, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, for emergency traffic management, \$20,700,000, for the Department of Public Works Division of Transportation, of which \$14,000,000 is to upgrade traffic light controllers, \$4,700,000 is to establish a video traffic monitoring system, and \$2,000,000 is to disseminate traffic information.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR TRAINING
AND PLANNING

9,949,000 For a Federal payment to the District of Columbia, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, for training and planning, \$9,949,000, of which \$4,400,000 is for the Fire and Emergency Medical Services Department, \$990,000 is for the Metropolitan Police Department, \$1,200,000 is for the Department of Health, \$200,000 is for the Office of the Chief Medical Examiner, \$500,000 is for the Office of Property Management, \$500,000 is for the Department of Mental Health, \$469,000 is for the Department of Consumer and Regulatory Affairs, \$240,000 is for the Department of Public Works, \$600,000 is for the Department of Human Services, \$100,000 is for the Department of Parks and Recreation, and \$750,000 is for the Division of Transportation.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA FOR INCREASED
FACILITY SECURITY

25,536,000 For a Federal payment to the District of Columbia, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, for increased facility security, \$25,536,000, of which \$3,900,000 is for the Emergency Management Agency, \$14,575,000 is for the public schools, and \$7,061,000 is for the Office of Property Management.

FEDERAL PAYMENT TO THE WASHINGTON METROPOLITAN AREA
TRANSIT AUTHORITY

39,100,000 For a Federal payment to the Washington Metropolitan Area Transit Authority to meet region-wide security requirements, a contribution of \$39,100,000, to be obligated from amounts made available in Public Law 107-38 and to remain available until September 30, 2003, of which \$5,000,000 shall be used for protective clothing and breathing apparatus, \$2,200,000 shall be for completion of the fiber optic network project, \$15,000,000 shall be for a chemical emergency sensor program, and \$16,900,000 shall be for increased employee and facility security.

FEDERAL PAYMENT TO THE METROPOLITAN WASHINGTON COUNCIL
OF GOVERNMENTS

5,000,000 For a Federal payment to the Metropolitan Washington Council of Governments to enhance regional emergency preparedness, coordination and response, \$5,000,000, to be obligated from amounts

made available in Public Law 107-38 and to remain available until September 30, 2003, of which \$1,500,000 shall be used to contribute to the development of a comprehensive regional emergency preparedness, coordination and response plan, \$500,000 shall be used to develop a critical infrastructure threat assessment model, \$500,000 shall be used to develop and implement a regional communications plan, and \$2,500,000 shall be used to develop protocols and procedures for training and outreach exercises.

DISTRICT OF COLUMBIA FUNDS

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia and shall remain available until September 30, 2003.

For Protective Clothing and Breathing Apparatus, to remain available until September 30, 2003, \$7,144,000, of which \$922,000 is for the Fire and Emergency Medical Services Department, \$4,269,000 is for the Metropolitan Police Department, \$1,500,000 is for the Department of Health, and \$453,000 is for the Department of Public Works.

For Specialized Hazardous Materials Equipment, to remain available until September 30, 2003, \$1,032,000, for the Fire and Emergency Medical Services Department.

For Chemical and Biological Weapons Preparedness, to remain available until September 30, 2003, \$10,355,000, of which \$205,000 is for the Fire and Emergency Medical Services Department, \$258,000 is for the Metropolitan Police Department, and \$9,892,000 is for the Department of Health.

For Pharmaceuticals for Responders, to remain available until September 30, 2003, \$2,100,000, for the Department of Health.

For Response and Communications capability, to remain available until September 30, 2003, \$14,960,000, of which \$7,755,000 is for the Fire and Emergency Medical Services Department, \$5,855,000 is for the Metropolitan Police Department, \$113,000 is for the Department of Public Works Division of Transportation, \$58,000 is for the Office of Property Management, \$60,000 is for the Department of Public Works, \$750,000 is for the Department of Health, \$309,000 is for the Department of Human Services, and \$60,000 is for the Department of Parks and Recreation.

For search, rescue and other emergency equipment and support, to remain available until September 30, 2003, \$8,850,000, of which \$5,442,000 is for the Metropolitan Police Department, \$208,000 is for the Fire and Emergency Medical Services Department, \$398,500 is for the Department of Consumer and Regulatory Affairs, \$1,178,500 is for the Department of Public Works, \$542,000 is for the Department of Human Services, and \$1,081,000 is for the Department of Mental Health.

For equipment, supplies and vehicles, to remain available until September 30, 2003, for the Office of the Chief Medical Examiner, \$1,780,000.

For hospital containment facilities, to remain available until September 30, 2003, for the Department of Health, \$8,000,000.

For the Office of the Chief Technology Officer, to remain available until September 30, 2003, \$45,494,000 is for a first response

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

land-line and wireless interoperability project, of which \$1,000,000 shall be used to initiate a comprehensive review by a non-vendor contractor of the District's current technology-based systems and to develop a plan for integrating the communications systems of the District of Columbia Metropolitan Police and Fire and Emergency Medical Services Departments with the systems of local, regional and Federal law enforcement agencies, including, but not limited to the United States Capitol Police, United States Park Police, United States Secret Service, Federal Bureau of Investigation, Federal Protective Service, and the Washington Metropolitan Area Transit Authority Police: *Provided*, That such plan shall be submitted to the Committees on Appropriations of the Senate and the House of Representatives no later than June 15, 2002.

Deadline.

For emergency traffic management, to remain available until September 30, 2003, \$20,700,000 is for the Department of Public Works Division of Transportation, of which \$14,000,000 is to upgrade traffic light controllers, \$4,700,000 is to establish a video traffic monitoring system, and \$2,000,000 is to disseminate traffic information.

For training and planning, to remain available until September 30, 2003, \$9,949,000, of which \$4,400,000 is for the Fire and Emergency Medical Services Department, \$990,000 is for the Metropolitan Police Department, \$1,200,000 is for the Department of Health, \$200,000 is for the Office of the Chief Medical Examiner, \$500,000 is for the Office of Property Management, \$500,000 is for the Department of Mental Health, \$469,000 is for the Department of Consumer and Regulatory Affairs, \$240,000 is for the Department of Public Works, \$600,000 is for the Department of Human Services, \$100,000 is for the Department of Parks and Recreation, and \$750,000 is for the Division of Transportation.

For increased facility security, to remain available until September 30, 2003, \$25,536,000, of which \$3,900,000 is for the Emergency Management Agency, \$14,575,000 for the public schools, and \$7,061,000 for the Office of Property Management.

GENERAL PROVISIONS, THIS CHAPTER

SEC. 401. Notwithstanding any other provision of law, the Chief Financial Officer of the District of Columbia may transfer up to 5 percent of the funds appropriated to the District of Columbia in this chapter between these accounts: *Provided*, That no such transfer shall take place unless the Chief Financial Officer of the District of Columbia notifies in writing the Committees on Appropriations of the Senate and the House of Representatives 30 days in advance of such transfer.

Reports.
Deadline.

SEC. 402. The Chief Financial Officer of the District of Columbia, the Chief Financial Officer of the Washington Metropolitan Area Transit Authority and the Executive Director of the Metropolitan Washington Council of Governments shall provide quarterly reports to the President and the Committees on Appropriations of the Senate and the House of Representatives on the use of the funds under this chapter beginning no later than March 15, 2002.

Deadline.

SEC. 403. Notwithstanding any other provision of law, all amounts under this chapter shall be apportioned quarterly by the Office of Management and Budget: *Provided*, That all such funds shall be made available no later than September 30, 2002.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

SEC. 404. In the Fiscal Year 2002 District of Columbia Appropriations Act under the heading “Administrative Provisions, Payments for Representation of Indigents” under subsection (c), strike all after “March 1, 2002.” through “‘3600’.” *Ante*, p. 929.

[*Total, chapter 4, \$200,000,000.*]

CHAPTER 5

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

OPERATION AND MAINTENANCE, GENERAL

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operation and Maintenance, General”, \$139,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$139,000,000

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

WATER AND RELATED RESOURCES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Water and Related Resources”, \$30,259,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 30,259,000

DEPARTMENT OF ENERGY

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and for other expenses to increase the security of the Nation’s nuclear weapons complex, for “Weapons Activities”, \$131,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 131,000,000

DEFENSE NUCLEAR NONPROLIFERATION

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and for other expenses to increase the security of the Nation’s nuclear weapons complex, for “Defense Nuclear Nonproliferation”, \$226,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 226,000,000

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Defense Environmental Restoration and Waste Management”, \$8,200,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

\$8,200,000

OTHER DEFENSE ACTIVITIES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and for other expenses necessary to support activities related to countering potential biological threats to civilian populations, for “Other Defense Activities”, \$3,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

3,500,000

[Total, Department of Energy, \$368,700,000.]

INDEPENDENT AGENCY

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and for other expenses to increase the security of the Nation’s nuclear power plants, for “Salaries and Expenses”, \$36,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That the funds appropriated herein shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214.

36,000,000

GENERAL PROVISIONS, THIS CHAPTER

SEC. 501. Of the funds provided in this or any other Act for “Defense Environmental Restoration and Waste Management” at the Department of Energy, up to \$500,000 may be available to the Secretary of Energy for safety improvements to roads along the shipping route to the Waste Isolation Pilot Plant site.

Ante, p. 490.

SEC. 502. NUTWOOD LEVEE, ILLINOIS. The Energy and Water Development Appropriations Act, 2002 (Public Law 107-66) is amended under the heading “Title I, Department of Defense—Civil, Department of the Army, Corps of Engineers—Civil, Construction, General” by inserting after “\$3,500,000” but before the “.” “: *Provided further*, That using \$400,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, may initiate construction on the Nutwood Levee, Illinois project”.

SEC. 503. The Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509) is amended as follows:

43 USC 508.

(1) by inserting in section 4(c) after “2000,” and before “costs” the following: “and the additional \$32,000,000 further authorized to be appropriated by amendments to the Act in 2001,”; and

43 USC 509.

(2) by inserting in section 5 after “levels,” and before “plus” the following: “and, effective October 1, 2001, not to

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

exceed an additional \$32,000,000 (October 1, 2001, price levels).”.

SEC. 504. JICARILLA, NEW MEXICO, MUNICIPAL WATER SYSTEM. Public Law 107-66 is amended—

(1) under the heading of “Title I, Department of Defense—Civil, Department of the Army, Corps of Engineers—Civil, Construction, General”— *Ante*, p. 489.

(A) by striking “*Provided further*, That using \$2,500,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with a final design and initiate construction for the repair and replacement of the Jicarilla Municipal Water System in the town of Dulce, New Mexico.”; and

(B) insert at the end before the period the following: “: *Provided further*, That using funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to transfer \$2,500,000 to the Secretary of the Interior for the Bureau of Reclamation to proceed with the Jicarilla Municipal Water System in the town of Dulce, New Mexico”; and

(2) under the heading of “Title II, Department of the Interior, Bureau of Reclamation, Water and Related Resources, (Including the Transfer of Funds)”, insert at the end before the period the following: “: *Provided further*, That using \$2,500,000 of the funds provided herein, the Secretary of the Interior is directed to proceed with a final design and initiate construction for the repair and replacement of the Jicarilla Municipal Water System in the town of Dulce, New Mexico”. *Ante*, p. 498.

SEC. 505. (a) OCCOQUAN RIVER, VIRGINIA.—The project for navigation, Occoquan Creek, Virginia, authorized by the first section of the Act entitled “An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes”, approved September 19, 1890 (26 Stat. 440), is modified to direct the Secretary of the Army—

(1) to deepen the project to a depth of 9 feet; and

(2) to widen the project between Channel Marker Number 2 and the bridge at United States Route 1 to a width of 200 feet.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated to carry out the project referred to in subsection (a) by the Energy and Water Development Appropriations Act, 2001 (as enacted into law by Public Law 106-377), shall be made available to carry out the modifications to the project under subsection (a).

(c) PROJECT REDESIGNATION.—

(1) IN GENERAL.—The project referred to in subsection (a) shall be known and designated as the “project for navigation, Occoquan River, Virginia”.

(2) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the project referred to in subsection (a) shall be deemed to be a reference to the “project for navigation, Occoquan River, Virginia”.

[*Total, chapter 5, \$573,959,000.*]

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

CHAPTER 6

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER ASSISTANCE

\$50,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “International Disaster Assistance”, \$50,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, for humanitarian and reconstruction activities in Afghanistan.

CHAPTER 7

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

10,098,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Operation of the National Park System”, \$10,098,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

UNITED STATES PARK POLICE

25,295,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for the “United States Park Police”, \$25,295,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

CONSTRUCTION

21,624,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Construction”, \$21,624,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That notwithstanding any other provision of law, single but separate procurements for the construction of security improvements at the Washington Monument, for security improvements at the Lincoln Memorial, and for security improvements at the Jefferson Memorial, may be issued that include the full scope of each project, except that each solicitation and contract shall contain the clause “availability of funds” found at section 52.232.18 of title 48, Code of Federal Regulations.

DEPARTMENTAL OFFICES

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Salaries and Expenses”,

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

\$2,205,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, for the working capital fund of the Department of the Interior. \$2,205,000
[Total, Department of the Interior, \$59,222,000.]

OTHER RELATED AGENCIES

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Salaries and Expenses” of the Smithsonian Institution, \$21,707,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 21,707,000

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Salaries and Expenses” of the National Gallery of Art, \$2,148,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 2,148,000

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Operations and Maintenance” of the John F. Kennedy Center for the Performing Arts, \$4,310,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 4,310,000

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Salaries and Expenses” of the National Capital Planning Commission, \$758,000, to be obligated from amounts made available in Public Law 107-38. 758,000

GENERAL PROVISIONS, THIS CHAPTER

SEC. 701. (a) IN GENERAL.—The Secretary of the Smithsonian Institution shall collect and preserve in the National Museum of American History artifacts relating to the September 11th attacks on the World Trade Center and the Pentagon.

Historic
preservation.
20 USC 50 note.

(b) TYPES OF ARTIFACTS.—In carrying out subsection (a), the Secretary of the Smithsonian Institution shall consider collecting and preserving—

- (1) pieces of the World Trade Center and the Pentagon;
- (2) still and video images made by private individuals and the media;
- (3) personal narratives of survivors, rescuers, and government officials; and

(4) other artifacts, recordings, and testimonials that the Secretary of the Smithsonian Institution determines have lasting historical significance.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Smithsonian Institution \$5,000,000 to carry out this section.

SEC. 702. Section 29 of Public Law 92-203, as enacted under section 4 of Public Law 94-204 (43 U.S.C. 1626), is amended by adding at the end of subsection (e) the following:

“(4)(A) Congress confirms that Federal procurement programs for tribes and Alaska Native Corporations are enacted pursuant to its authority under Article I, Section 8 of the United States Constitution.

“(B) Contracting with an entity defined in subsection (e)(2) of this section or section 3(c) of Public Law 93-262 shall be credited towards the satisfaction of a contractor’s obligations under section 7 of Public Law 87-305.

“(C) Any entity that satisfies subsection (e)(2) of this section that has been certified under section 8 of Public Law 85-536 is a Disadvantaged Business Enterprise for the purposes of Public Law 105-178.”

[Total, chapter 7, \$88,145,000.]

CHAPTER 8

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

\$32,500,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Training and employment services”, \$32,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That such amount shall be provided to the Consortium for Worker Education, established by the New York City Central Labor Council and the New York City Partnership, for an Emergency Employment Clearinghouse.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

4,100,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “State Unemployment Insurance and Employment Service Operations”, \$4,100,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

WORKERS COMPENSATION PROGRAMS

175,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Workers Compensation Programs”, \$175,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That, of such amount, \$125,000,000 shall be for payment to the New York State Workers Compensation Review Board, for the processing of claims related to the terrorist attacks: *Provided further*, That, of such amount, \$25,000,000 shall be for payment

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

to the New York State Uninsured Employers Fund, for reimbursement of claims related to the terrorist attacks: *Provided further*, That, of such amount, \$25,000,000 shall be for payment to the New York State Uninsured Employers Fund, for reimbursement of claims related to the first response emergency services personnel who were injured, were disabled, or died due to the terrorist attacks.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$1,600,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$1,600,000

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$1,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 1,000,000

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$5,880,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 5,880,000
[*Total, Department of Labor, \$220,080,000.*]

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “Disease control, research, and training” for baseline safety screening for the emergency services personnel and rescue and recovery personnel, \$12,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 12,000,000

OFFICE OF THE SECRETARY

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, to provide grants to public entities, not-for-profit entities, and Medicare and Medicaid enrolled suppliers and institutional providers to reimburse for health care related expenses or lost revenues directly attributable to the public health emergency resulting from the September 11, 2001, terrorist acts, for “Public Health and Social Services Emergency Fund”, \$140,000,000, to remain available until expended, to be obligated 140,000,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

from amounts made available in Public Law 107-38: *Provided*, That none of the costs have been reimbursed or are eligible for reimbursement from other sources.

\$2,504,314,000 For emergency expenses necessary to support activities related to countering potential biological, disease, and chemical threats to civilian populations, for “Public Health and Social Services Emergency Fund”, \$2,504,314,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. Of this amount, \$865,000,000 shall be for the Centers for Disease Control and Prevention for improving State and local capacity; \$135,000,000 shall be for grants to improve hospital capacity to respond to bioterrorism; \$100,000,000 shall be for upgrading capacity at the Centers for Disease Control and Prevention, including research: *Provided*, That up to \$10,000,000 of this amount shall be for the tracking and control of biological pathogens; \$85,000,000 shall be for the National Institute of Allergy and Infectious Diseases for bioterrorism-related research and development and other related needs; \$70,000,000 shall be for the National Institute of Allergy and Infectious Diseases for the construction of a biosafety laboratory and related infrastructure costs; \$593,000,000 shall be for the National Pharmaceutical Stockpile; \$512,000,000 shall be for the purchase of smallpox vaccine; \$71,000,000 shall be for improving laboratory security at the National Institutes of Health and the Centers for Disease Control and Prevention; \$7,500,000 shall be for environmental hazard control activities conducted by the Centers for Disease Control and Prevention; \$10,000,000 shall be for the Substance Abuse and Mental Health Services Administration; and \$55,814,000 shall be for bioterrorism preparedness and disaster response activities in the Office of the Secretary. At the discretion of the Secretary, these amounts may be transferred between categories subject to normal reprogramming procedures.

[Total, \$2,644,314,000.]

[Total, Department of Health and Human Services, \$2,656,314,000.]

DEPARTMENT OF EDUCATION

SCHOOL IMPROVEMENT PROGRAMS

10,000,000 For emergency expenses to provide education-related services to local educational agencies in which the learning environment has been disrupted due to a violent or traumatic crisis, for the Project School Emergency Response to Violence program, \$10,000,000, to remain available until expended, and to be obligated from amounts made available in Public Law 107-38.

RELATED AGENCIES

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

180,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$180,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

SOCIAL SECURITY ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Limitation on Administrative Expenses”, \$7,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$7,500,000

[Total, chapter 8, \$2,894,074,000.]

CHAPTER 9

LEGISLATIVE BRANCH

JOINT ITEMS

LEGISLATIVE BRANCH EMERGENCY RESPONSE FUND

(INCLUDING TRANSFER OF FUNDS)

For emergency expenses to respond to the terrorist attacks on the United States, \$256,081,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That \$34,500,000 shall be transferred to “Senate”, “Sergeant at Arms and Doorkeeper of the Senate”, and shall be obligated with the prior approval of the Senate Committee on Appropriations: *Provided further*, That \$41,712,000 shall be transferred to “House of Representatives”, “Salaries and Expenses”, and shall be obligated with the prior approval of the House Committee on Appropriations: *Provided further*, That \$31,000,000 shall be transferred to “Capitol Police Board”, “Capitol Police”, “General Expenses”: *Provided further*, That \$350,000 shall be transferred to “Capitol Guide Service and Special Services Office”: *Provided further*, That \$106,304,000 shall be transferred to “Architect of the Capitol”, “Capitol Buildings and Grounds”, “Capitol Buildings”: *Provided further*, That \$29,615,000 shall be transferred to “Library of Congress”, “Salaries and Expenses”: *Provided further*, That \$4,000,000 shall be transferred to the “Government Printing Office”, “Government Printing Office Revolving Fund”: *Provided further*, That \$7,600,000 shall be transferred to “General Accounting Office”, “Salaries and Expenses”: *Provided further*, That \$1,000,000 shall be transferred as a grant to the United States Capitol Historical Society: *Provided further*, That any Legislative Branch entity receiving funds pursuant to the Emergency Response Fund established by Public Law 107-38 (without regard to whether the funds are provided under this chapter or pursuant to any other provision of law) may transfer any funds provided to the entity to any other Legislative Branch account in an amount equal to that required to provide support for security enhancements, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate. 256,081,000

SENATE

ADMINISTRATIVE PROVISIONS

SEC. 901. (a) ACQUISITION OF BUILDINGS AND FACILITIES.— 40 USC 174b-2.
Notwithstanding any other provision of law, in order to respond to an emergency situation, the Sergeant at Arms of the Senate

may acquire buildings and facilities for the use of the Senate, as appropriate, by lease, purchase, or such other arrangement as the Sergeant at Arms of the Senate considers appropriate (including a memorandum of understanding with the head of an executive agency, as defined in section 105 of title 5, United States Code, in the case of a building or facility under the control of such Agency). Actions taken by the Sergeant at Arms of the Senate must be approved by the Committees on Appropriations and Rules and Administration.

(b) AGREEMENTS.—Notwithstanding any other provision of law, for purposes of carrying out subsection (a), the Sergeant at Arms of the Senate may carry out such activities and enter into such agreements related to the use of any building or facility acquired pursuant to such subsection as the Sergeant at Arms of the Senate considers appropriate, including—

(1) agreements with the United States Capitol Police or any other entity relating to the policing of such building or facility; and

(2) agreements with the Architect of the Capitol or any other entity relating to the care and maintenance of such building or facility.

(c) AUTHORITY OF CAPITOL POLICE AND ARCHITECT.—

(1) ARCHITECT OF THE CAPITOL.—Notwithstanding any other provision of law, the Architect of the Capitol may take any action necessary to carry out an agreement entered into with the Sergeant at Arms of the Senate pursuant to subsection (b).

(2) CAPITOL POLICE.—Section 9 of the Act of July 31, 1946 (40 U.S.C. 212a) is amended—

(A) by striking “The Capitol Police” and inserting “(a) The Capitol Police”; and

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

“(b) For purposes of this section, ‘the United States Capitol Buildings and Grounds’ shall include any building or facility acquired by the Sergeant at Arms of the Senate for the use of the Senate for which the Sergeant at Arms of the Senate has entered into an agreement with the United States Capitol Police for the policing of the building or facility.”.

(d) TRANSFER OF CERTAIN FUNDS.—Subject to the approval of the Committee on Appropriations of the Senate, the Architect of the Capitol may transfer to the Sergeant at Arms of the Senate amounts made available to the Architect for necessary expenses for the maintenance, care and operation of the Senate office buildings during a fiscal year in order to cover any portion of the costs incurred by the Sergeant at Arms of the Senate during the year in acquiring a building or facility pursuant to subsection (a).

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

Applicability.

2 USC 130g.

SEC. 902. (a) Notwithstanding any other provision of law—

(1) subject to subsection (b), the Sergeant at Arms of the Senate and the head of an executive agency (as defined in section 105 of title 5, United States Code) may enter into a memorandum of understanding under which the agency may provide facilities, equipment, supplies, personnel, and other

support services for the use of the Senate during an emergency situation; and

(2) the Sergeant at Arms of the Senate and the head of the agency may take any action necessary to carry out the terms of the memorandum of understanding.

(b) The Sergeant at Arms of the Senate may enter into a memorandum of understanding described in subsection (a)(1) consistent with the Senate Procurement Regulations.

(c) This section shall apply with respect to fiscal year 2002 and each succeeding fiscal year. Applicability.

HOUSE OF REPRESENTATIVES

ADMINISTRATIVE PROVISIONS

SEC. 903. (a) ACQUISITION OF BUILDINGS AND FACILITIES.— 40 USC 175a.
Notwithstanding any other provision of law, in order to respond to an emergency situation, the Chief Administrative Officer of the House of Representatives may acquire buildings and facilities for the use of the House of Representatives by lease, purchase, or such other arrangement as the Chief Administrative Officer considers appropriate (including a memorandum of understanding with the head of an executive agency, as defined in section 105 of title 5, United States Code, in the case of a building or facility under the control of such Agency), subject to the approval of the House Office Building Commission.

(b) AGREEMENTS.—Notwithstanding any other provision of law, for purposes of carrying out subsection (a), the Chief Administrative Officer may carry out such activities and enter into such agreements related to the use of any building or facility acquired pursuant to such subsection as the Chief Administrative Officer considers appropriate, including—

(1) agreements with the United States Capitol Police or any other entity relating to the policing of such building or facility; and

(2) agreements with the Architect of the Capitol or any other entity relating to the care and maintenance of such building or facility.

(c) AUTHORITY OF CAPITOL POLICE AND ARCHITECT.—

(1) ARCHITECT OF THE CAPITOL.—Notwithstanding any other provision of law, the Architect of the Capitol may take any action necessary to carry out an agreement entered into with the Chief Administrative Officer pursuant to subsection (b).

(2) CAPITOL POLICE.—Section 9 of the Act of July 31, 1946 (40 U.S.C. 212a) is amended—

(A) by striking “The Capitol Police” and inserting “(a) The Capitol Police”; and

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

“(b) For purposes of this section, ‘the United States Capitol Buildings and Grounds’ shall include any building or facility acquired by the Chief Administrative Officer of the House of Representatives for the use of the House of Representatives for which the Chief Administrative Officer has entered into an agreement with the United States Capitol Police for the policing of the building or facility.”.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

(d) TRANSFER OF CERTAIN FUNDS.—Subject to the approval of the Committee on Appropriations of the House of Representatives, the Architect of the Capitol may transfer to the Chief Administrative Officer amounts made available to the Architect for necessary expenses for the maintenance, care and operation of the House office buildings during a fiscal year in order to cover any portion of the costs incurred by the Chief Administrative Officer during the year in acquiring a building or facility pursuant to subsection (a).

Applicability.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

2 USC 130h.

SEC. 904. (a) Notwithstanding any other provision of law—

(1) subject to subsection (b), the Chief Administrative Officer of the House of Representatives and the head of an executive agency (as defined in section 105 of title 5, United States Code) may enter into a memorandum of understanding under which the agency may provide facilities, equipment, supplies, personnel, and other support services for the use of the House of Representatives during an emergency situation; and

(2) the Chief Administrative Officer and the head of the agency may take any action necessary to carry out the terms of the memorandum of understanding.

(b) The Chief Administrative Officer of the House of Representatives may not enter into a memorandum of understanding described in subsection (a)(1) without the approval of the Speaker of the House of Representatives.

Applicability.

(c) This section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

Establishment.
2 USC 130i.

SEC. 905. (a) There is established in the House of Representatives an office to be known as the House of Representatives Office of Emergency Planning, Preparedness, and Operations. The Office shall be responsible for mitigation and preparedness operations, crisis management and response, resource services, and recovery operations.

(b) The Speaker, in consultation with the minority leader—
(1) shall provide policy direction for, and oversight of, the Office;

(2) shall appoint and set the annual rate of pay for employees of the Office, including a Director, who shall be the head of the Office;

(3) shall exercise, with respect to any employee of the Office, the authority referred to in section 8344(k)(2)(B) of title 5, United States Code, and the authority referred to in section 8468(h)(2)(B) of title 5, United States Code;

(4) shall approve procurement of services of experts and consultants by the Office or by committees or other entities of the House of Representatives for assignment to the Office; and

(5) may request the head of any Federal department or agency to detail to the Office, on a reimbursable basis, any of the personnel of the department or agency.

Establishment.

(c) The day-to-day operations of the Office shall be carried out by the Director, under the supervision of a Board, to be known as the House of Representatives Continuity of Operations Board, comprised of the Clerk, the Sergeant at Arms, and the Chief

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

Administrative Officer of the House of Representatives. The Clerk shall be the Chairman of the Board.

(d) Until otherwise provided by law, funds shall be available for the Office from amounts appropriated for the operations of the House of Representatives.

(e) This section shall take effect on the date of the enactment of this Act and shall apply to fiscal years beginning with fiscal year 2002.

Effective date.
Applicability.

SEC. 906. (a) As determined by the Sergeant at Arms of the House of Representatives, any anthrax-contaminated mail delivered by the United States Postal Service to the House of Representatives shall be destroyed or otherwise disposed of.

Anthrax.
Mail.

(b) No action taken under this section may serve as a basis for civil or criminal liability of any individual or entity.

(c) As used in this section, the term “anthrax-contaminated mail” means any mail matter that, as determined by the Sergeant at Arms, by reason of the events of October 2001—

(1) is contaminated by anthrax or any other substance the mailing of which is prohibited by section 1716 of title 18, United States Code, or any other law of the United States; or

(2) may be so contaminated, but the ascertainment of which is not technically feasible or is otherwise impracticable.

(d) This section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

Applicability.

OTHER LEGISLATIVE BRANCH

ADMINISTRATIVE PROVISIONS

SEC. 907. (a) Section 1(c) of Public Law 96-152 (40 U.S.C. 206-1) is amended by striking “but not to exceed” and all that follows and inserting the following: “but not to exceed \$2,500 less than the lesser of the annual salary for the Sergeant at Arms of the House of Representatives or the annual salary for the Sergeant at Arms and Doorkeeper of the Senate.”

(b) The Assistant Chief of the Capitol Police shall receive compensation at a rate determined by the Capitol Police Board, but not to exceed \$1,000 less than the annual salary for the chief of the United States Capitol Police.

40 USC 206 note.

(c) This section and the amendment made by this section shall apply with respect to pay periods beginning on or after the date of the enactment of this Act.

Applicability.
40 USC 206-1
note.

SEC. 908. (a) The Capitol Police Board may, in order to recruit or retain qualified personnel, establish and maintain a program under which the Capitol Police may agree to repay (by direct payments on behalf of a civilian employee or member of the Capitol Police) all or a portion of any student loan previously taken out by such employee or member.

40 USC 207b-1.

(b) The Capitol Police Board may, by regulation, make applicable such provisions of section 5379 of title 5, United States Code, as the Board determines necessary to provide for such program.

(c) The regulations shall provide that the amount paid by the Capitol Police may not exceed—

(1) \$6,000 for any civilian employee or member of the Capitol Police in any calendar year; or

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

(2) a total of \$40,000 in the case of any employee or member.

(d) The Capitol Police may not reimburse a civilian employee or member of the Capitol Police for any repayments made by such employee or member prior to the Capitol Police entering into an agreement under this section with such employee or member.

(e) Any amount repaid by, or recovered from, an individual under this section and its implementing regulations shall be credited to the appropriation account available for salaries and expenses of the Capitol Police at the time of repayment or recovery. Such credited amount may be used for any authorized purpose of the account and shall remain available until expended.

Applicability.

(f) This section shall apply to fiscal year 2002 and each fiscal year thereafter.

40 USC 207b-2.

SEC. 909. (a) RECRUITMENT AND RELOCATION BONUSES.—

(1) AUTHORIZATION OF PAYMENT.—The Capitol Police Board (hereafter in this section referred to as the “Board”) may authorize the Chief of the United States Capitol Police (hereafter in this section referred to as the “Chief”) to pay a bonus to an individual who is newly appointed to a position as an officer or employee of the Capitol Police, and to pay an additional bonus to an individual who must relocate to accept a position as an officer or employee of the Capitol Police, if the Board determines that the Capitol Police would be likely, in the absence of such a bonus, to encounter difficulty in filling the position.

(2) AMOUNT OF PAYMENT.—The amount of a bonus under this subsection shall be determined by regulations of the Board, but the amount of any bonus paid to an individual under this subsection may not exceed 25 percent of the annual rate of basic pay of the position to which the individual is being appointed.

(3) MINIMUM PERIOD OF SERVICE REQUIRED.—Payment of a bonus under this subsection shall be contingent upon the individual entering into an agreement with the Capitol Police to complete a period of employment with the Capitol Police, with the required period determined pursuant to regulations of the Board. If the individual voluntarily fails to complete such period of service or is separated from the service before completion of such period of service for cause on charges of misconduct or delinquency, the individual shall repay the bonus on a pro rata basis.

(4) BONUS NOT CONSIDERED PART OF BASIC PAY.—A bonus under this subsection shall be paid as a lump sum, and may not be considered to be part of the basic pay of the officer or employee.

(5) PAYMENT PERMITTED PRIOR TO COMMENCEMENT OF DUTY.—Under regulations of the Board, a bonus under this subsection may be paid to a newly-hired officer or employee before the officer or employee enters on duty.

(b) RETENTION ALLOWANCES.—

(1) AUTHORIZATION OF PAYMENT.—The Board may authorize the Chief to pay an allowance to an officer or employee of the United States Capitol Police if—

(A) the unusually high or unique qualifications of the officer or employee or a special need of the Capitol Police

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

for the officer's or employee's services makes it essential to retain the officer or employee; and

(B) the Chief determines that the officer or employee would be likely to leave in the absence of a retention allowance.

(2) AMOUNT OF PAYMENT.—A retention allowance, which shall be stated as a percentage of the rate of basic pay of the officer or employee, may not exceed 25 percent of such rate of basic pay.

(3) PAYMENT NOT CONSIDERED PART OF BASIC PAY.—A retention allowance may not be considered to be part of the basic pay of an officer or employee, and the reduction or elimination of a retention allowance may not be appealed. The preceding sentence shall not be construed to extinguish or lessen any right or remedy under any of the laws made applicable to the Capitol Police pursuant to section 102 of the Congressional Accountability Act of 1995 (2 U.S.C. 1302).

(4) TIME AND MANNER OF PAYMENT.—A retention allowance under this subsection shall be paid at the same time and in the same manner as the officer's or employee's basic pay is paid.

(c) LUMP SUM INCENTIVE AND MERIT BONUS PAYMENTS.—

(1) IN GENERAL.—The Board may pay an incentive or merit bonus to an officer or employee of the United States Capitol Police who meets such criteria for receiving the bonus as the Board may establish.

(2) BONUS NOT CONSIDERED PART OF BASIC PAY.—A bonus under this subsection shall be paid as a lump sum, and may not be considered to be part of the basic pay of the officer or employee.

(d) SERVICE STEP INCREASES FOR MERITORIOUS SERVICE FOR OFFICERS.—Upon the approval of the Chief—

(1) an officer of the United States Capitol Police in a service step who has demonstrated meritorious service (in accordance with criteria established by the Chief or the Chief's designee) may be advanced in compensation to the next higher service step, effective with the first pay period which begins after the date of the Chief's approval; and

(2) an officer of the United States Capitol Police in a service step who has demonstrated extraordinary performance (in accordance with criteria established by the Chief or the Chief's designee) may be advanced in compensation to the second next higher service step, effective with the first pay period which begins after the date of the Chief's approval.

(e) ADDITIONAL COMPENSATION FOR FIELD TRAINING OFFICERS.—

(1) IN GENERAL.—Each officer of the United States Capitol Police who is assigned to duty as a field training officer shall receive, in addition to the officer's scheduled rate of compensation, an additional amount determined by the Board (but not to exceed \$2,000 per annum).

(2) MANNER OF PAYMENT.—The additional compensation authorized by this subsection shall be paid to the officer in the same manner as the officer is paid basic compensation, except that when the officer ceases to be assigned to duty as a field training officer, the loss of such additional compensation shall not constitute an adverse action for any purpose.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

(f) REGULATIONS.—

(1) IN GENERAL.—The payment of bonuses, allowances, step increases, compensation, and other payments pursuant to this section shall be carried out in accordance with regulations prescribed by the Board.

(2) APPROVAL.—The regulations prescribed pursuant to this subsection shall be subject to the approval of the Committee on Rules and Administration of the Senate, the Committee on House Administration of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives.

Applicability.

(g) EFFECTIVE DATE.—This section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

40 USC 206d-1.

SEC. 910. In addition to the authority provided under section 121 of the Legislative Branch Appropriations Act, 2002, at any time on or after the date of the enactment of this Act, the Capitol Police Board may accept contributions of comfort and other incidental items and services to support officers and employees of the United States Capitol Police while such officers and employees are on duty in response to emergencies involving the safety of human life or the protection of property.

40 USC 212c.

SEC. 911. ASSISTANCE BY EXECUTIVE DEPARTMENTS AND AGENCIES TO THE CAPITOL POLICE. (a) ASSISTANCE.—

(1) IN GENERAL.—Executive departments and Executive agencies may assist the United States Capitol Police in the performance of its duties by providing services (including personnel), equipment, and facilities on a temporary and reimbursable basis when requested by the Capitol Police Board and on a permanent and reimbursable basis upon advance written request of the Capitol Police Board; except that the Department of Defense and the Coast Guard may provide such assistance on a temporary basis without reimbursement when assisting the United States Capitol Police in its duties directly related to protection under the Act of July 31, 1946 (40 U.S.C. 212a-2). Before making a request under this paragraph, the Capitol Police Board shall consult with appropriate Members of the Senate and House of Representatives in leadership positions, except in an emergency.

(2) PROCUREMENT.—No services (including personnel), equipment, or facilities may be ordered, purchased, leased, or otherwise procured for the purposes of carrying out the duties of the United States Capitol Police by persons other than officers or employees of the Federal Government duly authorized by the Chairman of the Capitol Police Board to make such orders, purchases, leases, or procurements.

(3) EXPENDITURES OR OBLIGATION OF FUNDS.—No funds may be expended or obligated for the purpose of carrying out this section other than funds specifically appropriated to the Capitol Police Board or the United States Capitol Police for those purposes with the exception of—

(A) expenditures made by the Department of Defense or the Coast Guard from funds appropriated to the Department of Defense or the Coast Guard in providing assistance on a temporary basis to the United States Capitol Police in the performance of its duties directly related to protection under the Act of July 31, 1946 (40 U.S.C. 212a-2); and

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

(B) expenditures made by Executive departments and agencies, in providing assistance at the request of the United States Capitol Police in the performance of its duties, and which will be reimbursed by the United States Capitol Police under this section.

(4) PROVISION OF ASSISTANCE.—Assistance under this section shall be provided—

(A) consistent with the authority of the Capitol Police under sections 9 and 9A of the Act of July 31, 1946 (40 U.S.C. 212a and 212a-2);

(B) upon the advance written request of—

(i) the Capitol Police Board; or

(ii) in an emergency—

(I) the Sergeant at Arms and Doorkeeper of the Senate in any matter relating to the Senate; or

(II) the Sergeant at Arms of the House of Representatives in any matter relating to the House of Representatives; and

(C)(i) on a temporary and reimbursable basis;

(ii) on a permanent reimbursable basis upon advance written request of the Capitol Police Board; or

(iii) on a temporary basis without reimbursement by the Department of Defense and the Coast Guard as described under paragraph (1).

(b) REPORTS.—

(1) SUBMISSION.—With respect to any fiscal year in which an executive department or executive agency provides assistance under this section, the head of that department or agency shall submit a report not later than 90 days after the end of the fiscal year to the Chairman of the Capitol Police Board.

Deadline.

(2) CONTENT.—The report submitted under paragraph (1) shall contain a detailed account of all expenditures made by the Executive department or executive agency in providing assistance under this section during the applicable fiscal year.

(3) SUMMARY.—After receipt of all reports under paragraph (2) with respect to any fiscal year, the Chairman of the Capitol Police Board shall submit a summary of such reports to the Committees on Appropriations of the Senate and the House of Representatives.

(c) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act and apply to each fiscal year occurring after such date.

Applicability.

SEC. 912. (a)(1) In the event of an emergency, as determined by the Capitol Police Board, or of a joint session of Congress, the Chief of the Capitol Police may enter into agreements—

(A) with the District of Columbia to deputize members of the District of Columbia National Guard, who are qualified for law enforcement functions, for duty with the Capitol Police for the purpose of policing the Capitol grounds; and

(B) with any appropriate governmental law enforcement authority to deputize law enforcement officers for duty with the Capitol Police for the purpose of policing the Capitol grounds.

(2) Any agreement under paragraph (1) shall be subject to initial approval by the Capitol Police Board and to final approval by the Speaker of the House of Representatives (in consultation

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

with the Minority Leader of the House of Representatives) and the President pro tempore of the Senate (in consultation with the Minority Leader of the Senate), acting jointly.

(b) Subject to approval by the Speaker of the House of Representatives (in consultation with the Minority Leader of the House of Representatives) and the President pro tempore of the Senate (in consultation with the Minority Leader of the Senate), acting jointly, the Capitol Police Board shall prescribe regulations to carry out this section.

Expiration date.
40 USC 188a-2
note.

(c) This section shall expire on September 30, 2002.

SEC. 913. (a) Notwithstanding any other provision of law, the United States Capitol Preservation Commission established under section 801 of the Arizona-Idaho Conservation Act of 1988 (40 U.S.C. 188a) may transfer to the Architect of the Capitol amounts in the Capitol Preservation Fund established under section 803 of such Act (40 U.S.C. 188a-2) if the amounts are to be used by the Architect for the planning, engineering, design, or construction of the Capitol Visitor Center.

(b) Any amounts transferred pursuant to subsection (a) shall remain available for the use of the Architect of the Capitol until expended.

Applicability.

(c) This section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

SEC. 914. (a) In accordance with the authority described in section 308(a) of the Legislative Branch Appropriations Act, 1988 (40 U.S.C. 166b-3a(a)), section 108 of the Legislative Branch Appropriations Act, 1991 (40 U.S.C. 166b-3b), as amended by section 129(c)(1) of the Legislative Branch Appropriations Act, 2002, is amended by adding at the end the following new subsection:

Ante, p. 580.

“(c) The Architect of the Capitol may fix the rate of basic pay for not more than 4 positions for Executive Project Directors whose salary is payable from project funds, at a rate not to exceed 95 percent of the highest total rate of pay for the Senior Executive Service under subchapter VIII of chapter 53 of title 5, United States Code, for the locality involved.”.

Applicability.
40 USC 166b-3b
note.
Short title.
Ante, p. 560.

(b) The amendment made by subsection (a) shall apply with respect to pay periods beginning on or after October 1, 2001.

SEC. 915. (a) Public Law 107-68 is amended by adding at the end the following:

“This Act may be cited as the ‘Legislative Branch Appropriations Act, 2002’.”.

Effective date.

(b) The amendment made by subsection (a) shall take effect as if included in the enactment of Public Law 107-68.

2 USC 60c-5.

SEC. 916. Section 102 of the Legislative Branch Appropriations Act, 2002 (Public Law 107-68) is amended—

(1) in subsection (a), by striking paragraph (1) and redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively;

(2) in subsection (g)(1)—

(A) in subparagraph (A), by striking “subsection (i)(1)(A)” and inserting “subsection (h)(1)(A)”; and

(B) in subparagraph (B), by striking “subsection (i)(1)(B)” and inserting “subsection (h)(1)(B)”.

36 USC note
prec. 101.

SEC. 917. (a) Section 209 of the Legislative Branch Appropriations Act, 2002 (Public Law 107-68) is amended in the matter amending Public Law 106-173 by striking the quotation marks and period at the end of the new subsection (g) and inserting

the following: “Any reimbursement under this subsection shall be credited to the appropriation, fund, or account used for paying the amounts reimbursed.

“(h) EMPLOYMENT BENEFITS.—

“(1) IN GENERAL.—The Commission shall fix employment benefits for the Director and for additional personnel appointed under section 6(a), in accordance with paragraphs (2) and (3).

“(2) EMPLOYMENT BENEFITS FOR THE DIRECTOR.—

“(A) IN GENERAL.—The Commission shall determine whether or not to treat the Director as a Federal employee for purposes of employment benefits. If the Commission determines that the Director is to be treated as a Federal employee, then he or she is deemed to be an employee as that term is defined by section 2105 of title 5, United States Code, for purposes of chapters 63, 83, 84, 87, 89, and 90 of that title, and is deemed to be an employee for purposes of chapter 81 of that title. If the Commission determines that the Director is not to be treated as a Federal employee for purposes of employment benefits, then the Commission or its administrative support service provider shall establish appropriate alternative employment benefits for the Director. The Commission’s determination shall be irrevocable with respect to each individual appointed as Director, and the Commission shall notify the Office of Personnel Management and the Department of Labor of its determination. Notwithstanding the Commission’s determination, the Director’s service is deemed to be Federal service for purposes of section 8501 of title 5, United States Code.

Notification.

“(B) DETAILEE SERVING AS DIRECTOR.—Subparagraph

(A) shall not apply to a detailee who is serving as Director.

“(3) EMPLOYMENT BENEFITS FOR ADDITIONAL PERSONNEL.—

A person appointed to the Commission staff under subsection (b)(2) is deemed to be an employee as that term is defined by section 2105 of title 5, United States Code, for purposes of chapters 63, 83, 84, 87, 89, and 90 of that title, and is deemed to be an employee for purposes of chapter 81 of that title.”.

(b) The amendments made by this section shall take effect as if included in the enactment of the Legislative Branch Appropriations Act, 2002 (Public Law 107-68).

Effective date.
36 USC note
prec. 101.

SEC. 918. (a) Section 133(a) of the Legislative Branch Appropriations Act, 2002 (Public Law 107-68) is amended—

Ante, p. 581.

(1) by striking “90-day” in paragraph (1) and inserting “180-day”; and

(2) by striking “90 days” in paragraph (2)(C) and inserting “180 days”.

(b) The amendments made by subsection (a) shall take effect as if included in the enactment of the Legislative Branch Appropriations Act, 2002 (Public Law 107-68).

Effective date.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

CHAPTER 10

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY

\$20,700,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Military Construction, Army”, \$20,700,000, to remain available until expended: *Provided*, That these funds shall be obligated from amounts made available in Public Law 107-38.

MILITARY CONSTRUCTION, NAVY

2,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Military Construction, Navy”, \$2,000,000, to remain available until expended: *Provided*, That these funds shall be obligated from amounts made available in Public Law 107-38.

MILITARY CONSTRUCTION, AIR FORCE

46,700,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Military Construction, Air Force”, \$46,700,000, to remain available until expended: *Provided*, That these funds shall be obligated from amounts made available in Public Law 107-38.

MILITARY CONSTRUCTION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

35,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Military Construction, Defense-wide”, \$35,000,000 to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That such amount shall be available for transfer to “Military Construction, Army”.

GENERAL PROVISIONS, THIS CHAPTER

SEC. 1001. (a) AVAILABILITY OF AMOUNTS FOR MILITARY CONSTRUCTION RELATING TO TERRORISM.—Amounts made available to the Department of Defense from funds appropriated in Public Law 107-38 and this Act may be used to carry out military construction projects, not otherwise authorized by law, that the Secretary of Defense determines are necessary to respond to or protect against acts or threatened acts of terrorism.

Deadline.

(b) NOTICE TO CONGRESS.—Not later than 15 days before obligating amounts available under subsection (a) for military construction projects referred to in that subsection the Secretary shall notify the appropriate committees of Congress of the following:

- (1) The determination to use such amounts for the project.
- (2) The estimated cost of the project and the accompanying Form 1391.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section the term “appropriate committees of Congress” has the

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

meaning given that term in section 2801 (4) of title 10, United States Code.

SEC. 1002. Section 138 of Public Law 106-246 is amended by striking “\$77,500,000” and inserting in lieu “\$102,000,000 for project completion”. 114 Stat. 524.

SEC. 1003. Section 2202(a) of the National Defense Authorization Act for Fiscal Year 2002 is amended in the “Navy: Family Housing” table, by striking “Naval Construction Battalion Center, Gulfport” and inserting “Naval Station, Pascagoula”. *Ante*, p. 1288.
[Total, chapter 10, \$104,400,000.]

CHAPTER 11

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

TRANSPORTATION SECURITY ADMINISTRATION

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for the “Transportation Security Administration”, \$94,800,000, to remain available until September 30, 2003, to be obligated from amounts made available in Public Law 107-38: *Provided*, That \$93,300,000 shall be for the Under Secretary of Transportation for Security to award competitive grants to critical national seaports to finance the costs of enhancing facility and operational security: *Provided further*, That such grants shall be awarded based on the need for security assessments and enhancements as determined by the Under Secretary of Transportation for Security, the Administrator of the Maritime Administration, and the Commandant of the U.S. Coast Guard: *Provided further*, That such grants shall not supplant funding already provided either by the ports or by any Federal entity: *Provided further*, That no more than \$1,000,000 of the grant funds available under this heading shall be used for administration. \$94,800,000

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, in addition to funds made available from any other source to carry out the essential air service program under 49 U.S.C. 41731 through 41742, to be derived from the Airport and Airway Trust Fund, \$50,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 50,000,000

COAST GUARD

OPERATING EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operating Expenses”, \$209,150,000, to remain available until September 30, 2003, to be obligated from amounts made available in Public Law 107-38. 209,150,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(AIRPORT AND AIRWAY TRUST FUND)

\$200,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operations”, \$200,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 2003, to be obligated from amounts made available in Public Law 107-38.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

108,500,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Facilities and Equipment”, \$108,500,000, to be derived from the Airport and Airway Trust Fund, to remain available until September 30, 2004, and to be obligated from amounts made available in Public Law 107-38.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

50,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Research, Engineering, and Development”, \$50,000,000, to be derived from the Airport and Airway Trust Fund, to remain available until September 30, 2003, and to be obligated from amounts made available in Public Law 107-38.

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

175,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, notwithstanding any other provision of law, for “Grants-in-aid for airports”, to enable the Federal Aviation Administrator to compensate airports for a portion of the direct costs associated with new, additional or revised security requirements imposed on airport operators by the Administrator on or after September 11, 2001, \$175,000,000, to be derived from the Airport and Airway Trust Fund, to remain available until expended, and to be obligated from amounts made available in Public Law 107-38.

FEDERAL HIGHWAY ADMINISTRATION

MISCELLANEOUS APPROPRIATIONS

(HIGHWAY TRUST FUND)

100,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Miscellaneous Appropriations”, including the operation and construction of ferries and ferry facilities, \$100,000,000, to be derived from the Highway Trust Fund, to remain available until expended, and to be obligated from amounts made available in Public Law 107-38.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

FEDERAL-AID HIGHWAYS
 EMERGENCY RELIEF PROGRAM
 (HIGHWAY TRUST FUND)

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for the “Emergency Relief Program”, as authorized by section 125 of title 23, United States Code, \$75,000,000, to be derived from the Highway Trust Fund and to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$75,000,000

FEDERAL RAILROAD ADMINISTRATION
 SAFETY AND OPERATIONS

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Safety and Operations”, \$6,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 6,000,000

CAPITAL GRANTS TO THE NATIONAL RAILROAD PASSENGER
 CORPORATION

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for necessary expenses of capital improvements of the National Railroad Passenger Corporation as authorized by 49 U.S.C. 24104(a), \$100,000,000, to remain available until expended, and to be obligated from amounts made available in Public Law 107-38. 100,000,000

FEDERAL TRANSIT ADMINISTRATION
 FORMULA GRANTS

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Formula Grants”, \$23,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 23,500,000

CAPITAL INVESTMENT GRANTS

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Capital Investment Grants”, \$100,000,000, to remain available until expended, and to be obligated from amounts made available in Public Law 107-38: *Provided*, That in administering funds made available under this paragraph, the Federal Transit Administrator shall direct funds to those transit agencies most severely impacted by the terrorist attacks of September 11, 2001, excluding any transit agency receiving a Federal payment elsewhere in this Act: *Provided further*, That the provisions of 49 U.S.C. 5309(h) shall not apply to funds made available under this paragraph. 100,000,000

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

\$2,500,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Research and Special Programs,” \$2,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

1,300,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States and for other safety and security related audit and monitoring responsibilities, for “Salaries and Expenses”, \$1,300,000, to remain available until September 30, 2003, to be obligated from amounts made available in Public Law 107-38.

[Total, Department of Transportation, \$1,295,750,000.]

RELATED AGENCY

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

650,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses,” \$650,000, to remain available until September 30, 2003, to be obligated from amounts made available in Public Law 107-38.

GENERAL PROVISIONS, THIS CHAPTER

SEC. 1101. Section 5117(b)(3) of the Transportation Equity Act for the 21st Century (Public Law 105-178; 112 Stat. 449; 23 U.S.C. 502 note) is amended—

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (F), and (G), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph (C):

“(C) FOLLOW-ON DEPLOYMENT.—(i) After an intelligent transportation infrastructure system deployed in an initial deployment area pursuant to a contract entered into under the program under this paragraph has received system acceptance, the Department of Transportation has the authority to extend the original contract that was competitively awarded for the deployment of the system in the follow-on deployment areas under the contract, using the same asset ownership, maintenance, fixed price contract, and revenue sharing model, and the same competitively selected consortium leader, as were used for the deployment in that initial deployment area under the program.

“(ii) If any one of the follow-on deployment areas does not commit, by July 1, 2002, to participate in the deployment of the system under the contract, then, upon application by any of the other follow-on deployment areas that have committed by that date to participate in the deployment of the system, the Secretary shall supplement the funds made available for any of the follow-on deployment

areas submitting the applications by using for that purpose the funds not used for deployment of the system in the nonparticipating area. Costs paid out of funds provided in such a supplementation shall not be counted for the purpose of the limitation on maximum cost set forth in subparagraph (B).”;

(3) by inserting after subparagraph (D), as redesignated by paragraph (1), the following new subparagraph (E):

“(E) DEFINITIONS.—In this paragraph:

“(i) The term ‘initial deployment area’ means a metropolitan area referred to in the second sentence of subparagraph (A).

“(ii) The term ‘follow-on deployment areas’ means the metropolitan areas of Baltimore, Birmingham, Boston, Chicago, Cleveland, Dallas/Ft. Worth, Denver, Detroit, Houston, Indianapolis, Las Vegas, Los Angeles, Miami, New York/Northern New Jersey, Northern Kentucky/Cincinnati, Oklahoma City, Orlando, Philadelphia, Phoenix, Pittsburgh, Portland, Providence, Salt Lake, San Diego, San Francisco, St. Louis, Seattle, Tampa, and Washington, District of Columbia.”; and

(4) in subparagraph (D), as redesignated by paragraph (1), by striking “subparagraph (D)” and inserting “subparagraph (F)”.

SEC. 1102. No appropriated funds or revenues generated by the National Railroad Passenger Corporation may be used to implement section 204(c)(2) of Public Law 105-134 until the Congress has enacted an Amtrak reauthorization Act.

SEC. 1103. (a) Notwithstanding any other provision of law, of the funds authorized under section 110 of title 23, United States Code, for fiscal year 2002, no funds shall be available for the program authorized under section 1101(a)(11) of Public Law 105-178 and \$29,542,304 shall be set aside for the project as authorized under title IV of the National Highway System Designation Act of 1995, as amended: *Provided*, That, if funds authorized under these provisions have been distributed then the amount so specified shall be recalled proportionally from those funds distributed to the States under section 110(b)(4)(A) and (B) of title 23, United States Code.

(b) Notwithstanding any other provision of law, for fiscal year 2002, funds available for environmental streamlining activities under section 104(a)(1)(A) of title 23, United States Code, may include making grants to, or entering into contracts, cooperative agreements, and other transactions, with a Federal agency, State agency, local agency, authority, association, nonprofit or for-profit corporation, or institution of higher education.

(c) Notwithstanding any other provision of law, of the funds authorized under section 110 of title 23, United States Code, for fiscal year 2002, and made available for the National motor carrier safety program, \$5,896,000 shall be for State commercial driver’s license program improvements.

(d) Notwithstanding any other provision of law, of the funds authorized under section 110 of title 23, United States Code, for fiscal year 2002, and made available for border infrastructure improvements, up to \$2,300,000 shall be made available to carry out section 1119(d) of the Transportation Equity Act for the 21st Century, as amended.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

SEC. 1104. Notwithstanding any other provision of law, of the amounts appropriated in fiscal year 2002 for the Research and Special Programs Administration, \$3,170,000 of funds provided for research and special programs shall remain available until September 30, 2004, and \$22,786,000 of funds provided for the pipeline safety program derived from the pipeline safety fund shall remain available until September 30, 2004.

SEC. 1105. Item 1497 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 312), relating to Alaska, is amended by inserting “and construct capital improvements to intermodal marine freight and passenger facilities and access thereto” before “in Anchorage”.

Ante, p. 860. SEC. 1106. The Department of Transportation and Related Agencies Appropriations Act, 2002 is amended in section 330 by striking “\$144,000,000” and inserting “\$148,300,000” and in section 349 by striking “\$5,000,000” and inserting “\$9,300,000” and by striking “\$120,323,000” and inserting “\$116,023,000”.

SEC. 1107. Notwithstanding any other provision of law, none of the funds in the Department of Transportation and Related Agencies Appropriations Act, 2002 shall be available for salaries and expenses of more than 102 political and Presidential appointees in the Department of Transportation: *Provided*, That none of the funds in this Act, or any other Appropriations Act for fiscal year 2002, shall be available for the position of Under Secretary of Transportation for Policy or the position of Assistant Secretary for Public Affairs.

23 USC 181 note. SEC. 1108. Section 1511(b) of the Transportation Equity Act for the 21st Century (Public Law 105-178), as amended, is amended by striking “Rhode Island” and inserting in lieu thereof “Rhode Island, and Texas” and by inserting before the period in subsection (b)(1)(A) “, provided that Texas may not compete for funds previously allocated or appropriated to any other State”.

[*Total, chapter 11, \$1,296,400,000.*]

CHAPTER 12

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$2,032,000, to remain available until expended, to be obligated from amounts made available by Public Law 107-38.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, 1,700,000, \$1,700,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$23,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$23,000,000

ACQUISITION, CONSTRUCTION, IMPROVEMENTS AND RELATED EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Acquisition, Construction, Improvements, and Related Expenses”, \$8,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That, in order to expedite the acquisition of architectural and engineering services for the construction of facilities at the Cheltenham, Maryland, training facility, the Federal Law Enforcement Training Center may procure such services without regard to: (1) the competition requirements of section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253); (2) the 6 percent fee limitation on such services set forth in section 304(b) of such Act (41 U.S.C. 254(b)); and (3) the procurement notice requirements of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416). 8,500,000

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$31,431,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, of which \$5,200,000 may be used for necessary expenses of site acquisition, construction, operations, maintenance and repair of the special purpose canine training facilities in Front Royal, Virginia. 31,431,000

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, to meet requirements, including technology, along the Northern Border, Southwest Border, and at critical seaports, \$392,603,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That of such amount, \$245,503,000 shall not be available for obligation until 15 days after the United States Customs Service submits to the Committees on Appropriations and the Secretary of the Treasury a financial plan based upon a comprehensive assessment of the most effective uses of the Service’s resources, including the funds provided in this Act, for protection along the Northern Border, Southwest Border, and at critical seaports: *Provided further*, That the Secretary of the Treasury is directed to review the activities proposed to be carried out with the funds subject to the previous 392,603,000

Notification.

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

proviso and notify the Committees on Appropriations of the findings of his review within 15 days of receipt of such plan.

OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE
INTERDICTION PROGRAMS

\$6,700,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operation, Maintenance and Procurement, Air and Marine Interdiction Programs”, \$6,700,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

12,990,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Processing, Assistance, and Management”, \$12,990,000, to remain available until expended, to be obligated from amounts made available by Public Law 107-38.

TAX LAW ENFORCEMENT

4,544,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Tax Law Enforcement”, \$4,544,000, to remain available until expended, to be obligated from amounts made available by Public Law 107-38.

INFORMATION SYSTEMS

15,991,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Information Systems”, \$15,991,000, to remain available until expended, to be obligated from amounts made available by Public Law 107-38: *Provided*, That of these amounts \$13,548,000 is for a backup computer recovery system to be designed and constructed in close coordination with the business systems modernization effort of the Internal Revenue Service.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

104,769,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$104,769,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.
[Total, Department of the Treasury, \$604,260,000.]

POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

500,000,000 For emergency expenses to the Postal Service Fund to enable the Postal Service to protect postal employees and postal customers from exposure to biohazardous material, to sanitize and screen the mail, and to replace or repair Postal Service facilities destroyed or damaged in New York City as a result of the September 11, 2001, terrorist attacks, \$500,000,000, to remain available until expended, to be obligated from amounts made available in Public

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

Law 107-38: *Provided*, That of the amounts appropriated, no funds shall be obligated for the purpose of sanitizing and screening the mail until the Postal Service submits to the Committees on Appropriations, the House Committee on Government Reform, and the Senate Committee on Governmental Affairs an emergency preparedness plan to combat the threat of biological and chemical substances in the mail, including a plan for expenditure of funds in support of the emergency preparedness plan.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$50,040,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$50,040,000

INDEPENDENT AGENCIES

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Federal Buildings Fund”, \$126,512,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 126,512,000

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Operating Expenses”, \$1,600,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 1,600,000

REPAIRS AND RESTORATION

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Repairs and Restoration”, \$1,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 1,000,000

GENERAL PROVISION, THIS CHAPTER

SEC. 1201. Section 652(c)(1) of Public Law 107-67 is amended by striking “Section 414(c)” and inserting “Section 416(c)”. 39 USC 416 and note.
 [Total, chapter 12, \$1,283,412,000.]

115 STAT.

PUBLIC LAW 107-117—JAN. 10, 2002

CHAPTER 13

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

\$2,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “General operating expenses”, \$2,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

2,000,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Community Development Fund”, \$2,000,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38: *Provided*, That such funds shall be subject to the first through sixth provisos in section 434 of Public Law 107-73: *Provided further*, That the State of New York, in conjunction with the City of New York, shall, through the Lower Manhattan Redevelopment Corporation (“the corporation”): (1) distribute the funds provided for the “Community Development Fund”; (2) within 45 days of enactment of this Act, issue the initial criteria and requirements necessary to accept applications from individuals, nonprofits, and small businesses for economic losses from the September 11, 2001, terrorist attacks; and (3) begin processing such applications: *Provided further*, That the corporation shall expeditiously respond to any application from an individual, nonprofit, or small business for economic losses under this heading: *Provided further*, That of the total amount made available for the “Community Development Fund”, including amounts previously made available by transfer pursuant to the fifth proviso of Public Law 107-38, no less than \$500,000,000 shall be made available for individuals, nonprofits, or small businesses described in the prior three provisos, with a limit of \$500,000 per small business for economic losses: *Provided further*, That amounts made available in the previous proviso shall only be available for individuals, nonprofits, or small businesses located in New York City in the area located on or south of West 14th Street (west of its intersection with 5th Avenue), or on or south of East 14th Street (east of its intersection with 5th Street): *Provided further*, That, of the amount provided in this paragraph, \$10,000,000 shall be used for a program to aid the travel and tourism industry in New York City.

New York.
Deadline.

MANAGEMENT AND ADMINISTRATION

OFFICE OF INSPECTOR GENERAL

1,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Office of Inspector General”, \$1,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

[Total, HUD, \$2,001,000,000.]

PUBLIC LAW 107-117—JAN. 10, 2002

115 STAT.

INDEPENDENT AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States for “National Institute of Environmental Health Sciences” for carrying out under current authorities, worker training, research, and education activities, \$10,500,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. \$10,500,000

Public Law 107-73 is amended under this heading by adding “and section 126(g) of the Superfund Amendments and Reauthorization Act of 1986,” after the words, “as amended,”. *Ante*, p. 682.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and to support activities related to countering terrorism, for “Science and technology”, \$90,308,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 90,308,000

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and to support activities related to countering terrorism, for “Environmental programs and management”, \$39,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 39,000,000

HAZARDOUS SUBSTANCE SUPERFUND

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and to support activities related to countering terrorism, for “Hazardous substance superfund”, \$41,292,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 41,292,000

STATE AND TRIBAL ASSISTANCE GRANTS

For making grants for emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, and to support activities related to countering potential biological and chemical threats to populations, for “State and tribal assistance grants”, \$5,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38. 5,000,000

The referenced statement of the managers under this heading in Public Law 107-73 is deemed to be amended by striking “Florida Department of Environmental Protection” in reference to item number 92, and inserting “Southwest Florida Water Management District”; and by striking “Southeast” in reference to item number 9, and inserting “Southwest”.

The referenced statement of the managers under this heading in Public Law 106-377 is deemed to be amended by striking “repairs to water and sewer lines” in reference to item number 171 and inserting “water and wastewater infrastructure improvements”.

[Total, *Environmental Protection Agency*, \$175,600,000.]

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

\$4,356,871,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Disaster relief”, \$4,356,871,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

SALARIES AND EXPENSES

25,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Salaries and Expenses”, \$25,000,000 to remain available until expended, to be obligated from amounts made available in Public Law 107-38 of which not less than \$10,000,000 shall be used to enhance the capabilities of the National Security Division.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

10,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Emergency management planning and assistance”, \$10,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38, which shall be available for support of the 2002 Winter Olympics.

210,000,000 For an additional amount for emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States and to support activities related to countering terrorism, for “Emergency management planning and assistance”, \$210,000,000, to remain available until September 30, 2003, for programs as authorized by section 33 of the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), as in effect on December 7, 2001, to be obligated from amounts made available in Public Law 107-38: *Provided*, That up to 5 percent of this amount shall be transferred to “Salaries and Expenses” for program administration.

[Total, \$220,000,000.]

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

76,000,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Human space flight”, \$76,000,000, to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

SCIENCE, AERONAUTICS AND TECHNOLOGY

32,500,000 For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Science, aeronautics and technology”, \$32,500,000, to remain available until expended,

to be obligated from amounts made available in Public Law 107-38.

[*Total, NASA, \$108,500,000.*]

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, for “Research and related activities”, \$300,000 to remain available until expended, to be obligated from amounts made available in Public Law 107-38.

\$300,000

GENERAL PROVISIONS, THIS CHAPTER

SEC. 1301. (a) This section may be cited as the “Unity in the Spirit of America Act” or the “USA Act”.

(b) The National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) is amended by inserting before title V the following:
[*Total, chapter 13, \$6,899,771,000.*]

Unity in the Spirit of America Act.
42 USC 12501 note.

“TITLE IV—PROJECTS HONORING VICTIMS OF TERRORIST ATTACKS

“SEC. 401. PROJECTS.

42 USC 12671.

“(a) DEFINITION.—In this section, the term ‘Foundation’ means the Points of Light Foundation funded under section 301, or another nonprofit private organization, that enters into an agreement with the Corporation to carry out this section.

“(b) IDENTIFICATION OF PROJECTS.—

“(1) ESTIMATED NUMBER.—Not later than March 1, 2002, the Foundation, after obtaining the guidance of the heads of appropriate Federal agencies, such as the Director of the Office of Homeland Security and the Attorney General, shall—

Deadline.

“(A) make an estimate of the number of victims killed as a result of the terrorist attacks on September 11, 2001 (referred to in this section as the ‘estimated number’); and

“(B) compile a list that specifies, for each individual that the Foundation determines to be such a victim, the name of the victim and the State in which the victim resided.

Records.

“(2) IDENTIFIED PROJECTS.—The Foundation may identify approximately the estimated number of community-based national and community service projects that meet the requirements of subsection (d). The Foundation may name projects in honor of victims described in subsection (b)(1)(A), after obtaining the permission of an appropriate member of the victim’s family and the entity carrying out the project.

“(c) ELIGIBLE ENTITIES.—To be eligible to have a project named under this section, the entity carrying out the project shall be a political subdivision of a State, a business, a nonprofit organization (which may be a religious organization), an Indian tribe, or an institution of higher education.

“(d) PROJECTS.—The Foundation shall name, under this section, projects—

“(1) that advance the goals of unity, and improving the quality of life in communities; and

“(2) that will be planned, or for which implementation will begin, within a reasonable period after the date of enactment of the Unity in the Spirit of America Act, as determined by the Foundation.

“(e) WEBSITE AND DATABASE.—The Foundation shall create and maintain websites and databases, to describe projects named under this section and serve as appropriate vehicles for recognizing the projects.”.

SEC. 1302. Within funds previously appropriated as authorized under the Native American Housing and Self Determination Act of 1996 (Public Law 104-330, section 1(a); 110 Stat. 4016) and made available to Cook Inlet Housing Authority, Cook Inlet Housing Authority may use up to \$9,500,000 of such funds to construct student housing for Native college students, including an on-site computer lab and related study facilities, and, notwithstanding any provision of such Act to the contrary, Cook Inlet Housing Authority may use a portion of such funds to establish a reserve fund and to provide for maintenance of the project.

SEC. 1303. Of the amounts made available under both the heading “Housing certificate fund” and the heading “Salaries and Expenses” in title II of Public Law 107-73, not to exceed \$11,300,000 shall be for the recordation and liquidation of obligations and deficiencies incurred in prior years in connection with the provision of technical assistance authorized under section 514 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (“section 514”), and notwithstanding any other provision of law, for new obligations for such technical assistance: *Provided*, That of the \$11,300,000 made available, up to \$1,300,000 shall be for reimbursement of vouchers submitted by section 514 grantees as of October 15, 2001: *Provided further*, That of the total amount provided under the heading “Salaries and Expenses” in title II of Public Law 107-73, \$500,000 shall be made available from salaries and expenses allocated to the Office of General Counsel and \$1,000,000 shall be made available from salaries and expenses allocated to the Office of Multifamily Housing Assistance Restructuring in the Department of Housing and Urban Development for new obligations for the provision of technical assistance authorized under section 514: *Provided further*, That of the \$11,300,000 provided under this section, no more than \$10,000,000 shall be made available for new obligations for technical assistance under section 514: *Provided further*, That from amounts made available under this section, the Inspector General of the Department of Housing and Urban Development (“HUD Inspector General”) shall audit each provision of technical assistance obligated under the requirements of section 514 over the last 4 years: *Provided further*, That to the extent the HUD Inspector General determines that the use of any funding for technical assistance does not meet the requirements of section 514, the Secretary of Housing and Urban Development (“Secretary”) shall recapture any such funds: *Provided further*, That no funds appropriated under title II of Public Law 107-73 and subsequent appropriations acts for the Department of Housing and Urban Development shall be made available for 4 years to any entity (or any subsequent entity comprised of significantly the same officers) that has been identified as having violated the requirements of section 514 by the HUD Inspector General: *Provided further*, That, notwithstanding any other provision of law, no funding for technical assistance shall be available for carryover

from any previous year: *Provided further*, That the recordation and liquidation of obligations and deficiencies under this heading shall not pardon or release an officer or employee of the United States Government for an act or acts in violation of the Anti-deficiency Act (31 U.S.C. 1341): *Provided further*, That the Secretary shall implement the provisions under this section in a manner that does not accelerate outlays.

SEC. 1304. The referenced statement of the managers pertaining to economic development initiatives under the heading “Community Development Fund” in Public Law 107-73 is deemed to be amended by striking “Willacy County Boys and Girls Club in Willacy County, Texas” in reference to an appropriation for the Willacy County Boys and Girls Club, and inserting “Willacy County Boys and Girls Club in Willacy County, Texas”; by striking “Acres Home Community Development Corporation” in reference to an appropriation in Houston, Texas, and inserting “Old Acres Homes Citizens Council”; and by striking “\$250,000 to the Good Shepard School in Braddock, Pennsylvania for facility renovation;” in reference to an appropriation in Braddock, Pennsylvania, and inserting “\$250,000 for facility renovation, of which \$50,000 is for the Good Shepard School in Braddock, Pennsylvania, and \$200,000 is for the Phipps Conservatory and Botanical Gardens in Pittsburgh, Pennsylvania;”.

CHAPTER 14

GENERAL PROVISIONS, THIS DIVISION

SEC. 1401. Amounts which may be obligated pursuant to this division are subject to the terms and conditions provided in Public Law 107-38.

SEC. 1402. No part of any appropriation contained in this division shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 1403. Notwithstanding any other provision of law, of the funds made available in this or any other Act, funds may be transferred to the Department of Defense from an agency receiving National Guard services related to homeland security to cover the costs of such services that the agency incurred after the date of enactment of this Act: *Provided*, That such authority to transfer shall expire on April 30, 2002: *Provided further*, That each agency receiving National Guard services related to homeland security shall submit to the House and Senate Committees on Appropriations a detailed report of the National Guard’s homeland defense activities and expenses incurred after the date of enactment of this Act and planned for the remainder of fiscal year 2002 for that agency and any proposed transfers 15 days prior to such transfers pursuant to this authority.

Expiration date.
Reports.

This division may be cited as the “Emergency Supplemental Act, 2002”.

Approved January 10, 2002.

LEGISLATIVE HISTORY—H.R. 3338:

HOUSE REPORTS: Nos. 107-298 (Comm. on Appropriations) and 107-350 (Comm. of Conference).

SENATE REPORTS: No. 107-109 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Nov. 28, considered and passed House.

Dec. 6, 7, considered and passed Senate, amended.

Dec. 20, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 38 (2002):

Jan. 10, Presidential remarks and statement.

| [In thousands of dollars] | |
|--|--------------|
| Grand total, Emergency Supplemental Act, 2002 | \$20,000,000 |
| Consisting of: | |
| Department of Agriculture | 367,000 |
| Department of Commerce | 26,257 |
| Department of Defense-Military | 3,500,000 |
| Department of Defense-Civil | 139,000 |
| Department of Education | 10,000 |
| Department of Energy | 368,700 |
| Environmental Protection Agency | 175,600 |
| Executive Office of the President | 50,040 |
| Federal Emergency Management Agency | 4,601,871 |
| Foreign Assistance | 50,000 |
| General Government—Independent Agencies ... | 826,459 |
| General Services Administration | 126,512 |
| Department of Health and Human Services | 2,817,914 |
| Department of Housing and Urban Develop- ment | 2,001,000 |
| Department of the Interior | 89,481 |
| The Judiciary | 95,400 |
| Department of Justice | 2,110,295 |
| Legislative Branch | 256,081 |
| Department of Labor | 220,080 |
| NASA | 108,500 |
| National Science Foundation | 300 |
| Small Business Administration | 150,000 |
| Social Security Administration | 7,500 |
| Department of Transportation | 1,295,750 |
| Department of the Treasury | 604,260 |
| Department of Veterans Affairs | 2,000 |

**CONTINUING APPROPRIATIONS
FOR FISCAL YEAR 2002**

| | |
|--------------------------|--------------------------|
| PUBLIC LAW 107-44 | PUBLIC LAW 107-70 |
| PUBLIC LAW 107-48 | PUBLIC LAW 107-79 |
| PUBLIC LAW 107-53 | PUBLIC LAW 107-83 |
| PUBLIC LAW 107-58 | PUBLIC LAW 107-97 |

CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT.

PUBLIC LAW 107-44—SEPT. 28, 2001

Public Law 107-44
107th Congress

Joint Resolution

Sept. 28, 2001
[H.J. Res. 65]

Making continuing appropriations for the fiscal year 2002, and for other purposes.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for fiscal year 2002, and for other purposes, namely:

SEC. 101. (a)(1) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for fiscal year 2001 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this joint resolution) which were conducted in fiscal year 2001 and for which appropriations, funds, or other authority would be available in the following appropriations Acts:

(A) the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002;

(B) the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002, notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236), and section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1));

(C) the Energy and Water Development Appropriations Act, 2002;

(D) the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002, notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956;

(E) the Department of the Interior and Related Agencies Appropriations Act, 2002;

(F) the Legislative Branch Appropriations Act, 2002;

(G) the Military Construction Appropriations Act, 2002;

(H) the Department of Transportation and Related Agencies Appropriations Act, 2002;

(I) the Treasury and General Government Appropriations Act, 2002; and

(J) the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002:

Provided, That whenever the amount which would be made available or the authority which would be granted in these Acts as passed by the House and Senate as of October 1, 2001, is different than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate: *Provided further*, That whenever there is no amount made available under any of these appropriations Acts as passed by the House and Senate as of October 1, 2001, for a continuing project or activity which was conducted in fiscal year 2001 and for which there is fiscal year 2002 funding included in the budget request, the pertinent project or activity shall be continued at the rate for current oper-

PUBLIC LAW 107-44—SEPT. 28, 2001

115 STAT.

ations under the authority and conditions provided in the applicable appropriations Act for fiscal year 2001.

(2) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House as of October 1, 2001, is different from that which would be available or granted under such Act as passed by the Senate as of October 1, 2001, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate and under the authority and conditions provided in the applicable appropriations Act for fiscal year 2001.

(3) Whenever an Act listed in this subsection has been passed by only the House or only the Senate as of October 1, 2001, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate and under the authority and conditions provided in the applicable appropriations Act for fiscal year 2001: *Provided*, That whenever there is no amount made available under any of these appropriations Acts as passed by the House or the Senate as of October 1, 2001, for a continuing project or activity which was conducted in fiscal year 2001 and for which there is fiscal year 2002 funding included in the budget request, the pertinent project or activity shall be continued at the rate for current operations under the authority and conditions provided in the applicable appropriations Act for fiscal year 2001.

(b) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for fiscal year 2001 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this joint resolution) which were conducted in fiscal year 2001, at a rate for operations not exceeding the current rate, and for which appropriations, funds, or other authority was made available in the following appropriations Acts:

(1) the Department of Defense Appropriations Act, 2001, notwithstanding section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 414(a)(1)); and

(2) the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001; and

(3) the District of Columbia Appropriations Act, 2001.

SEC. 102. No appropriation or funds made available or authority granted pursuant to section 101 for the Department of Defense shall be used for new production of items not funded for production in fiscal year 2001 or prior years, for the increase in production rates above those sustained with fiscal year 2001 funds, or to initiate, resume, or continue any project, activity, operation, or organization which are defined as any project, subproject, activity, budget activity, program element, and subprogram within a program element and for investment items are further defined as a P-1 line item in a budget activity within an appropriation account and an R-1 line item which includes a program element and subprogram element within an appropriation account, for which appropriations, funds, or other authority were not available during fiscal year 2001: *Provided*, That no appropriation or funds made available or authority granted pursuant to section 101 for the Department of Defense shall be used to initiate multi-year procurements utilizing advance procurement funding for economic order quantity procurement unless specifically appropriated later.

SEC. 103. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 104. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during fiscal year 2001.

115 STAT.

PUBLIC LAW 107-44—SEPT. 28, 2001

SEC. 105. No provision which is included in an appropriations Act listed in section 101(a) but which was not included in the applicable appropriations Act for fiscal year 2001 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution.

SEC. 106. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

Expiration date.

SEC. 107. Unless otherwise provided for in this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) October 16, 2001, whichever first occurs.

SEC. 108. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 109. No provision in any appropriations Act for fiscal year 2002 listed in section 101(a) that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 107(c) of this joint resolution.

SEC. 110. Appropriations and funds made available by or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 111. This joint resolution shall be implemented so that only the most limited funding action of that permitted in the joint resolution shall be taken in order to provide for continuation of projects and activities.

SEC. 112. Notwithstanding any other provision of this joint resolution, except section 107, for those programs that had high initial rates of operation or complete distribution of fiscal year 2001 appropriations at the beginning of that fiscal year because of distributions of funding to States, foreign countries, grantees or others, similar distributions of funds for fiscal year 2002 shall not be made and no grants shall be awarded for such programs funded by this resolution that would impinge on final funding prerogatives.

SEC. 113. Activities authorized by sections 1319 and 1336(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) may continue through the date specified in section 107(c) of this joint resolution.

SEC. 114. Activities authorized by title V of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998, may continue through the date specified in section 107(c) of this joint resolution.

SEC. 115. Activities authorized by section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) and section 1(c) of Public Law 103-428, may continue through the date specified in section 107(c) of this joint resolution.

SEC. 116. Activities authorized by chapter 2 of title II of the Trade Act of 1974 shall continue through the date specified in section 107(c) of this joint resolution.

SEC. 117. Activities authorized by subsection (f) of section 403 of Public Law 103-356 may continue through the date specified in section 107(c) of this joint resolution.

PUBLIC LAW 107-44—SEPT. 28, 2001

115 STAT.

SEC. 118. Notwithstanding any other provision of this joint resolution, except section 107, the Library of Congress may temporarily transfer to the revolving fund established under section 103 of Public Law 106-481 amounts to continue program operations at a rate not exceeding the rate under authority applicable prior to October 1, 2001.

SEC. 119. Of amounts provided by section 101 of this joint resolution, for projects and activities that would be funded under the heading “International Organizations and Conferences, Contributions to International Organizations” in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2001, \$100,000,000 may be made available only pursuant to a certification by the Secretary of State that the United Nations has taken no action in calendar year 2001 prior to the date of enactment of this Act to increase funding for any United Nations program without identifying an offsetting decrease elsewhere in the United Nations budget and cause the United Nations to exceed the budget for the biennium 2000–2001 of \$2,535,700,000.

SEC. 120. Notwithstanding any other provision of this joint resolution, in the event that H.R. 1088, the Investor and Capital Markets Fee Relief Act, or other legislation to amend section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)), and sections 13(e), 14(g), and 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e), 78n(g), and 78ee), is enacted into law during the period covered by this joint resolution, the fees, charges, and assessments authorized by such sections, as amended, shall be deposited and credited as offsetting collections to the account that provides appropriations to the Securities and Exchange Commission.

SEC. 121. Collection and use of maintenance fees as authorized by section 4(i) and 4(k) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. § 136a–1(i) and (k)) may continue through the date specified in section 107(c) of this joint resolution. Prohibitions against collecting “other fees” as described in section 4(i)(6) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. § 136a–1(i)(6)) shall continue in effect through the date specified in section 107(c) of this joint resolution.

SEC. 122. Notwithstanding section 106 of this joint resolution, funds made available in Public Law 107-38 are not limited by the terms and conditions of this joint resolution.

Approved September 28, 2001.

LEGISLATIVE HISTORY—H.J. Res. 65:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 24, considered and passed House.

Sept. 25, considered and passed Senate.

FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT.

PUBLIC LAW 107-48—OCT. 12, 2001

Public Law 107-48
107th Congress

Joint Resolution

Oct. 12, 2001
[H.J. Res. 68]

Making further continuing appropriations for the fiscal year 2002, and for other purposes.

Ante, p. 255.

Ante, p. 254.

Ante, p. 256.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107-44 is amended by striking “October 16, 2001” in section 107(c) and inserting in lieu thereof “October 23, 2001”; by adding the following before the semicolon in section 101(b)(1) “: *Provided*, That the rate for operations of the Defense Health Program may exceed the current rate as may be necessary to fund a pro rata share of the program expansion authorized by section 712(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106-398)”; by striking section 115 and adding the following:

“SEC. 115. Notwithstanding the dates specified in section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) and section 1(c) of Public Law 103-428, the Export-Import Bank of the United States shall continue to exercise its functions in connection with and in furtherance of its objects and purposes through the date specified in section 107(c) of this joint resolution.”; and adding the following new section:

“SEC. 123. Notwithstanding section 107, funds shall be available and obligations for mandatory payments due on or about November 1, 2001, may continue to be made.”.

Approved October 12, 2001.

LEGISLATIVE HISTORY—H.J. Res. 68:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 11, considered and passed House and Senate.

FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT. PUBLIC LAW 107-53—OCT. 22, 2001

Public Law 107-53
107th Congress**Joint Resolution**

Making further continuing appropriations for the fiscal year 2002, and for other purposes.

Oct. 22, 2001

[H.J. Res. 69]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107-44 is further amended by striking the date specified in section 107(c) and inserting in lieu thereof "October 31, 2001".**Ante*, p. 261.

Approved October 22, 2001.

LEGISLATIVE HISTORY—H.J. Res. 69:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 17, considered and passed House and Senate.

FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT.

PUBLIC LAW 107-58—OCT. 31, 2001

Public Law 107-58
107th Congress**Joint Resolution**Oct. 31, 2001
[H.J. Res. 70]

Making further continuing appropriations for the fiscal year 2002, and for other purposes.

Ante, p. 269.*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107-44 is further amended by striking the date specified in section 107(c) and inserting in lieu thereof "November 16, 2001".*

Approved October 31, 2001.

LEGISLATIVE HISTORY—H.J. Res. 70:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 25, considered and passed House and Senate.

FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT. PUBLIC LAW 107-70—NOV. 17, 2001

Public Law 107-70
107th Congress**Joint Resolution**

Making further continuing appropriations for the fiscal year 2002, and for other purposes.

Nov. 17, 2001
[H.J. Res. 74]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107-44 is further amended by striking the date specified in section 107(c) and inserting in lieu thereof "December 7, 2001"; and by striking the date specified in section 123 and inserting in lieu thereof "December 1, 2001".

Ante, p. 406.

Approved November 17, 2001.

LEGISLATIVE HISTORY—H.J. Res. 74:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Nov. 15, considered and passed House and Senate.

FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT.

PUBLIC LAW 107-79—DEC. 7, 2001

Public Law 107-79
107th Congress**Joint Resolution**Dec. 7, 2001
[H.J. Res. 76]

Making further continuing appropriations for the fiscal year 2002, and for other purposes.

Ante, p. 596.*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107-44 is further amended by striking the date specified in section 107(c) and inserting in lieu thereof “December 15, 2001”.*

Approved December 7, 2001.

LEGISLATIVE HISTORY—H.J. Res. 76:
CONGRESSIONAL RECORD, Vol. 147 (2001):
Dec. 5, considered and passed House and Senate.

FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT. PUBLIC LAW 107-83—DEC. 15, 2001

Public Law 107-83
107th Congress**Joint Resolution**

Making further continuing appropriations for the fiscal year 2002, and for other purposes.

Dec. 15, 2001

[H.J. Res. 78]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107-44 is further amended by striking the date specified in section 107(c) and inserting in lieu thereof “December 21, 2001”.**Ante*, p. 809.

Approved December 15, 2001.

LEGISLATIVE HISTORY—H.J. Res. 78:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Dec. 13, considered and passed House.

Dec. 14, considered and passed Senate.

FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2002

115 STAT.

PUBLIC LAW 107-97—DEC. 21, 2001

**Public Law 107-97
107th Congress****Joint Resolution**Dec. 21, 2001
[H.J. Res. 79]

Making further continuing appropriations for the fiscal year 2002, and for other purposes.

Ante, p. 822.
Ante, p. 261.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107-44 is further amended by striking the date specified in section 107(c) and inserting in lieu thereof "January 10, 2002"; and by striking the date specified in section 123 and inserting in lieu thereof "January 1, 2002".

Approved December 21, 2001.

LEGISLATIVE HISTORY—H.J. Res. 79:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Dec. 20, considered and passed House and Senate.

 DESCRIPTION OF TABLES

Account Tables

1. Regular annual acts comparing appropriated with fiscal year 2001 enacted (including supplementals) and with request
Supplemental acts comparing appropriated with request
-

Recapitulation Tables

2. Appropriations recapitulation by act comparing appropriated with fiscal year 2001 and with request
 3. Mandatory and discretionary scoring of appropriations by act and by each stage of legislation
 4. Appropriations for fiscal year 2002 by agency comparing appropriated with fiscal year 2001 and with request
 5. Appropriations arranged by agency and fiscal year comparing appropriated with request
 6. Action on appropriations for 107th Congress, 1st session comparing appropriated with request at each stage of legislation
 7. Appropriations request compared to final action by calendar year
 8. Appropriations request compared to final action by fiscal year
-

Supporting Tables

9. Rescissions and deferrals considered by agency and by fiscal year
 10. OMB cumulative reports on rescissions and deferrals
 11. Liquidation of contract authorization carried in appropriations acts
 12. Permanent appropriations—Federal Funds
 13. Permanent appropriations—Trust Funds
 14. Listing of acts authorizing or containing appropriations
 15. Appropriations in legislative acts, 107th Congress, 1st Session
-

NOTE.—Revisions beginning with 106th Congress, 2d Session:

Tables reflect amounts in thousands of dollars.

Tables 4 and 5 reformatted.

Tables 7 and 8 revised.

Table 15 created new.

CROSS REFERENCE OF TABLES TO PREVIOUS EDITIONS

| Tables Prior to 104th Congress, 2d Session | Tables for 107th Congress, 1st Session |
|---|---|
| I. Recapitulation of miscellaneous private acts | Discontinued |
| II. Permanent appropriations—Federal Funds | Table 12 |
| III. Permanent appropriations—Trust Funds | Table 13 |
| IV. Recapitulation of appropriations by acts | Discontinued, refer to Table 2 |
| IVa. Comparison of fiscal year enacted and fiscal year budget by agency | Discontinued, refer to Table 4 |
| V. Chronological history of appropriations | Discontinued, refer to Table 6 and legislative history at end of each appropriation act |
| VI. Appropriations acts limitations on credit loan levels | Discontinued |
| VIa. Liquidation of contract authorization | Table 11 |
| VII. Authorization for appropriations | Discontinued, refer to Table 14 |
| VIII. Itemized by act | Table 1 |
| VIIIa. Recapitulation for session by act | Discontinued, refer to Table 2 |
| VIIIb. Recapitulation for budget fiscal year by agency | Discontinued, refer to Table 4 |
| VIIIc. Recapitulation for enacted fiscal year by agency | Discontinued, refer to Table 5 |
| VIII d. Recapitulation for advance fiscal year by agency | Discontinued, refer to Table 5 |
| VIIIe. Recapitulation for advance fiscal year by agency | Discontinued, refer to Table 5 |
| VIII f. Recapitulation of comparisons for session | Discontinued, refer to Table 5 |
| VIIIg. Estimates not considered | Discontinued |
| VIIIh. Rescissions considered | Table 9 and Table 10 |
| VIIIi. Deferral actions | Table 9 and Table 10 |
| VIIIj. Recapitulation of comparisons by agency | Table 5 |
| IX. Comparison by sessions of Congress | Table 7, revised beginning 106th Cong., 2d Sess. |
| X. Total appropriations by sessions of Congress | Table 8, revised beginning 106th Cong., 2d Sess. |
| OMB status reports on rescissions and deferrals | Table 10 |

TABLE 1. APPROPRIATIONS ACCOUNT TABLES

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| TITLE I—NATIONAL SECURITY MATTERS | | | | |
| CHAPTER 1 | | | | |
| DEPARTMENT OF JUSTICE | | | | |
| RADIATION EXPOSURE COMPENSATION | | | | |
| Payment to radiation exposure compensation trust fund ..... | ..... | 20,000 | +20,000 | CJ |
| CHAPTER 2 | | | | |
| DEPARTMENT OF DEFENSE—MILITARY | | | | |
| MILITARY PERSONNEL | | | | |
| Military Personnel, Army | 164,000 | 164,000 | ..... | DE |
| Military Personnel, Navy | 84,000 | 84,000 | ..... | DE |
| Military Personnel, Marine Corps | 69,000 | 69,000 | ..... | DE |
| Military Personnel, Air Force | 126,000 | 119,500 | - 6,500 | DE |
| Reserve Personnel, Army | 52,000 | 52,000 | ..... | DE |
| Reserve Personnel, Air Force | 2,000 | 8,500 | +6,500 | DE |
| National Guard Personnel, Army | 6,000 | 6,000 | ..... | DE |
| National Guard Personnel, Air Force | 12,000 | 12,000 | ..... | DE |
| Total, Military Personnel | 515,000 | 515,000 | ..... |  |
| OPERATION AND MAINTENANCE | | | | |
| Operation and Maintenance, Army | 655,800 | 792,400 | +136,600 | DE |
| Operation and Maintenance, Navy | 953,400 | 1,024,100 | +70,700 | DE |
| Operation and Maintenance, Marine Corps | 54,400 | 62,000 | +7,600 | DE |
| Operation and Maintenance, Air Force | 853,200 | 813,800 | - 39,400 | DE |
| Operation and Maintenance, Defense-Wide | 93,800 | 123,250 | +29,450 | DE |
| Operation and Maintenance, Army Reserve | 20,500 | 20,500 | ..... | DE |
| Operation and Maintenance, Navy Reserve | 12,500 | 12,500 | ..... | DE |
| Operation and Maintenance, Marine Corps Reserve | 1,900 | 1,900 | ..... | DE |
| Operation and Maintenance, Air Force Reserve | 34,000 | 34,000 | ..... | DE |
| Operation and Maintenance, Army National Guard | 42,900 | 42,900 | ..... | DE |

SUPPLEMENTAL APPROPRIATIONS, 2001

719

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

720

SUPPLEMENTAL APPROPRIATIONS, 2001

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| Operation and Maintenance, Air National Guard | 119,300 | 119,300 | ..... | DE |
| Total, Operation and maintenance | 2,841,700 | 3,046,650 | +204,950 | |
| PROCUREMENT | | | | |
| Other Procurement, Army | 3,000 | 7,000 | +4,000 | DE |
| Shipbuilding and Conversion, Navy: | | | | |
| SCN, 1995/2001: | | | | |
| Carrier Replacement Program | 84,000 | 84,000 | ..... | DE |
| DDG-51 Destroyer Program ..... | ..... | 300 | +300 | DE |
| SCN, 1996/2001: | | | | |
| DDG-51 Destroyer Program | 41,000 | 14,600 | - 26,400 | DE |
| LPD-17 Amphibious Transport Dock Ship Program | 65,000 | 140,000 | +75,000 | DE |
| SCN, 1997/2001: | | | | |
| DDG-51 Destroyer Program ..... | ..... | 12,600 | +12,600 | DE |
| SCN, 1998/2001: | | | | |
| NSSN Program | 32,000 | 32,000 | ..... | DE |
| DDG-51 Destroyer Program ..... | ..... | 13,500 | +13,500 | DE |
| Subtotal, SCN | 222,000 | 297,000 | +75,000 | |
| Aircraft Procurement, Air Force | 84,000 | 78,000 | - 6,000 | DE |
| Missile Procurement, Air Force ..... | ..... | 15,500 | +15,500 | DE |
| Procurement of Ammunition, Air Force | 73,000 | 31,200 | - 41,800 | DE |
| Other Procurement, Air Force | 162,900 | 138,150 | - 24,750 | DE |
| Procurement, Defense-Wide | 5,800 | 5,800 | ..... | DE |
| Total, Procurement | 550,700 | 572,650 | +21,950 | |
| RESEARCH, DEVELOPMENT, TEST AND EVALUATION | | | | |
| Research, Development, Test and Evaluation, Army ..... | ..... | 5,000 | +5,000 | DE |
| Research, Development, Test and Evaluation, Navy | 108,000 | 128,000 | +20,000 | DE |
| Research, Development, Test and Eval, Air Force | 247,500 | 275,500 | +28,000 | DE |
| Research, Development, Test and Evaluation, Defense-Wide | 85,000 | 84,100 | - 900 | DE |
| Total, RDT&E | 440,500 | 492,600 | +52,100 | |

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|-------------|------------------------|
| REVOLVING AND MANAGEMENT FUNDS | | | | |
| Defense Working Capital Funds | 178,400 | 178,400 | ..... | DE |
| OTHER DEPARTMENT OF DEFENSE PROGRAMS | | | | |
| Defense Health Program: | | | | |
| Operation and maintenance | 1,453,400 | 1,453,400 | ..... | DE |
| Military treatment facility optimization ..... | ..... | 150,000 | +150,000 | DE |
| Total, Other DoD Programs | 1,453,400 | 1,603,400 | +150,000 | |
| GENERAL PROVISIONS | | | | |
| O&M, Navy: USS Cole repair (sec. 1203) | 44,000 | 44,000 | ..... | DE |
| Aircraft Procurement, Navy (PL 106-259) (rescission) | - 235,000 | ..... | +235,000 | DE |
| Aircraft Procurement, Air Force (PL 106-259) (rescission) | - 270,000 | ..... | +270,000 | DE |
| Overseas Contingency Operations Transfer Fund (PL 106-259) (offset) | - 61,000 | ..... | +61,000 | DE |
| Rescissions (sec. 1204) ..... | ..... | - 1,034,900 | - 1,034,900 | DE |
| Natural disasters (sec. 1205) ..... | ..... | 39,900 | +39,900 | DE |
| Total, general provisions (net) | - 522,000 | - 951,000 | - 429,000 | |
| Total, chapter 2 (net) | 5,457,700 | 5,457,700 | ..... |  |
| Appropriations | (6,023,700) | (6,492,600) | (+468,900) | |
| Rescissions | (- 505,000) | (- 1,034,900) | (- 529,900) | |
| Offset | (- 61,000) | ..... | (+61,000) | |
| CHAPTER 3 | | | | |
| DEPARTMENT OF ENERGY | | | | |
| ATOMIC ENERGY DEFENSE ACTIVITIES | | | | |
| NATIONAL NUCLEAR SECURITY ADMINISTRATION | | | | |
| Weapons Activities | 140,000 | 126,625 | - 13,375 | EW |
| OTHER DEFENSE RELATED ACTIVITIES | | | | |
| Defense Environmental Restoration and Waste Management | 100,000 | 95,000 | - 5,000 | EW |
| Defense Facilities Closure Projects | 21,000 | 21,000 | ..... | EW |
| Defense Environmental Management Privatization | 29,600 | 29,600 | ..... | EW |

SUPPLEMENTAL APPROPRIATIONS, 2001

721

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

722

SUPPLEMENTAL APPROPRIATIONS, 2001

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| Other Defense Activities | | 5,000 | +5,000 | EW |
| Total, chapter 3 | 290,600 | 277,225 | - 13,375 | |
| CHAPTER 4 MILITARY CONSTRUCTION | | | | |
| Military construction, Army | | 22,000 | +22,000 | MC |
| Rescission (sec. 1403) | | - 12,856 | - 12,856 | MC |
| Military construction, Navy | | 9,400 | +9,400 | MC |
| Rescission (sec. 1403) | | - 6,213 | - 6,213 | MC |
| Military construction, Air Force | 18,000 | 10,000 | - 8,000 | MC |
| Rescission (sec. 1403) | | - 4,935 | - 4,935 | MC |
| Military construction, Defense-wide (rescission) (sec. 1403) | | - 14,376 | - 14,376 | MC |
| Military construction, Air National Guard | | 6,700 | +6,700 | |
| Family Housing, Army | 27,200 | 30,480 | +3,280 | MC |
| Rescission (sec. 1403) | | - 4,000 | - 4,000 | MC |
| Family Housing, Navy and Marine Corps | 20,300 | 20,300 | ..... | MC |
| Family Housing, Air Force | 18,000 | 18,000 | ..... | MC |
| Rescission (sec. 1403) | | - 4,375 | - 4,375 | MC |
| Base realignment and closure account, part IV | 9,000 | 9,000 | ..... | MC |
| Total, chapter 4 (net) | 92,500 | 79,125 | - 13,375 | |
| Appropriations | (92,500) | (125,880) | (+33,380) | |
| Rescissions | | (- 46,755) | (- 46,755) | |
| Total, title I, National Security Matters (net) | 5,840,800 | 5,834,050 | - 6,750 | |
| TITLE II—OTHER SUPPLEMENTAL APPROPRIATIONS | | | | |
| CHAPTER 1 | | | | |
| DEPARTMENT OF AGRICULTURE | | | | |
| PRODUCTION, PROCESSING, AND MARKETING | | | | |
| Office of the Secretary | | 3,000 | +3,000 | AG |
| ANIMAL AND PLANT HEALTH INSPECTION SERVICE | | | | |
| Salaries and expenses | 35,000 | 5,000 | - 30,000 | AG |

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| FARM SERVICE AGENCY | | | | |
| Agricultural conservation program (rescission) | | -45,000 | -45,000 | AG |
| NATURAL RESOURCES CONSERVATION SERVICE | | | | |
| Water and flood prevention operations | | 35,500 | +35,500 | AG |
| GENERAL PROVISIONS | | | | |
| Sec. 2104 Klamath Basin | 20,000 | 20,000 | | AG |
| Sec. 2105 Food stamp program (Employment & Training) (offset) | | -3,000 | -3,000 | AG |
| Sec. 2106 Food stamp program (rescission) | | -39,500 | -39,500 | AG |
| Sec. 2107 Yakima Basin | | 2,000 | +2,000 | AG |
| Total, chapter 1 (net) | 55,000 | -22,000 | -77,000 | |
| Appropriations | (55,000) | (65,500) | (+10,500) | |
| Rescissions | | (-84,500) | (-84,500) | |
| Offset | | (-3,000) | (-3,000) | |
| CHAPTER 2 | | | | |
| DEPARTMENT OF COMMERCE | | | | |
| NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION | | | | |
| Coastal and Ocean activities | | 8,000 | +8,000 | CJ |
| Rescission | | -8,000 | -8,000 | CJ |
| DEPARTMENTAL MANAGEMENT | | | | |
| Emergency Oil and Gas guaranteed loan program (rescission) | | -114,800 | -114,800 | CJ |
| RELATED AGENCY | | | | |
| SMALL BUSINESS ADMINISTRATION | | | | |
| Salaries and expenses | | 30,000 | +30,000 | CJ |
| Rescission | | -30,000 | -30,000 | CJ |
| Business Loans Program Account: | | | | |
| Guaranteed loans subsidy | | 22,000 | +22,000 | CJ |
| Rescission | | -22,000 | -22,000 | CJ |
| Total, chapter 2 (net) | | -114,800 | -114,800 | |
| Appropriations | | (60,000) | (+60,000) | |
| Rescissions | | (-174,800) | (-174,800) | |

SUPPLEMENTAL APPROPRIATIONS, 2001

723

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

724

SUPPLEMENTAL APPROPRIATIONS, 2001

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| CHAPTER 3 | | | | |
| DISTRICT OF COLUMBIA | | | | |
| FEDERAL FUNDS | | | | |
| Federal payment to the Chief Financial Officer of the District of Columbia | | 750 | +750 | DC |
| (By transfer) | | (250) | (+250) | DC |
| DISTRICT OF COLUMBIA FUNDS | | | | |
| GENERAL FUNDS | | | | |
| Governmental direction and support (including rescission) | (5,150) | (5,150) | | DC |
| Economic development and regulation | (1,685) | (1,685) | | DC |
| Public safety and justice (including rescission) | (8,871) | (8,871) | | DC |
| Public education system | (13,000) | (13,000) | | DC |
| Human support services | (28,000) | (28,000) | | DC |
| Public works | (131) | (131) | | DC |
| Financing and Other Uses: | | | | |
| Workforce investments | (40,500) | (40,500) | | DC |
| Wilson Building | (7,100) | (7,100) | | DC |
| Total, general fund (including transfer) | (104,437) | (104,437) | | |
| ENTERPRISE AND OTHER FUNDS | | | | |
| Water and Sewer Authority and the Washington Aqueduct | (2,151) | (2,151) | | DC |
| Total, DC Funds (including transfer) | (106,588) | (106,588) | | |
| Total, chapter 3 | | 750 | +750 | |
| CHAPTER 4 | | | | |
| DEPARTMENT OF DEFENSE—CIVIL | | | | |
| DEPARTMENT OF THE ARMY | | | | |
| CORPS OF ENGINEERS—CIVIL | | | | |
| Flood Control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee | | 9,000 | +9,000 | EW |
| Operation and Maintenance, General | | 86,500 | +86,500 | EW |

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| Flood Control and Coastal Emergencies | 50,000 | 50,000 | ..... | EW |
| Total, Corps of Engineers | 50,000 | 145,500 | +95,500 | |
| DEPARTMENT OF ENERGY | | | | |
| ENERGY PROGRAMS | | | | |
| Non-Defense Environmental Management | 11,400 | 11,950 | +550 | EW |
| Uranium Facilities Maintenance and Remediation | 18,000 | 30,000 | +12,000 | EW |
| POWER MARKETING ADMINISTRATIONS | | | | |
| Construction, Rehabilitation, Operation & Maintenance, Western Area Power Administration | | 1,578 | +1,578 | EW |
| Total, Department of Energy | 29,400 | 43,528 | +14,128 | |
| Total, chapter 4 | 79,400 | 189,028 | +109,628 | |
| CHAPTER 5 | | | | |
| BILATERAL ECONOMIC ASSISTANCE | | | | |
| AGENCY FOR INTERNATIONAL DEVELOPMENT | | | | |
| Child survival and disease programs fund | | 100,000 | +100,000 | FA |
| Rescission | | - 10,000 | - 10,000 | FA |
| OTHER BILATERAL ASSISTANCE | | | | |
| Economic Support Fund (rescission) | - 20,000 | - 10,000 | +10,000 | FA |
| Total, chapter 5 (net) | - 20,000 | 80,000 | +100,000 | |
| Appropriations | | (100,000) | (+100,000) | |
| Rescission | (- 20,000) | (- 20,000) | ..... |  |
| CHAPTER 6 | | | | |
| DEPARTMENT OF THE INTERIOR | | | | |
| BUREAU OF LAND MANAGEMENT | | | | |
| Management of lands & resources | | 3,000 | +3,000 | IN |
| UNITED STATES FISH AND WILDLIFE SERVICE | | | | |
| Construction | | 17,700 | +17,700 | IN |

SUPPLEMENTAL APPROPRIATIONS, 2001

725

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

726

SUPPLEMENTAL APPROPRIATIONS, 2001

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| NATIONAL PARK SERVICE | | | | |
| United States Park Police | | 1,700 | +1,700 | IN |
| BUREAU OF INDIAN AFFAIRS | | | | |
| Operation of Indian Programs | 50,000 | 50,000 | | IN |
| Total, Department of the Interior | 50,000 | 72,400 | +22,400 | |
| RELATED AGENCY DEPARTMENT OF AGRICULTURE FOREST SERVICE | | | | |
| Forest and rangeland research | | 1,400 | +1,400 | IN |
| State and Private Forestry | | 24,500 | +24,500 | IN |
| National Forest System | | 12,000 | +12,000 | IN |
| Capital Improvements and Maintenance | | 9,000 | +9,000 | IN |
| Rescission | | -5,000 | -5,000 | IN |
| Total, Forest Service (net) | | 41,900 | +41,900 | |
| Total, chapter 6 (net) | 50,000 | 114,300 | +64,300 | |
| Appropriations | (50,000) | (119,300) | (+69,300) | |
| Rescissions | | (-5,000) | (-5,000) | |
| CHAPTER 7 DEPARTMENT OF LABOR EMPLOYMENT AND TRAINING ADMINISTRATION | | | | |
| Training and employment services | | 25,000 | +25,000 | LH |
| Rescission | | -242,500 | -242,500 | LH |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION | | | | |
| Substance Abuse and Mental Health Services | | 6,500 | +6,500 | LH |
| ADMINISTRATION FOR CHILDREN AND FAMILIES | | | | |
| Low Income Home Energy Assistance | 150,000 | 300,000 | +150,000 | LH |

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|-------------|------------------------|
| DEPARTMENT OF EDUCATION | | | | |
| Education for the disadvantaged | | 161,000 | +161,000 | LH |
| Total, chapter 7 (net) | 150,000 | 250,000 | +100,000 | |
| Appropriations | (150,000) | (492,500) | (+342,500) | |
| Rescission | | (- 242,500) | (- 242,500) | |
| CHAPTER 8 | | | | |
| LEGISLATIVE BRANCH | | | | |
| CONGRESSIONAL OPERATIONS | | | | |
| HOUSE OF REPRESENTATIVES | | | | |
| PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS | | | | |
| Gratuities, deceased Members (Sisisky, Moakley) | | 290 | +290 | LB |
| SALARIES AND EXPENSES | | | | |
| Members' Representational Allowances, Standing Committees, Special and Select, Committee on Appropriations, Allowances and Expenses | 47,214 | 44,214 | - 3,000 | LB |
| Salaries, Officers and Employees | 14,448 | 17,448 | +3,000 | LB |
| Total, Salaries and expenses | 61,662 | 61,952 | +290 | |
| JOINT ITEMS | | | | |
| CAPITOL POLICE BOARD | | | | |
| Capitol Police: | | | | |
| Salaries | | 514 | +514 | LB |
| General expenses | | 486 | +486 | LB |
| OFFICE OF COMPLIANCE | | | | |
| Salaries and expenses | 35 | 35 | | LB |
| GOVERNMENT PRINTING OFFICE | | | | |
| Congressional Printing and Binding | 9,900 | 9,900 | | LB |
| Government Printing Office Revolving Fund | 6,000 | 6,000 | | LB |
| LIBRARY OF CONGRESS | | | | |
| Salaries and expenses | | 600 | +600 | LB |

SUPPLEMENTAL APPROPRIATIONS, 2001

727

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

728

SUPPLEMENTAL APPROPRIATIONS, 2001

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| GENERAL ACCOUNTING OFFICE | | | | |
| Salaries and expenses | 2,600 | ..... | - 2,600 | LB |
| Total, chapter 8 | 80,197 | 79,487 | - 710 | |
| CHAPTER 9 DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY | | | | |
| Rental payments (rescission) ..... | ..... | - 440 | - 440 | TR |
| COAST GUARD | | | | |
| Operating Expenses | 92,000 | 92,000 | ..... | TR |
| Acquisition, construction, and improvements: | | | | |
| Shore facilities & aids to navigation facilities ..... | ..... | 4,000 | +4,000 | TR |
| Rescission ..... | ..... | - 12,000 | - 12,000 | TR |
| Total, Coast Guard | 92,000 | 84,000 | - 8,000 | |
| FEDERAL AVIATION ADMINISTRATION | | | | |
| Grants-in-aid for airports (Airport and Airway Trust Fund) (rescission of contract authorization) ..... | ..... | - 30,000 | - 30,000 | TR |
| FEDERAL HIGHWAY ADMINISTRATION | | | | |
| Emergency highway restoration (Highway Trust Fund) ..... | ..... | 27,600 | +27,600 | TR |
| Federal-aid highways (Highway Trust Fund)(rescissions) ..... | ..... | - 15,918 | - 15,918 | TR |
| RELATED AGENCY | | | | |
| United States-Canada Railroad Commission ..... | ..... | 2,000 | +2,000 | TR |
| Total, chapter 9 (net) | 92,000 | 67,242 | - 24,758 | |
| Appropriations | (92,000) | (125,600) | (+33,600) | |
| Rescissions ..... | ..... | (- 58,358) | (- 58,358) | |
| CHAPTER 10 DEPARTMENT OF THE TREASURY DEPARTMENTAL OFFICES | | | | |
| Salaries and Expenses (Winter Olympics security) | 60,601 | 59,956 | - 645 | TY |
| Tax Rebate Implementation | 115,776 | ..... | - 115,776 | TY |

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| FINANCIAL MANAGEMENT SERVICE | | | | |
| Salaries and expenses | | 49,576 | +49,576 | TY |
| INTERNAL REVENUE SERVICE | | | | |
| Processing, assistance, and management | | 66,200 | +66,200 | TY |
| Rescissions (sec. 21002) | | - 18,000 | - 18,000 | TY |
| FEDERAL PAYMENT TO MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION | | | | |
| Native Nations Institute (by transfer) | | (1,000) | (+1,000) | TY |
| Total, chapter 10 (net) | 176,377 | 157,732 | - 18,645 | |
| Appropriations | (176,377) | (175,732) | (- 645) | |
| Rescissions | | (- 18,000) | (- 18,000) | |
| CHAPTER 11 DEPARTMENT OF VETERANS AFFAIRS VETERANS BENEFITS ADMINISTRATION | | | | |
| Compensation and Pensions | 589,413 | 589,413 | ..... | VA |
| Readjustment Benefits | 347,000 | 347,000 | ..... | VA |
| Total, Veterans Benefits Administration | 936,413 | 936,413 | ..... |  |
| DEPARTMENTAL ADMINISTRATION | | | | |
| General Operating Expenses (transfer from Medical Care) | (19,000) | (19,000) | ..... | VA |
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PUBLIC AND INDIAN HOUSING | | | | |
| Housing certificate fund (rescission) | | - 114,300 | - 114,300 | VA |

SUPPLEMENTAL APPROPRIATIONS, 2001

SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-20—Continued

[Amounts in thousands of dollars]

730

SUPPLEMENTAL APPROPRIATIONS, 2001

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|---------------|------------------------|
| HOUSING PROGRAMS | | | | |
| FEDERAL HOUSING ADMINISTRATION | | | | |
| FHA—General and Special Risk Program Account | 40,000 | ..... | - 40,000 | VA |
| Total, chapter 11 (net) | 976,413 | 822,113 | - 154,300 | |
| Appropriations | (976,413) | (936,413) | (- 40,000) | |
| Rescissions ..... | ..... | (- 114,300) | (- 114,300) | |
| Total, title II, Other Supplementals (net) | 1,639,387 | 1,623,852 | - 15,535 | |
| TITLE III—GENERAL PROVISIONS | | | | |
| United States—China Security Review Commission (sec. 3002) ..... | ..... | 1,700 | +1,700 | TY |
| Net total appropriations | 7,480,187 | 7,459,602 | - 20,585 | |
| Other adjustments affecting the bill: | | | | |
| EPA: State & Tribal Assistance Grants ..... | ..... | 20,584 | +20,584 | |
| Net grand total | 7,480,187 | 7,480,186 | - 1 | |
| Appropriations | (8,066,187) | (9,282,299) | (+1,216,112) | |
| Rescissions | (- 525,000) | (- 1,799,113) | (- 1,274,113) | |
| Offsets | (- 61,000) | (- 3,000) | (+58,000) | |
| (By transfer) | (19,000) | (20,250) | (+1,250) | |

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT, 2001, PUBLIC LAW 107-38

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2001 | Appropriated, fiscal year 2001 | Difference |
|--|-------------------------------------|-----------------------------------|------------|
| EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT | | | |
| Emergency Response Fund: | | | |
| Fiscal Year 2001 (emergency) | 20,000,000 | 20,000,000 | ..... |
| Fiscal Year 2002 (emergency) ¹ | (20,000,000) | (20,000,000) | ..... |
| Grand total | (40,000,000) | (40,000,000) | ..... |

¹Funding provided in Emergency Supplemental Act, 2002 (P.L. 107-117).

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76**

[Amounts in thousands of dollars]

732

AGRICULTURE APPROPRIATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—AGRICULTURAL PROGRAMS | | | | | |
| PRODUCTION, PROCESSING, AND MARKETING | | | | | |
| Office of the Secretary | 2,908 | 2,992 | 2,992 | +84 | ..... |
| Supplemental appropriations (P.L. 107-20) | 3,000 | ..... | ..... | - 3,000 | ..... |
| Executive Operations: | | | | | |
| Chief Economist | 7,446 | 7,648 | 7,704 | +258 | +56 |
| National Appeals Division | 12,394 | 12,766 | 12,869 | +475 | +103 |
| Office of Budget and Program Analysis | 6,750 | 6,978 | 7,041 | +291 | +63 |
| Office of the Chief Information Officer | 10,029 | 10,261 | 10,029 | ..... | - 232 |
| Common computing environment | 39,912 | 59,369 | 59,369 | +19,457 | ..... |
| Office of the Chief Financial Officer | 5,160 | 5,335 | 5,384 | +224 | +49 |
| Total, Executive Operations | 81,691 | 102,357 | 102,396 | +20,705 | +39 |
| Office of the Assistant Secretary for Administration | 628 | 647 | 647 | +19 | ..... |
| Agriculture buildings and facilities and rental payments | 182,345 | 187,581 | 187,647 | +5,302 | +66 |
| Payments to GSA | (125,266) | (130,266) | (130,266) | (+5,000) | ..... |
| Building operations and maintenance | (31,136) | (31,372) | (31,438) | (+302) | (+66) |
| Repairs, renovations, and construction | (25,943) | (25,943) | (25,943) | ..... | ..... |
| Hazardous materials management | 15,665 | 15,665 | 15,665 | ..... | ..... |
| Departmental administration | 35,931 | 37,079 | 37,079 | +1,148 | ..... |
| Outreach for socially disadvantaged farmers | 2,993 | 2,993 | 3,243 | +250 | +250 |
| Office of the Assistant Secretary for Congressional Relations | 3,560 | 3,684 | 3,718 | +158 | +34 |
| Office of Communications | 8,604 | 8,894 | 8,894 | +290 | ..... |
| Office of the Inspector General | 68,715 | 70,839 | 70,839 | +2,124 | ..... |
| Office of the General Counsel | 31,012 | 32,627 | 32,627 | +1,615 | ..... |
| Office of the Under Secretary for Research, Education and Economics | 555 | 573 | 573 | +18 | ..... |
| Economic Research Service | 66,891 | 67,200 | 67,200 | +309 | ..... |
| National Agricultural Statistics Service | 100,550 | 113,786 | 113,786 | +13,236 | ..... |
| Census of Agriculture | (14,967) | (25,350) | (25,350) | (+10,383) | ..... |
| Agricultural Research Service | 896,835 | 915,591 | 979,464 | +82,629 | +63,873 |
| Buildings and facilities | 74,037 | 30,462 | 118,987 | +44,950 | +88,525 |
| Total, Agricultural Research Service | 970,872 | 946,053 | 1,098,451 | +127,579 | +152,398 |

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Cooperative State Research, Education, and Extension Service: | | | | | |
| Research and education activities | 505,079 | 407,319 | 542,062 | +36,983 | +134,743 |
| Native American Institutions Endowment Fund | (7,100) | (7,100) | (7,100) | ..... | ..... |
| Extension activities | 432,475 | 413,404 | 439,473 | +6,998 | +26,069 |
| Integrated activities | 41,849 | 41,849 | 42,853 | +1,004 | +1,004 |
| Total, Cooperative State Research, Education, and Extension Service | 979,403 | 862,572 | 1,024,388 | +44,985 | +161,816 |
| Office of the Under Secretary for Marketing and Regulatory Programs | 634 | 654 | 654 | +20 | ..... |
| Animal and Plant Health Inspection Service: | | | | | |
| Salaries and expenses | 529,397 | 702,925 | 620,490 | +91,093 | - 82,435 |
| Supplemental appropriations (P.L. 107-20) | 5,000 | ..... | ..... | - 5,000 | ..... |
| AQI user fees | (84,813) | (84,813) | (84,813) | ..... | ..... |
| Buildings and facilities | 9,848 | 5,189 | 7,189 | - 2,659 | +2,000 |
| Total, Animal and Plant Health Inspection Service | 544,245 | 708,114 | 627,679 | +83,434 | - 80,435 |
| Agricultural Marketing Service: | | | | | |
| Marketing Services | 65,191 | 71,430 | 71,430 | +6,239 | ..... |
| Standardization user fees | (4,000) | (5,000) | (5,000) | (+1,000) | ..... |
| (Limitation on administrative expenses, from fees collected) | (60,596) | (60,596) | (60,596) | ..... | ..... |
| Funds for strengthening markets, income, and supply (transfer from section 32) | 13,438 | 13,874 | 13,995 | +557 | +121 |
| Payments to states and possessions | 1,347 | 1,347 | 1,347 | ..... | ..... |
| Total, Agricultural Marketing Service | 79,976 | 86,651 | 86,772 | +6,796 | +121 |
| Grain Inspection, Packers and Stockyards Administration: | | | | | |
| Salaries and expenses | 31,350 | 32,907 | 33,117 | +1,767 | +210 |
| Limitation on inspection and weighing services | (42,463) | (42,463) | (42,463) | ..... | ..... |
| Office of the Under Secretary for Food Safety | 459 | 476 | 476 | +17 | ..... |
| Food Safety and Inspection Service | 695,171 | 715,542 | 715,642 | +20,471 | +100 |
| Lab accreditation fees | (998) | (1,000) | (1,000) | (+2) | ..... |
| Total, Production, Processing, and Marketing | 3,907,158 | 3,999,886 | 4,234,485 | +327,327 | +234,599 |
| FARM ASSISTANCE PROGRAMS | | | | | |
| Office of the Under Secretary for Farm and Foreign Agricultural Services | 588 | 606 | 606 | +18 | ..... |

AGRICULTURE APPROPRIATIONS, 2002

733

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

734

AGRICULTURE APPROPRIATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Farm Service Agency: | | | | | |
| Salaries and expenses | 826,563 | 939,030 | 939,030 | +112,467 | ..... |
| (Transfer from export loans) | (588) | (790) | (790) | (+202) | ..... |
| (Transfer from P.L. 480) | (813) | (972) | (972) | (+159) | ..... |
| (Transfer from ACIF) | (264,731) | (272,595) | (272,595) | (+7,864) | ..... |
| Subtotal, Transfers from program accounts | (266,132) | (274,357) | (274,357) | (+8,225) | ..... |
| Total, salaries and expenses | (1,092,695) | (1,213,387) | (1,213,387) | (+120,692) | ..... |
| State mediation grants | 2,993 | 2,993 | 3,493 | +500 | +500 |
| Dairy indemnity program | 450 | 100 | 100 | -350 | ..... |
| Agricultural conservation program (supplemental appropriations, P.L. 107-20) | -45,000 | ..... | ..... | +45,000 | ..... |
| Subtotal, Farm Service Agency | 785,006 | 942,123 | 942,623 | +157,617 | +500 |
| Agricultural Credit Insurance Fund Program Account: | | | | | |
| Loan authorizations: | | | | | |
| Farm ownership loans: | | | | | |
| Direct | (127,722) | (128,000) | (146,996) | (+19,274) | (+18,996) |
| Guaranteed | (868,086) | (1,000,000) | (1,000,000) | (+131,914) | ..... |
| Subtotal | (995,808) | (1,128,000) | (1,146,996) | (+151,188) | (+18,996) |
| Farm operating loans: | | | | | |
| Direct | (522,891) | (600,000) | (611,198) | (+88,307) | (+11,198) |
| Unsubsidized guaranteed | (1,075,468) | (1,500,000) | (1,500,000) | (+424,532) | ..... |
| Subsidized guaranteed | (369,100) | (500,000) | (505,531) | (+136,431) | (+5,531) |
| Subtotal | (1,967,459) | (2,600,000) | (2,616,729) | (+649,270) | (+16,729) |
| Indian tribe land acquisition loans | (2,002) | (2,000) | (2,000) | (-2) | ..... |
| Emergency disaster loans | (24,947) | (25,000) | (25,000) | (+53) | ..... |
| Boll weevil eradication loans | (100,000) | (100,000) | (100,000) | ..... | ..... |
| Total, Loan authorizations | (3,090,216) | (3,855,000) | (3,890,725) | (+800,509) | (+35,725) |

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Loan subsidies: | | | | | |
| Farm ownership loans: | | | | | |
| Direct | 13,756 | 3,366 | 3,866 | - 9,890 | +500 |
| Guaranteed | 4,427 | 4,500 | 4,500 | +73 | ..... |
| Subtotal | 18,183 | 7,866 | 8,366 | - 9,817 | +500 |
| Farm operating loans: | | | | | |
| Direct | 47,251 | 53,580 | 54,580 | +7,329 | +1,000 |
| Unsubsidized guaranteed | 14,738 | 52,650 | 52,650 | +37,912 | ..... |
| Subsidized guaranteed | 30,119 | 67,800 | 68,550 | +38,431 | +750 |
| Subtotal | 92,108 | 174,030 | 175,780 | +83,672 | +1,750 |
| Indian tribe land acquisition | 322 | 118 | 118 | - 204 | ..... |
| Emergency disaster loans | 6,120 | 3,363 | 3,363 | - 2,757 | ..... |
| Total, Loan subsidies | 116,733 | 185,377 | 187,627 | +70,894 | +2,250 |
| ACIF expenses: | | | | | |
| Salaries and expense (transfer to FSA) | 264,731 | 272,595 | 272,595 | +7,864 | ..... |
| Administrative expenses | 4,130 | 8,000 | 8,000 | +3,870 | ..... |
| Total, ACIF expenses | 268,861 | 280,595 | 280,595 | +11,734 | ..... |
| Total, Agricultural Credit Insurance Fund | 385,594 | 465,972 | 468,222 | +82,628 | +2,250 |
| (Loan authorization) | (3,090,216) | (3,855,000) | (3,890,725) | (+800,509) | (+35,725) |
| Total, Farm Service Agency | 1,170,600 | 1,408,095 | 1,410,845 | +240,245 | +2,750 |
| Risk Management Agency | 65,453 | 74,752 | 74,752 | +9,299 | ..... |
| Total, Farm Assistance Programs | 1,236,641 | 1,483,453 | 1,486,203 | +249,562 | +2,750 |
| CORPORATIONS | | | | | |
| Federal crop insurance corporation fund | 2,804,660 | 3,037,000 | 3,037,000 | +232,340 | ..... |
| Commodity Credit Corporation Fund: | | | | | |
| Reimbursement for net realized losses | 25,264,441 | 23,116,000 | 23,116,000 | - 2,148,441 | ..... |

AGRICULTURE APPROPRIATIONS, 2002

735

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

736

AGRICULTURE APPROPRIATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Operations and maintenance for hazardous waste management (limitation on administrative expenses) | (5,000) | (5,000) | (5,000) | ..... | ..... |
| Total, Corporations | 28,069,101 | 26,153,000 | 26,153,000 | - 1,916,101 | ..... |
| Total, title I, Agricultural Programs | 33,212,900 | 31,636,339 | 31,873,688 | - 1,339,212 | +237,349 |
| (By transfer) | (266,132) | (274,357) | (274,357) | (+8,225) | ..... |
| (Loan authorization) | (3,090,216) | (3,855,000) | (3,890,725) | (+800,509) | (+35,725) |
| (Limitation on administrative expenses) | (108,059) | (108,059) | (108,059) | ..... | ..... |
| TITLE II—CONSERVATION PROGRAMS | | | | | |
| Office of the Under Secretary for Natural Resources and Environment | 709 | 730 | 730 | +21 | ..... |
| Natural Resources Conservation Service: | | | | | |
| Conservation operations | 712,545 | 773,454 | 779,000 | +66,455 | +5,546 |
| Watershed surveys and planning | 10,844 | 10,960 | 10,960 | +116 | ..... |
| Watershed and flood prevention operations | 99,224 | 100,413 | 106,590 | +7,366 | +6,177 |
| Supplemental appropriations (P.L. 107-20) | 35,500 | ..... | ..... | - 35,500 | ..... |
| Watershed rehabilitation program ..... | ..... | ..... | 10,000 | +10,000 | +10,000 |
| Resource conservation and development | 41,923 | 43,048 | 48,048 | +6,125 | +5,000 |
| Forestry incentives program | 6,311 | ..... | 6,811 | +500 | +6,811 |
| Total, Natural Resources Conservation Service | 906,347 | 927,875 | 961,409 | +55,062 | +33,534 |
| Total, title II, Conservation Programs | 907,056 | 928,605 | 962,139 | +55,083 | +33,534 |
| TITLE III—RURAL DEVELOPMENT PROGRAMS | | | | | |
| Office of the Under Secretary for Rural Development | 604 | 623 | 623 | +19 | ..... |
| Rural Development: | | | | | |
| Rural community advancement program | 760,864 | 692,125 | 806,557 | +45,693 | +114,432 |
| Rural Development Salaries and expenses | 130,084 | 133,722 | 133,722 | +3,638 | ..... |
| (Transfer from RHIF) | (408,333) | (419,741) | (422,241) | (+13,908) | (+2,500) |
| (Transfer from RDLFP) | (3,632) | (3,733) | (3,733) | (+101) | ..... |
| (Transfer from RETLP) | (34,640) | (35,604) | (36,000) | (+1,360) | (+396) |

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| (Transfer from RTB) | (2,993) | (3,082) | (3,082) | (+89) | ..... |
| (Transfer from TLP) ..... | ..... | ..... | (2,000) | (+2,000) | (+2,000) |
| Total, salaries and expenses | (579,682) | (595,882) | (600,778) | (+21,096) | (+4,896) |
| Total, Rural Development | 890,948 | 825,847 | 940,279 | +49,331 | +114,432 |
| Rural Housing Service: | | | | | |
| Rural Housing Insurance Fund Program Account: | | | | | |
| Loan authorizations: | | | | | |
| Single family (sec. 502) | (1,071,628) | (1,064,650) | (1,079,848) | (+8,220) | (+15,198) |
| Unsubsidized guaranteed | (3,136,429) | (3,137,968) | (3,137,968) | (+1,539) | ..... |
| Subtotal, Single family | (4,208,057) | (4,202,618) | (4,217,816) | (+9,759) | (+15,198) |
| Housing repair (sec. 504) | (32,324) | (32,324) | (32,324) | ..... | ..... |
| Rental housing (sec. 515) | (114,070) | (114,068) | (114,068) | (- 2) | ..... |
| Site loans (sec. 524) | (5,152) | (5,090) | (5,090) | (- 62) | ..... |
| Multi-family housing guarantees (sec. 538) | (99,780) | (99,770) | (99,770) | (- 10) | ..... |
| Multi-family housing credit sales | (1,779) | (1,778) | (1,778) | (- 1) | ..... |
| Single family housing credit sales | (10,000) | (10,000) | (10,000) | ..... | ..... |
| Self-help housing land development fund | (4,998) | (5,000) | (5,000) | (+2) | ..... |
| Total, Loan authorizations | (4,476,160) | (4,470,648) | (4,485,846) | (+9,686) | (+15,198) |
| Loan subsidies: | | | | | |
| Single family (sec. 502) | 176,371 | 140,108 | 142,108 | - 34,263 | +2,000 |
| Unsubsidized guaranteed | 7,384 | 40,166 | 40,166 | +32,782 | ..... |
| Subtotal, Single family | 183,755 | 180,274 | 182,274 | - 1,481 | +2,000 |
| Housing repair (sec. 504) | 11,456 | 10,386 | 10,386 | - 1,070 | ..... |
| Rental housing (sec. 515) | 56,202 | 48,274 | 48,274 | - 7,928 | ..... |
| Site loans (sec. 524) ..... | ..... | 28 | 28 | +28 | ..... |
| Multi-family housing guarantees (sec. 538) | 1,517 | 3,921 | 3,921 | +2,404 | ..... |
| Multi-family housing credit sales | 872 | 750 | 750 | - 122 | ..... |
| Self-help housing land development fund | 278 | 254 | 254 | - 24 | ..... |

AGRICULTURE APPROPRIATIONS, 2002

737

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

738

AGRICULTURE APPROPRIATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Total, Loan subsidies | 254,080 | 243,887 | 245,887 | - 8,193 | +2,000 |
| RHIF administrative expenses (transfer to RD) | 408,333 | 419,741 | 422,241 | +13,908 | +2,500 |
| Rental assistance program: | | | | | |
| (Sec. 521) | 672,604 | 687,604 | 695,104 | +22,500 | +7,500 |
| (Sec. 502(c)(5)(D)) | 5,900 | 5,900 | 5,900 | ..... | ..... |
| Total, Rental assistance program | 678,504 | 693,504 | 701,004 | +22,500 | +7,500 |
| Total, Rural Housing Insurance Fund | 1,340,917 | 1,357,132 | 1,369,132 | +28,215 | +12,000 |
| (Loan authorization) | (4,476,160) | (4,470,648) | (4,485,846) | (+9,686) | (+15,198) |
| Mutual and self-help housing grants | 33,925 | 33,925 | 35,000 | +1,075 | +1,075 |
| Rural housing assistance grants | 43,903 | 38,914 | 38,914 | - 4,989 | ..... |
| Farm labor program account | 29,934 | 28,431 | 31,431 | +1,497 | +3,000 |
| Subtotal, grants and payments | 107,762 | 101,270 | 105,345 | - 2,417 | +4,075 |
| Total, Rural Housing Service | 1,448,679 | 1,458,402 | 1,474,477 | +25,798 | +16,075 |
| (Loan authorization) | (4,476,160) | (4,470,648) | (4,485,846) | (+9,686) | (+15,198) |
| Rural Business-Cooperative Service: | | | | | |
| Rural Development Loan Fund Program Account: | | | | | |
| (Loan authorization) | (38,172) | (38,171) | (38,171) | (- 1) | ..... |
| Loan subsidy | 19,433 | 16,494 | 16,494 | - 2,939 | ..... |
| Administrative expenses (transfer to RD) | 3,632 | 3,733 | 3,733 | +101 | ..... |
| Total, Rural Development Loan Fund | 23,065 | 20,227 | 20,227 | - 2,838 | ..... |
| Rural Economic Development Loans Program Account: | | | | | |
| (Loan authorization) | (14,969) | (14,966) | (14,966) | (- 3) | ..... |
| Direct subsidy | 3,902 | 3,616 | 3,616 | - 286 | ..... |
| Rural cooperative development grants | 6,486 | 6,486 | 7,750 | +1,264 | +1,264 |
| Rural empowerment zones and enterprise communities grants ..... | ..... | 14,967 | 14,967 | +14,967 | ..... |
| Total, Rural Business-Cooperative Service | 33,453 | 45,296 | 46,560 | +13,107 | +1,264 |
| (Loan authorization) | (53,141) | (53,137) | (53,137) | (- 4) | ..... |

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Rural Utilities Service: | | | | | |
| Rural Electrification and Telecommunications Loans Program Account: | | | | | |
| Loan authorizations: | | | | | |
| Electric: | | | | | |
| Direct, 5% | (121,128) | (121,107) | (121,107) | (- 21) | ..... |
| Direct, Municipal rate | (294,358) | (294,358) | (500,000) | (+205,642) | (+205,642) |
| Direct, FFB | (1,600,000) | (1,600,000) | (2,600,000) | (+1,000,000) | (+1,000,000) |
| Direct, Treasury rate | (500,000) | (500,000) | (750,000) | (+250,000) | (+250,000) |
| Guaranteed electric | (100,000) | (100,000) | (100,000) | ..... | ..... |
| Subtotal, Electric | (2,615,486) | (2,615,465) | (4,071,107) | (+1,455,621) | (+1,455,642) |
| Telecommunications: | | | | | |
| Direct, 5% | (74,835) | (74,827) | (74,827) | (- 8) | ..... |
| Direct, Treasury rate | (300,000) | (300,000) | (300,000) | ..... | ..... |
| Direct, FFB | (120,000) | (120,000) | (120,000) | ..... | ..... |
| Subtotal, Telecommunications | (494,835) | (494,827) | (494,827) | (- 8) | ..... |
| Total, Loan authorizations | (3,110,321) | (3,110,292) | (4,565,934) | (+1,455,613) | (+1,455,642) |
| Loan subsidies: | | | | | |
| Electric: | | | | | |
| Direct, 5% | 12,064 | 3,609 | 3,609 | - 8,455 | ..... |
| Guaranteed electric | 10 | 80 | 80 | +70 | ..... |
| Direct, Municipal rate | 20,458 | ..... | ..... | - 20,458 | ..... |
| Subtotal, Electric | 32,532 | 3,689 | 3,689 | - 28,843 | ..... |
| Telecommunications: | | | | | |
| Direct, 5% | 7,753 | 1,736 | 1,736 | - 6,017 | ..... |
| Direct, Treasury rate ..... | ..... | 300 | 300 | +300 | ..... |
| Subtotal, Telecommunications | 7,753 | 2,036 | 2,036 | - 5,717 | ..... |
| Total, Loan subsidies | 40,285 | 5,725 | 5,725 | - 34,560 | ..... |

AGRICULTURE APPROPRIATIONS, 2002

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

740

AGRICULTURE APPROPRIATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| RETLP administrative expenses (transfer to RD) | 34,640 | 35,604 | 36,000 | +1,360 | +396 |
| Total, Rural Electrification and Telecommunications Loans Program Account | 74,925 | 41,329 | 41,725 | - 33,200 | +396 |
| (Loan authorization) | (3,110,321) | (3,110,292) | (4,565,934) | (+1,455,613) | (+1,455,642) |
| Rural Telephone Bank Program Account: | | | | | |
| (Loan authorization) | (174,615) | ..... | (174,615) | ..... | (+174,615) |
| Direct loan subsidy | 2,584 | ..... | 3,737 | +1,153 | +3,737 |
| RTB administrative expenses (transfer to RD) | 2,993 | 3,082 | 3,082 | +89 | ..... |
| Total, Rural Telephone Bank Program Account | 5,577 | 3,082 | 6,819 | +1,242 | +3,737 |
| High energy costs grants (by transfer) ..... | ..... | (24,000) | (24,000) | (+24,000) | ..... |
| Distance learning and telemedicine program: | | | | | |
| (Loan authorization) | (400,000) | (300,000) | (300,000) | (- 100,000) | ..... |
| (Loan authorization) (proposal) ..... | ..... | (100,000) | (80,000) | (+80,000) | (- 20,000) |
| Grants/loans subsidy costs | 26,941 | 26,941 | 49,441 | +22,500 | +22,500 |
| Local television loan guarantee program account: | | | | | |
| (Loan authorization) ..... | ..... | ..... | (258,065) | (+258,065) | (+258,065) |
| Direct loan subsidy ..... | ..... | ..... | 20,000 | +20,000 | +20,000 |
| LTLP administrative expenses (transfer to RD) ..... | ..... | ..... | 2,000 | +2,000 | +2,000 |
| Total, Rural Utilities Service | 107,443 | 71,352 | 119,985 | +12,542 | +48,633 |
| (Loan authorization) | (3,684,936) | (3,510,292) | (5,378,614) | (+1,693,678) | (+1,868,322) |
| Total, title III, Rural Economic and Community Development Programs | 2,481,127 | 2,401,520 | 2,581,924 | +100,797 | +180,404 |
| (By transfer) | (449,598) | (486,160) | (491,056) | (+41,458) | (+4,896) |
| (Loan authorization) | (8,214,237) | (8,034,077) | (9,917,597) | (+1,703,360) | (+1,883,520) |
| TITLE IV—DOMESTIC FOOD PROGRAMS | | | | | |
| Office of the Under Secretary for Food, Nutrition and Consumer Services | 569 | 587 | 587 | +18 | ..... |
| Food and Nutrition Service: | | | | | |
| Child nutrition programs | 4,407,445 | 4,729,490 | 4,914,288 | +506,843 | +184,798 |
| Transfer from section 32 | 5,127,579 | 5,357,256 | 5,172,458 | +44,879 | - 184,798 |

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Discretionary spending | 6,486 | 2,000 | 500 | - 5,986 | - 1,500 |
| Total, Child nutrition programs | 9,541,510 | 10,088,746 | 10,087,246 | +545,736 | - 1,500 |
| Special supplemental nutrition program for women, infants, and children (WIC) | 4,043,086 | 4,137,086 | 4,348,000 | +304,914 | +210,914 |
| Food stamp program: | | | | | |
| Expenses | 18,618,228 | 19,556,436 | 19,556,436 | +938,208 | ..... |
| Reserve | 100,000 | 1,000,000 | 2,000,000 | +1,900,000 | +1,000,000 |
| Nutrition assistance for Puerto Rico | 1,301,000 | 1,335,550 | 1,335,550 | +34,550 | ..... |
| The emergency food assistance program | 100,000 | 100,000 | 100,000 | ..... | ..... |
| Total, Food stamp program | 20,119,228 | 21,991,986 | 22,991,986 | +2,872,758 | +1,000,000 |
| Commodity assistance program | 139,991 | 139,991 | 152,813 | +12,822 | +12,822 |
| Rescission ..... | ..... | - 5,300 | - 3,300 | - 3,300 | +2,000 |
| Food donations programs: | | | | | |
| Needy family program | 1,081 | 1,081 | 1,081 | ..... | ..... |
| Elderly feeding program | 149,670 | 149,668 | 149,668 | - 2 | ..... |
| Total, Food donations programs | 150,751 | 150,749 | 150,749 | - 2 | ..... |
| Food program administration | 116,550 | 125,546 | 127,546 | +10,996 | +2,000 |
| Total, Food and Nutrition Service | 34,111,116 | 36,628,804 | 37,855,040 | +3,743,924 | +1,226,236 |
| Total, title IV, Domestic Food Programs (net) | 34,111,685 | 36,629,391 | 37,855,627 | +3,743,942 | +1,226,236 |
| TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS | | | | | |
| Foreign Agricultural Service: | | | | | |
| Salaries and expenses, direct appropriation | 115,170 | 121,563 | 121,813 | +6,643 | +250 |
| (Transfer from export loans) | (3,224) | (3,224) | (3,224) | ..... | ..... |
| (Transfer from P.L. 480) | (1,033) | (1,033) | (1,033) | ..... | ..... |
| Total program level | (119,427) | (125,820) | (126,070) | (+6,643) | (+250) |

AGRICULTURE APPROPRIATIONS, 2002

741

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

742

AGRICULTURE APPROPRIATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Public Law 480 Program and Grant Accounts: | | | | | |
| Title I—Program account: | | | | | |
| Direct loans | (159,327) | (139,399) | (154,664) | (-4,663) | (+15,265) |
| Loan subsidies | 113,935 | 113,935 | 126,409 | +12,474 | +12,474 |
| Ocean freight differential grants | 20,277 | 20,277 | 20,277 | ..... | ..... |
| Title II—Commodities for disposition abroad | 835,159 | 835,159 | 850,000 | +14,841 | +14,841 |
| Salaries and expenses: | | | | | |
| Foreign Agricultural Service (transfer to FAS) | 1,033 | 1,033 | 1,033 | ..... | ..... |
| Farm Service Agency (transfer to FSA) | 813 | 972 | 972 | +159 | ..... |
| Subtotal | 1,846 | 2,005 | 2,005 | +159 | ..... |
| Total, Public Law 480 | 971,217 | 971,376 | 998,691 | +27,474 | +27,315 |
| CCC Export Loans Program Account (administrative expenses): | | | | | |
| Salaries and expenses (Export Loans): | | | | | |
| General Sales Manager (transfer to FAS) | 3,224 | 3,224 | 3,224 | ..... | ..... |
| Farm Service Agency (transfer to FSA) | 588 | 790 | 790 | +202 | ..... |
| Total, CCC Export Loans Program Account | 3,812 | 4,014 | 4,014 | +202 | ..... |
| Total, title V, Foreign Assistance and Related Programs | 1,090,199 | 1,096,953 | 1,124,518 | +34,319 | +27,565 |
| (By transfer) | (4,257) | (4,257) | (4,257) | ..... | ..... |
| TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION | | | | | |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | |
| FOOD AND DRUG ADMINISTRATION | | | | | |
| Salaries and expenses, direct appropriation | 1,066,173 | 1,173,673 | 1,183,670 | +117,497 | +9,997 |
| Prescription drug user fee act | (149,273) | (161,716) | (161,716) | (+12,443) | ..... |
| Subtotal | (1,215,446) | (1,335,389) | (1,345,386) | (+129,940) | (+9,997) |
| Export and certification | (5,992) | (6,181) | (6,181) | (+189) | ..... |
| Payments to GSA | (104,736) | (105,116) | (105,116) | (+380) | ..... |
| Drug reimportation | | 2,950 | | | -2,950 |

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Buildings and facilities | 31,281 | 34,281 | 34,281 | +3,000 | ..... |
| Total, Food and Drug Administration | 1,097,454 | 1,210,904 | 1,217,951 | +120,497 | +7,047 |
| INDEPENDENT AGENCIES | | | | | |
| Commodity Futures Trading Commission | 67,850 | 70,400 | 70,700 | +2,850 | +300 |
| Farm Credit Administration (limitation on administrative expenses) | (36,719) | (36,700) | (36,700) | (- 19) | ..... |
| Total, title VI, Related Agencies and Food and Drug Administration | 1,165,304 | 1,281,304 | 1,288,651 | +123,347 | +7,347 |
| TITLE VII—GENERAL PROVISIONS | | | | | |
| Hunger fellowships (sec. 728) | 1,996 | 1,996 | 2,496 | +500 | +500 |
| National Sheep Industry Improvement Center revolving fund (sec. 731) | 5,000 | ..... | 1,000 | - 4,000 | +1,000 |
| CCC Apple market loss (sec. 741) ..... | ..... | ..... | 75,000 | +75,000 | +75,000 |
| Child and adult care feeding program (sec. 743) ..... | ..... | ..... | 10,000 | +10,000 | +10,000 |
| Mallard Pointe conservation (sec. 744) ..... | ..... | ..... | 150 | +150 | +150 |
| Jamestown conservation (sec. 746) ..... | ..... | ..... | 250 | +250 | +250 |
| Klamath Basin (P.L. 107-20) | 20,000 | ..... | ..... | - 20,000 | ..... |
| Food Stamp program (P.L. 107-20) | - 39,500 | ..... | ..... | +39,500 | ..... |
| Global food for education (P.L. 107-20) | 22,949 | ..... | ..... | - 22,949 | ..... |
| Yakima Basin (P.L. 107-20) | 2,000 | ..... | ..... | - 2,000 | ..... |
| Dairy price support extension (sec. 772) ..... | ..... | ..... | 15,000 | +15,000 | +15,000 |
| Sugar beets (sec. 773) ..... | ..... | ..... | 5,000 | +5,000 | +5,000 |
| Tobacco (sec. 774) ..... | ..... | ..... | 5,000 | +5,000 | +5,000 |
| Limit crop insurance education (sec. 776) ..... | ..... | ..... | - 6,000 | - 6,000 | - 6,000 |
| Total, title VII, General provisions | 12,445 | 1,996 | 107,896 | +95,451 | +105,900 |
| NATURAL DISASTER ASSISTANCE AND OTHER EMERGENCY APPROPRIATIONS | | | | | |
| Department of Agriculture | 471,660 | ..... | ..... | - 471,660 | ..... |
| General Provisions | 3,167,289 | ..... | ..... | - 3,167,289 | ..... |
| Total | 3,638,949 | ..... | ..... | - 3,638,949 | ..... |

AGRICULTURE APPROPRIATIONS, 2002

743

**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-76—Continued**

[Amounts in thousands of dollars]

744

AGRICULTURE APPROPRIATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| CONTINUED DUMPING AND SUBSIDY OFFSET | | | | | |
| Anti-dumping | 39,912 | ..... | ..... | - 39,912 | ..... |
| Net total appropriations | 76,659,577 | 73,976,108 | 75,794,443 | - 865,134 | +1,818,335 |
| Other adjustments affecting the bill: | | | | | |
| Limit cushion of credit interest spending | - 3,902 | - 3,616 | - 3,616 | +286 | ..... |
| Conservation farm option program (sec. 723) | - 46,000 | - 63,000 | - 63,000 | - 17,000 | ..... |
| Fund for rural America (sec. 721) | - 90,000 | - 120,000 | - 150,000 | - 60,000 | - 30,000 |
| Environmental quality incentive | - 26,000 | - 26,000 | ..... | +26,000 | +26,000 |
| CCC Rabies emergency funds | 4,000 | ..... | ..... | - 4,000 | ..... |
| Initiative for future agriculture and food systems (sec. 722) | - 120,000 | - 120,000 | - 240,000 | - 120,000 | - 120,000 |
| Spending interest on Native American fund endowment | 1,000 | 2,000 | 2,000 | +1,000 | ..... |
| Dairy—extend price suppts/delay recourse loans | - 14,000 | ..... | ..... | +14,000 | ..... |
| Miscellaneous appropriations (P.L. 106-554) | 95,489 | ..... | ..... | - 95,489 | ..... |
| OMB adjustment for .22% across-the-board cut | 1,777 | ..... | ..... | - 1,777 | ..... |
| Herbicide compensation (sec. 757) ..... | ..... | ..... | 5,000 | +5,000 | +5,000 |
| Total, adjustments | - 197,636 | - 330,616 | - 449,616 | - 251,980 | - 119,000 |
| Net grand total | 76,461,941 | 73,645,492 | 75,344,827 | - 1,117,114 | +1,699,335 |
| Appropriations | (76,461,941) | (73,650,792) | (75,348,127) | (- 1,113,814) | (1,697,335) |
| Rescission | (- 5,300) | (- 3,300) | (- 3,300) | (2,000) | ..... |
| (By transfer) | (719,987) | (764,774) | (769,670) | (49,683) | (4,896) |
| (Loan authorization) | (11,463,780) | (12,028,476) | (13,962,986) | (2,499,206) | (1,934,510) |
| (Limitation on administrative expenses) | (144,778) | (144,759) | (144,759) | (- 19) | ..... |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—DEPARTMENT OF JUSTICE | | | | | |
| GENERAL ADMINISTRATION | | | | | |
| Salaries and expenses | 88,518 | 93,433 | 91,668 | +3,150 | - 1,765 |
| Joint automated booking system | 15,880 | 15,957 | 1,000 | - 14,880 | - 14,957 |
| Narrowband communications | 204,549 | 104,606 | 94,615 | - 109,934 | - 9,991 |
| Deputy Attorney General for Combatting Domestic Terrorism (sec. 612e) ..... | ..... | ..... | 1,000 | +1,000 | +1,000 |
| Counterterrorism fund | 4,989 | 4,989 | 4,989 | ..... | ..... |
| Telecommunications carrier compliance fund | 100,488 | ..... | ..... | - 100,488 | ..... |
| Defense function | 100,488 | ..... | ..... | - 100,488 | ..... |
| Administrative review and appeals | 160,708 | 178,499 | 173,647 | +12,939 | - 4,852 |
| Detention trustee | 998 | 1,718 | 1,000 | +2 | - 718 |
| Office of Inspector General | 41,484 | 45,495 | 50,735 | +9,251 | +5,240 |
| Total | 718,102 | 444,697 | 418,654 | - 299,448 | - 26,043 |
| UNITED STATES PAROLE COMMISSION | | | | | |
| Salaries and expenses | 8,836 | 10,862 | 9,876 | +1,040 | - 986 |
| LEGAL ACTIVITIES | | | | | |
| General legal activities | 534,592 | 566,822 | 549,176 | +14,584 | - 17,646 |
| Vaccine injury compensation trust fund (permanent) | 4,019 | 4,028 | 4,028 | +9 | ..... |
| Legal activities office automation ..... | ..... | ..... | 15,765 | +15,765 | +15,765 |
| Antitrust Division | 120,838 | 140,973 | 130,791 | +9,953 | - 10,182 |
| Offsetting fee collections—carryover | - 25,000 | - 51,550 | ..... | +25,000 | +51,550 |
| Offsetting fee collections—current year | - 95,838 | - 89,423 | - 130,791 | - 34,953 | - 41,368 |
| Total ..... | ..... | ..... | ..... | ..... | ..... |
| United States Attorneys | 1,247,631 | 1,346,289 | 1,353,968 | +106,337 | +7,679 |
| United States Trustee System Fund | 125,997 | 154,044 | 147,000 | +21,003 | - 7,044 |
| Offsetting fee collections | - 119,997 | - 147,044 | - 140,000 | - 20,003 | +7,044 |
| Interest on U.S. securities | - 6,000 | - 7,000 | - 7,000 | - 1,000 | ..... |
| Total ..... | ..... | ..... | ..... | ..... | ..... |

COMMERCE, JUSTICE, STATE, 2002

745

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

746

COMMERCE, JUSTICE, STATE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Foreign Claims Settlement Commission | 1,105 | 1,130 | 1,136 | +31 | +6 |
| United States Marshals Service: | | | | | |
| Salaries and expenses (non-CSE) | 571,435 | 619,818 | 619,429 | +47,994 | - 389 |
| Courthouse security equipment ..... | ..... | ..... | 14,267 | +14,267 | +14,267 |
| Construction | 18,088 | 6,621 | 15,000 | - 3,088 | +8,379 |
| Justice prisoner and alien transportation system fund | 13,470 | ..... | ..... | - 13,470 | ..... |
| Total, United States Marshals Service | 602,993 | 626,439 | 648,696 | +45,703 | +22,257 |
| Federal prisoner detention | 596,088 | 724,682 | 706,182 | +110,094 | - 18,500 |
| Fees and expenses of witnesses | 125,573 | 156,145 | 156,145 | +30,572 | ..... |
| Community Relations Service | 8,456 | 9,269 | 9,269 | +813 | ..... |
| Assets forfeiture fund | 22,949 | 22,949 | 22,949 | ..... | ..... |
| Total, Legal activities | 3,143,406 | 3,457,753 | 3,467,314 | +323,908 | +9,561 |
| RADIATION EXPOSURE COMPENSATION | | | | | |
| Administrative expenses | 1,996 | 1,996 | 1,996 | ..... | ..... |
| Payment to radiation exposure compensation trust fund | 10,776 | 10,776 | ..... | - 10,776 | - 10,776 |
| Supplemental appropriations (P.L. 107-20) | 20,000 | ..... | ..... | - 20,000 | ..... |
| Total | 32,772 | 12,772 | 1,996 | - 30,776 | - 10,776 |
| INTERAGENCY LAW ENFORCEMENT | | | | | |
| Interagency crime and drug enforcement | 325,181 | 338,106 | 338,577 | +13,396 | +471 |
| FEDERAL BUREAU OF INVESTIGATION | | | | | |
| Salaries and expenses | 2,791,795 | 3,050,472 | 3,031,830 | +240,035 | - 18,642 |
| Counterintelligence and national security | 436,687 | 455,387 | 459,243 | +22,556 | +3,856 |
| Subtotal | 3,228,482 | 3,505,859 | 3,491,073 | +262,591 | - 14,786 |
| Construction | 16,650 | 1,250 | 33,791 | +17,141 | +32,541 |
| Total | 3,245,132 | 3,507,109 | 3,524,864 | +279,732 | +17,755 |
| DRUG ENFORCEMENT ADMINISTRATION | | | | | |
| Salaries and expenses | 1,443,669 | 1,547,929 | 1,567,804 | +124,135 | +19,875 |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Diversion control fund | - 83,543 | - 67,000 | - 86,021 | - 2,478 | - 19,021 |
| Total | 1,360,126 | 1,480,929 | 1,481,783 | +121,657 | +854 |
| IMMIGRATION AND NATURALIZATION SERVICE | | | | | |
| Salaries and expenses: | | | | | |
| Enforcement and border affairs | 2,541,453 | 2,737,341 | 2,739,695 | +198,242 | +2,354 |
| Citizenship and benefits, immigration support and program direction | 577,546 | 650,660 | 631,745 | +54,199 | - 18,915 |
| Subtotal | 3,118,999 | 3,388,001 | 3,371,440 | +252,441 | - 16,561 |
| Fee accounts: | | | | | |
| Immigration user fee | (494,384) | (591,866) | (591,866) | (+97,482) | ..... |
| Land border inspection fund | (1,670) | (1,714) | (4,490) | (+2,820) | (+2,776) |
| Immigration examinations fund | (969,851) | (1,258,088) | (1,376,871) | (+407,020) | (+118,783) |
| Breached bond fund | (80,600) | (120,763) | (120,763) | (+40,163) | ..... |
| Immigration enforcement fines | (1,850) | (5,510) | (22,664) | (+20,814) | (+17,154) |
| H-1b Visa fees | (1,125) | (16,000) | (26,272) | (+25,147) | (+10,272) |
| Subtotal, Fee accounts | (1,549,480) | (1,993,941) | (2,142,926) | (+593,446) | (+148,985) |
| Construction | 133,009 | 128,410 | 128,454 | - 4,555 | +44 |
| Total, Immigration and Naturalization Service | 3,252,008 | 3,516,411 | 3,499,894 | +247,886 | - 16,517 |
| (Fee accounts) | (1,549,480) | (1,993,941) | (2,142,926) | (+593,446) | (+148,985) |
| Total funding available | (4,801,488) | (5,510,352) | (5,642,820) | (+841,332) | (+132,468) |
| FEDERAL PRISON SYSTEM | | | | | |
| Salaries and expenses | 3,500,172 | 3,829,437 | 3,808,600 | +308,428 | - 20,837 |
| Prior year carryover | - 31,000 | ..... | ..... | +31,000 | ..... |
| Subtotal | 3,469,172 | 3,829,437 | 3,808,600 | +339,428 | - 20,837 |
| Buildings and facilities | 833,822 | 833,273 | 813,552 | - 20,270 | - 19,721 |
| Federal Prison Industries, Incorporated (limitation on administrative expenses) | 3,421 | 3,429 | 3,429 | +8 | ..... |
| Total | 4,306,415 | 4,666,139 | 4,625,581 | +319,166 | - 40,558 |

COMMERCE, JUSTICE, STATE, 2002

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

748

COMMERCE, JUSTICE, STATE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| OFFICE OF JUSTICE PROGRAMS | | | | | |
| Justice assistance | 417,299 | 407,677 | 437,008 | +19,709 | +29,331 |
| (By transfer) | (6,632) | (6,632) | (6,632) | ..... | ..... |
| State and local law enforcement assistance: | | | | | |
| Direct appropriations: | | | | | |
| Local law enforcement block grants | 521,849 | 400,000 | 400,000 | - 121,849 | ..... |
| Boys and Girls Clubs (earmark) | (60,000) | ..... | (70,000) | (+10,000) | (+70,000) |
| Grants, contracts, and other assistance (earmark) | (19,956) | (19,956) | (19,956) | ..... | ..... |
| State prison grants | 684,990 | ..... | ..... | - 684,990 | ..... |
| State criminal alien assistance program | 399,120 | 265,000 | 565,000 | +165,880 | +300,000 |
| Cooperative agreement program ..... | ..... | 35,000 | 20,000 | +20,000 | - 15,000 |
| Indian tribes assistance | 12,971 | 48,162 | 48,162 | +35,191 | ..... |
| Tribal prison construction ..... | ..... | (35,191) | (35,191) | (+35,191) | ..... |
| Tribal courts initiative | (7,982) | (7,982) | (7,982) | ..... | ..... |
| Demonstration grants | (4,989) | (4,989) | (4,989) | ..... | ..... |
| Byrne grants (formula) | 498,900 | 500,000 | 500,000 | +1,100 | ..... |
| Byrne grants (discretionary) | 68,898 | ..... | 94,489 | +25,591 | +94,489 |
| Juvenile crime block grant | 249,450 | 249,450 | 249,450 | ..... | ..... |
| Drug courts | 49,890 | 50,000 | 50,000 | +110 | ..... |
| Violence Against Women grants | 288,044 | 390,565 | 390,565 | +102,521 | ..... |
| State prison drug treatment | 62,861 | 73,861 | 70,000 | +7,139 | - 3,861 |
| Other crime control programs | 5,687 | 5,688 | 5,688 | +1 | ..... |
| Assistance for victims of trafficking ..... | ..... | ..... | 10,000 | +10,000 | +10,000 |
| Total, State and local law enforcement | 2,842,660 | 2,017,726 | 2,403,354 | - 439,306 | +385,628 |
| Weed and seed program fund | 33,925 | 58,925 | 58,925 | +25,000 | ..... |
| Community oriented policing services: | | | | | |
| Direct appropriations: | | | | | |
| Public safety and community policing grants | 582,216 | 320,249 | 496,014 | - 86,202 | +175,765 |
| Methamphetamine | (48,393) | (48,393) | (70,473) | (+22,080) | (+22,080) |
| Management administration | 31,755 | 32,812 | 32,812 | +1,057 | ..... |
| Crime technology | 269,406 | 355,404 | 351,632 | +82,226 | - 3,772 |
| Safe schools initiative | (17,462) | (17,000) | (17,000) | (- 462) | ..... |
| Upgrade criminal history records | (34,923) | (35,000) | (35,000) | (+77) | ..... |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| DNA identification/crime lab | (29,934) | (70,000) | (75,000) | (+45,066) | (+5,000) |
| COPS technology | (139,692) | (100,000) | (154,345) | (+14,653) | (+54,345) |
| Community prosecutors | 99,780 | 99,780 | 99,780 | ..... | ..... |
| Crime prevention | 46,897 | 46,864 | 70,202 | +23,305 | +23,338 |
| Total, Community oriented policing services | 1,030,054 | 855,109 | 1,050,440 | +20,386 | +195,331 |
| Juvenile justice programs | 297,940 | 297,940 | 305,860 | +7,920 | +7,920 |
| Public safety officers benefits program: | | | | | |
| Death benefits | 33,224 | 33,224 | 33,224 | ..... | ..... |
| Disability benefits | 2,395 | 2,395 | 4,500 | +2,105 | +2,105 |
| Total | 35,619 | 35,619 | 37,724 | +2,105 | +2,105 |
| Total, Office of Justice Programs | 4,657,497 | 3,672,996 | 4,293,311 | -364,186 | +620,315 |
| Total, title I, Department of Justice | 21,049,475 | 21,107,774 | 21,661,850 | +612,375 | +554,076 |
| (By transfer) | (6,632) | (6,632) | (6,632) | ..... | ..... |
| TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES | | | | | |
| TRADE AND INFRASTRUCTURE DEVELOPMENT | | | | | |
| RELATED AGENCIES | | | | | |
| OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE | | | | | |
| Salaries and expenses | 29,452 | 30,097 | 30,097 | +645 | ..... |
| INTERNATIONAL TRADE COMMISSION | | | | | |
| Salaries and expenses | 47,994 | 51,440 | 51,440 | +3,446 | ..... |
| Total, Related agencies | 77,446 | 81,537 | 81,537 | +4,091 | ..... |
| DEPARTMENT OF COMMERCE | | | | | |
| INTERNATIONAL TRADE ADMINISTRATION | | | | | |
| Operations and administration | 336,702 | 332,590 | 347,547 | +10,845 | +14,957 |

COMMERCE, JUSTICE, STATE, 2002

749

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

750

COMMERCE, JUSTICE, STATE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Offsetting fee collections | - 3,000 | - 3,000 | - 3,000 | ..... | ..... |
| Total | 333,702 | 329,590 | 344,547 | +10,845 | +14,957 |
| EXPORT ADMINISTRATION | | | | | |
| Operations and administration | 57,477 | 61,643 | 61,643 | +4,166 | ..... |
| CWC enforcement | 7,234 | 7,250 | 7,250 | +16 | ..... |
| Total | 64,711 | 68,893 | 68,893 | +4,182 | ..... |
| ECONOMIC DEVELOPMENT ADMINISTRATION | | | | | |
| Economic development assistance programs | 410,973 | 335,000 | 335,000 | - 75,973 | ..... |
| Salaries and expenses | 27,938 | 30,557 | 30,557 | +2,619 | ..... |
| Total | 438,911 | 365,557 | 365,557 | - 73,354 | ..... |
| MINORITY BUSINESS DEVELOPMENT AGENCY | | | | | |
| Total, Trade and Infrastructure Development | 942,024 | 873,958 | 888,915 | - 53,109 | +14,957 |
| ECONOMIC AND INFORMATION INFRASTRUCTURE | | | | | |
| ECONOMIC AND STATISTICAL ANALYSIS | | | | | |
| Salaries and expenses | 53,627 | 62,515 | 62,515 | +8,888 | ..... |
| BUREAU OF THE CENSUS | | | | | |
| Salaries and expenses | 156,881 | 168,561 | 169,424 | +12,543 | +863 |
| Periodic censuses and programs | 275,798 | 374,835 | 321,376 | +45,578 | - 53,459 |
| Total | 432,679 | 543,396 | 490,800 | +58,121 | - 52,596 |
| NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION | | | | | |
| Salaries and expenses | 11,412 | 14,054 | 14,054 | +2,642 | ..... |
| Public telecommunications facilities, planning and construction | 43,404 | 43,466 | 43,466 | +62 | ..... |
| Information infrastructure grants | 45,400 | 15,503 | 15,503 | - 29,897 | ..... |
| Total | 100,216 | 73,023 | 73,023 | - 27,193 | ..... |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| UNITED STATES PATENT AND TRADEMARK OFFICE | | | | | |
| Current year fee funding | 782,119 | 856,701 | 843,701 | +61,582 | - 13,000 |
| (Prior year carryover) | (254,889) | (282,300) | (282,300) | (+27,411) | ..... |
| Total | (1,037,008) | (1,139,001) | (1,126,001) | (+88,993) | (- 13,000) |
| Offsetting fee collections | - 782,119 | - 856,701 | - 843,701 | - 61,582 | +13,000 |
| Total, Economic and Information Infrastructure | 586,522 | 678,934 | 626,338 | +39,816 | - 52,596 |
| SCIENCE AND TECHNOLOGY | | | | | |
| TECHNOLOGY ADMINISTRATION | | | | | |
| UNDER SECRETARY FOR TECHNOLOGY/ OFFICE OF TECHNOLOGY POLICY | | | | | |
| Salaries and expenses | 8,062 | 8,238 | 8,238 | +176 | ..... |
| NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY | | | | | |
| Scientific and technical research and services | 311,929 | 347,288 | 321,111 | +9,182 | - 26,177 |
| Industrial technology services | 250,285 | 119,266 | 291,022 | +40,737 | +171,756 |
| Construction of research facilities | 34,802 | 20,893 | 62,393 | +27,591 | +41,500 |
| Total | 597,016 | 487,447 | 674,526 | +77,510 | +187,079 |
| NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION | | | | | |
| Operations, research, and facilities | 1,865,058 | 2,009,309 | 2,027,424 | +162,366 | +18,115 |
| Conservation ..... | ..... | 168,000 | 223,273 | +223,273 | +55,273 |
| (By transfer from Promote and Develop Fund) | (67,850) | (68,000) | (68,000) | (150) | ..... |
| (By transfer from Coastal zone management) | 3,193 | 3,000 | 3,000 | - 193 | ..... |
| Total, Operations, research and facilities | 1,868,251 | 2,180,309 | 2,253,697 | +385,446 | +73,388 |
| Procurement, acquisition and construction | 681,397 | 738,861 | 778,065 | +96,668 | +39,204 |
| Conservation ..... | ..... | 26,000 | 58,487 | +58,487 | +32,487 |
| Total, Procurement, acquisition and construction | 681,397 | 764,861 | 836,552 | +155,155 | +71,691 |
| Coastal and ocean activities | 419,076 | ..... | ..... | - 419,076 | ..... |

COMMERCE, JUSTICE, STATE, 2002

751

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

752

COMMERCE, JUSTICE, STATE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Pacific coastal salmon recovery | 73,837 | 20,000 | ..... | - 73,837 | - 20,000 |
| Conservation ..... | ..... | 90,000 | 157,419 | +157,419 | +67,419 |
| Coastal zone management fund | - 3,200 | - 3,000 | - 3,000 | +200 | ..... |
| Fishermen's contingency fund | 950 | 952 | 952 | +2 | ..... |
| Foreign fishing observer fund | 191 | 191 | 191 | ..... | ..... |
| Fisheries finance program account | 287 | 287 | 287 | ..... | ..... |
| Environmental improvement and restoration fund ² ..... | ..... | 10,000 | 10,000 | +10,000 | ..... |
| Total, National Oceanic and Atmospheric Administration | 3,040,789 | 3,063,600 | 3,256,098 | +215,309 | +192,498 |
| Total, Science and Technology | 3,645,867 | 3,559,285 | 3,938,862 | +292,995 | +379,577 |
| Appropriations | (3,645,867) | (3,275,285) | (3,499,683) | (- 146,184) | (+224,398) |
| Conservation ..... | ..... | (284,000) | (439,179) | (+439,179) | (+155,179) |
| DEPARTMENTAL MANAGEMENT | | | | | |
| Salaries and expenses | 35,841 | 37,652 | 37,652 | +1,811 | ..... |
| Office of Inspector General | 19,956 | 21,176 | 20,176 | +220 | - 1,000 |
| Total | 55,797 | 58,828 | 57,828 | +2,031 | - 1,000 |
| Total, Department of Commerce | 5,152,764 | 5,089,468 | 5,430,406 | +277,642 | +340,938 |
| Total, title II, Department of Commerce and related agencies | 5,230,210 | 5,171,005 | 5,511,943 | +281,733 | +340,938 |
| Appropriations | (5,230,210) | (4,887,005) | (5,072,764) | (- 157,446) | (+185,759) |
| Conservation ..... | ..... | (284,000) | (439,179) | (+439,179) | (+155,179) |
| (By transfer) | (67,850) | (68,000) | (68,000) | (+150) | ..... |
| TITLE III—THE JUDICIARY | | | | | |
| SUPREME COURT OF THE UNITED STATES | | | | | |
| Salaries and expenses: | | | | | |
| Salaries of justices | 1,698 | 1,698 | 1,808 | +110 | +110 |
| Other salaries and expenses | 35,814 | 40,416 | 38,180 | +2,366 | - 2,236 |
| Subtotal | 37,512 | 42,114 | 39,988 | +2,476 | - 2,126 |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Care of the building and grounds | 7,513 | 117,742 | 37,530 | +30,017 | - 80,212 |
| Total | 45,025 | 159,856 | 77,518 | +32,493 | - 82,338 |
| UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT | | | | | |
| Salaries and expenses: | | | | | |
| Salaries of judges | 2,021 | 2,021 | 2,079 | +58 | +58 |
| Other salaries and expenses | 15,874 | 18,425 | 17,208 | +1,334 | - 1,217 |
| Total | 17,895 | 20,446 | 19,287 | +1,392 | - 1,159 |
| UNITED STATES COURT OF INTERNATIONAL TRADE | | | | | |
| Salaries and expenses: | | | | | |
| Salaries of judges | 1,525 | 1,525 | 1,633 | +108 | +108 |
| Other salaries and expenses | 10,907 | 11,587 | 11,431 | +524 | - 156 |
| Total | 12,432 | 13,112 | 13,064 | +632 | - 48 |
| COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES | | | | | |
| Salaries and expenses: | | | | | |
| Salaries of judges and bankruptcy judges | 248,000 | 250,000 | 250,434 | +2,434 | +434 |
| Other salaries and expenses | 3,104,879 | 3,485,774 | 3,340,682 | +235,803 | - 145,092 |
| Subtotal | 3,352,879 | 3,735,774 | 3,591,116 | +238,237 | - 144,658 |
| Vaccine Injury Compensation Trust Fund | 2,596 | 2,692 | 2,692 | +96 | ..... |
| Defender services | 434,043 | 521,517 | 500,671 | +66,628 | - 20,846 |
| Fees of jurors and commissioners | 59,436 | 50,131 | 48,131 | - 11,305 | - 2,000 |
| Court security | 199,136 | 228,433 | 220,677 | +21,541 | - 7,756 |
| Total | 4,048,090 | 4,538,547 | 4,363,287 | +315,197 | - 175,260 |
| ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS | | | | | |
| Salaries and expenses | 58,212 | 63,029 | 61,664 | +3,452 | - 1,365 |
| FEDERAL JUDICIAL CENTER | | | | | |
| Salaries and expenses | 18,736 | 20,323 | 19,735 | +999 | - 588 |

COMMERCE, JUSTICE, STATE, 2002

753

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

754

COMMERCE, JUSTICE, STATE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| JUDICIAL RETIREMENT FUNDS | | | | | |
| Payment to Judiciary Trust Funds | 35,700 | 37,000 | 37,000 | +1,300 | ..... |
| UNITED STATES SENTENCING COMMISSION | | | | | |
| Salaries and expenses | 9,909 | 12,400 | 11,575 | +1,666 | - 825 |
| GENERAL PROVISIONS | | | | | |
| Judges pay raise (sec. 305) | 8,782 | 8,000 | 8,625 | - 157 | +625 |
| Total, title III, the Judiciary | 4,254,781 | 4,872,713 | 4,611,755 | +356,974 | - 260,958 |
| TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCY | | | | | |
| DEPARTMENT OF STATE | | | | | |
| ADMINISTRATION OF FOREIGN AFFAIRS | | | | | |
| Diplomatic and consular programs | 2,758,076 | 3,217,405 | 3,142,277 | +384,201 | - 75,128 |
| Worldwide security upgrade | 409,098 | 487,735 | 487,735 | +78,637 | ..... |
| Subtotal | 3,167,174 | 3,705,140 | 3,630,012 | +462,838 | - 75,128 |
| Capital investment fund | 96,787 | 210,000 | 203,000 | +106,213 | - 7,000 |
| Office of Inspector General | 28,427 | 29,264 | 29,000 | +573 | - 264 |
| Educational and cultural exchange programs | 231,078 | 242,000 | 237,000 | +5,922 | - 5,000 |
| Representation allowances | 6,485 | 9,000 | 6,485 | ..... | - 2,515 |
| Protection of foreign missions and officials | 15,433 | 10,000 | 9,400 | - 6,033 | - 600 |
| Embassy security, construction, and maintenance | 416,059 | 475,046 | 458,000 | +41,941 | - 17,046 |
| Worldwide security upgrade | 661,541 | 815,960 | 815,960 | +154,419 | ..... |
| Subtotal | 1,077,600 | 1,291,006 | 1,273,960 | +196,360 | - 17,046 |
| Emergencies in the diplomatic and consular service | 5,465 | 15,500 | 6,500 | +1,035 | - 9,000 |
| (By transfer) | (3,991) | (4,000) | (4,000) | (+9) | ..... |
| Commission on Holocaust Assets in U.S. (by transfer) | (1,397) | ..... | ..... | (- 1,397) | ..... |
| Repatriation Loans Program Account: | | | | | |
| Direct loans subsidy | 590 | 612 | 612 | +22 | ..... |
| Administrative expenses | 603 | 607 | 607 | +4 | ..... |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| (By transfer) | (998) | (1,000) | (1,000) | (+2) | ..... |
| Subtotal | 1,193 | 1,219 | 1,219 | +26 | ..... |
| Payment to the American Institute in Taiwan | 16,309 | 17,044 | 17,044 | +735 | ..... |
| Payment to the Foreign Service Retirement and Disability Fund | 131,224 | 135,629 | 135,629 | +4,405 | ..... |
| Total, Administration of Foreign Affairs | 4,777,175 | 5,665,802 | 5,549,249 | +772,074 | - 116,553 |
| INTERNATIONAL ORGANIZATIONS AND CONFERENCES | | | | | |
| Contributions to international organizations | 868,917 | 878,767 | 850,000 | - 18,917 | - 28,767 |
| Contributions for international peacekeeping activities | 844,139 | 844,139 | 844,139 | ..... | ..... |
| Total | 1,713,056 | 1,722,906 | 1,694,139 | - 18,917 | - 28,767 |
| INTERNATIONAL COMMISSIONS | | | | | |
| International Boundary and Water Commission, United States and Mexico: | | | | | |
| Salaries and expenses | 7,126 | 7,452 | 24,705 | +17,579 | +17,253 |
| Construction | 22,900 | 25,654 | 5,450 | - 17,450 | - 20,204 |
| American sections, international commissions | 6,726 | 10,311 | 9,911 | +3,185 | - 400 |
| International fisheries commissions | 19,349 | 19,780 | 20,480 | +1,131 | +700 |
| Total | 56,101 | 63,197 | 60,546 | +4,445 | - 2,651 |
| OTHER | | | | | |
| Payment to the Asia Foundation | 9,230 | 9,250 | 9,250 | +20 | ..... |
| Eisenhower Exchange Fellowship program trust fund | 499 | 500 | 500 | +1 | ..... |
| Israeli Arab scholarship program | 374 | 375 | 375 | +1 | ..... |
| East-West Center | 13,470 | 13,500 | 14,000 | +530 | +500 |
| National Endowment for Democracy | 30,931 | 31,000 | 33,500 | +2,569 | +2,500 |
| Total, Department of State | 6,600,836 | 7,506,530 | 7,361,559 | +760,723 | - 144,971 |
| RELATED AGENCY | | | | | |
| BROADCASTING BOARD OF GOVERNORS | | | | | |
| International Broadcasting Operations | 398,093 | 428,234 | 428,234 | +30,141 | ..... |
| Broadcasting to Cuba | 22,046 | 24,872 | 24,872 | +2,826 | ..... |

COMMERCE, JUSTICE, STATE, 2002

755

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

756

COMMERCE, JUSTICE, STATE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Broadcasting capital improvements | 20,313 | 16,900 | 25,900 | +5,587 | +9,000 |
| Total | 440,452 | 470,006 | 479,006 | +38,554 | +9,000 |
| Total, title IV, Department of State and related agency | 7,041,288 | 7,976,536 | 7,840,565 | +799,277 | - 135,971 |
| (By transfer) | (6,386) | (5,000) | (5,000) | (- 1,386) | ..... |
| TITLE V—RELATED AGENCIES | | | | | |
| DEPARTMENT OF TRANSPORTATION | | | | | |
| MARITIME ADMINISTRATION | | | | | |
| Maritime security program | 98,483 | ..... | 98,700 | +217 | +98,700 |
| Operations and training | 86,719 | 89,054 | 89,054 | +2,335 | ..... |
| Ship disposal ..... | ..... | 10,000 | ..... | ..... | - 10,000 |
| Maritime Guaranteed Loan (Title XI) Program Account: | | | | | |
| Guaranteed loans subsidy | 29,934 | ..... | 33,000 | +3,066 | +33,000 |
| Administrative expenses | 3,978 | 3,978 | 3,978 | ..... | ..... |
| Subtotal | 33,912 | 3,978 | 36,978 | +3,066 | +33,000 |
| Total, Maritime Administration | 219,114 | 103,032 | 224,732 | +5,618 | +121,700 |
| COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD | | | | | |
| Salaries and expenses | 489 | 489 | 489 | ..... | ..... |
| COMMISSION ON CIVIL RIGHTS | | | | | |
| Salaries and expenses | 8,880 | 9,096 | 9,096 | +216 | ..... |
| COMMISSION ON INTERNATIONAL RELIGIOUS FREEDOM | | | | | |
| Salaries and expenses ..... | ..... | 3,000 | 3,000 | +3,000 | ..... |
| COMMISSION ON OCEAN POLICY | | | | | |
| Salaries and expenses | 998 | ..... | 3,000 | +2,002 | +3,000 |
| COMMISSION ON SECURITY AND COOPERATION IN EUROPE | | | | | |
| Salaries and expenses | 1,367 | 1,499 | 1,499 | +132 | ..... |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| CONGRESSIONAL-EXECUTIVE COMMISSION ON THE PEOPLE'S REPUBLIC OF CHINA | | | | | |
| Salaries and expenses | 499 | 500 | 1,000 | +501 | +500 |
| EQUAL EMPLOYMENT OPPORTUNITY COMMISSION | | | | | |
| Salaries and expenses | 303,195 | 310,406 | 310,406 | +7,211 | ..... |
| FEDERAL COMMUNICATIONS COMMISSION | | | | | |
| Salaries and expenses | 229,494 | 248,545 | 245,071 | +15,577 | - 3,474 |
| Offsetting fee collections—current year | -200,146 | -218,757 | -218,757 | - 18,611 | ..... |
| Total | 29,348 | 29,788 | 26,314 | - 3,034 | - 3,474 |
| FEDERAL MARITIME COMMISSION | | | | | |
| Salaries and expenses | 15,466 | 16,450 | 16,458 | +992 | +8 |
| FEDERAL TRADE COMMISSION | | | | | |
| Salaries and expenses | 147,154 | 156,270 | 155,982 | +8,828 | - 288 |
| Offsetting fee collections—carryover | - 1,900 | ..... | ..... | +1,900 | ..... |
| Offsetting fee collections—current year | -145,254 | -156,270 | -155,982 | - 10,728 | +288 |
| Total ..... | ..... | ..... | ..... | ..... | ..... |
| LEGAL SERVICES CORPORATION | | | | | |
| Payment to the Legal Services Corporation | 329,274 | 329,300 | 329,300 | +26 | ..... |
| MARINE MAMMAL COMMISSION | | | | | |
| Salaries and expenses | 1,696 | 1,732 | 1,957 | +261 | +225 |
| NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION | | | | | |
| Salaries and expenses ..... | ..... | 4,000 | 4,000 | +4,000 | ..... |
| PACIFIC CHARTER COMMISSION | | | | | |
| Salaries and expenses ..... | ..... | ..... | 1,500 | +1,500 | +1,500 |
| SECURITIES AND EXCHANGE COMMISSION | | | | | |
| Current year fees | 127,519 | 109,500 | 109,500 | - 18,019 | ..... |
| 2000 fees | 294,351 | 328,400 | 328,400 | +34,049 | ..... |

COMMERCE, JUSTICE, STATE, 2002

757

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

758

COMMERCE, JUSTICE, STATE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Total | 421,870 | 437,900 | 437,900 | +16,030 | ..... |
| SMALL BUSINESS ADMINISTRATION | | | | | |
| Salaries and expenses | 367,824 | 321,219 | 308,476 | - 59,348 | - 12,743 |
| Office of Inspector General | 11,927 | 11,927 | 11,464 | - 463 | - 463 |
| Business Loans Program Account: | | | | | |
| Direct loans subsidy | 2,245 | 1,500 | 1,860 | - 385 | +360 |
| Guaranteed loans subsidy | 162,801 | ..... | 78,000 | - 84,801 | +78,000 |
| Administrative expenses | 128,716 | 129,000 | 129,000 | +284 | ..... |
| Subtotal | 293,762 | 130,500 | 208,860 | - 84,902 | +78,360 |
| Disaster Loans Program Account: | | | | | |
| Direct loans subsidy | 75,972 | ..... | 87,360 | +11,388 | +87,360 |
| Administrative expenses | 108,116 | 75,354 | 122,354 | +14,238 | +47,000 |
| Gainsharing ..... | ..... | 3,000 | ..... | ..... | - 3,000 |
| Subtotal | 184,088 | 78,354 | 209,714 | +25,626 | +131,360 |
| Total, Small Business Administration | 857,601 | 542,000 | 738,514 | - 119,087 | +196,514 |
| STATE JUSTICE INSTITUTE | | | | | |
| Salaries and expenses ¹ | 6,835 | 15,000 | 3,000 | - 3,835 | - 12,000 |
| UNITED STATES—CANADA ALASKA RAIL COMMISSION | | | | | |
| Salaries and expenses ..... | ..... | ..... | 2,000 | +2,000 | +2,000 |
| Total, title V, Related agencies | 2,196,632 | 1,804,192 | 2,114,165 | - 82,467 | +309,973 |
| TITLE VII—RESCISSIONS | | | | | |
| DEPARTMENT OF JUSTICE | | | | | |
| LEGAL ACTIVITIES | | | | | |
| Assets forfeiture fund (rescission) ..... | ..... | ..... | - 40,000 | - 40,000 | - 40,000 |

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| DRUG ENFORCEMENT ADMINISTRATION | | | | | |
| Drug diversion fund (rescission) | - 8,000 | ..... | ..... | +8,000 | ..... |
| Subtotal | - 8,000 | ..... | - 40,000 | - 32,000 | - 40,000 |
| DEPARTMENT OF COMMERCE | | | | | |
| DEPARTMENTAL MANAGEMENT | | | | | |
| Emergency oil and gas guaranteed loan program account (rescission) ..... | ..... | - 115,000 | - 5,200 | - 5,200 | +109,800 |
| Supplemental appropriations (P.L. 107-20) | - 114,800 | ..... | ..... | +114,800 | ..... |
| Emergency steel guaranteed loan program account (rescission) ..... | ..... | - 10,000 | ..... | ..... | +10,000 |
| Subtotal | - 114,800 | - 125,000 | - 5,200 | +109,600 | +119,800 |
| RELATED AGENCIES | | | | | |
| DEPARTMENT OF TRANSPORTATION | | | | | |
| MARITIME ADMINISTRATION | | | | | |
| Maritime Guaranteed Loan (Title XI) Program Account: Guaranteed loans subsidy (rescission) | - 7,644 | ..... | ..... | +7,644 | ..... |
| Ship construction (rescission) ..... | ..... | ..... | - 4,400 | - 4,400 | - 4,400 |
| SECURITIES AND EXCHANGE COMMISSION | | | | | |
| Salaries and expenses (rescission) ..... | ..... | ..... | - 50,000 | - 50,000 | - 50,000 |
| SMALL BUSINESS ADMINISTRATION | | | | | |
| Business Loans Program Account: Guaranteed loans subsidy (rescission) ..... | ..... | ..... | - 5,500 | - 5,500 | - 5,500 |
| Total, title VII, Rescissions | - 130,444 | - 125,000 | - 105,100 | +25,344 | +19,900 |
| WILDLIFE, OCEAN AND COASTAL CONSERVATION | | | | | |
| DEPARTMENT OF THE INTERIOR | | | | | |
| U.S. FISH AND WILDLIFE SERVICE | | | | | |
| Wildlife conservation and restoration planning | 49,890 | ..... | ..... | - 49,890 | ..... |
| Net total appropriations | 39,691,832 | 40,807,220 | 41,635,178 | +1,943,346 | +827,958 |

COMMERCE, JUSTICE, STATE, 2002

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-77—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Other adjustments affecting the bill: | | | | | |
| Patent and Trademark Office (additional fees) | - 289,881 | - 341,299 | - 354,299 | - 64,418 | - 13,000 |
| PTO advance | 254,889 | 282,300 | 282,300 | +27,411 | |
| SEC fees | - 988,000 | - 1,152,000 | - 1,152,000 | - 164,000 | |
| Antitrust offsetting fee collections | - 77,162 | - 68,577 | - 27,209 | +49,953 | +41,368 |
| Anti-Trust advance | 25,000 | 36,000 | 36,000 | +11,000 | |
| Anti-Trust advance reversal due to language change | | | - 36,000 | - 36,000 | - 36,000 |
| U.S. Trustee offsetting fee collections | - 1,003 | - 8,956 | - 16,000 | - 14,997 | - 7,044 |
| FTC offsetting fee collections | - 27,746 | - 1,730 | - 2,018 | +25,728 | - 288 |
| FTC Advance | 3,000 | | | - 3,000 | |
| Spending of affidavit and adoption fees | | 9,000 | | | - 9,000 |
| Crime Victims Fund—General provisions (sec. 619) | - 715,500 | - 1,008,000 | - 1,127,000 | - 411,500 | - 119,000 |
| Independent counsel | 8,000 | 9,500 | 9,500 | +1,500 | |
| SBA salaries and expenses (sec. 629) | 40,000 | | 30,000 | - 10,000 | +30,000 |
| Advance appropriation (fisheries) (P.L. 106-78) | 30,000 | | | - 30,000 | |
| Miscellaneous appropriations (P.L. 106-554) | 105,080 | | | - 105,080 | |
| OMB adjustment for across-the-board cut (.22%) | - 6,518 | | | +6,518 | |
| Emergency Response Fund (P.L. 107-38) | 210,740 | | | - 210,740 | |
| Total, adjustments | - 1,429,101 | - 2,243,762 | - 2,356,726 | - 927,625 | - 112,964 |
| Net grand total | 38,262,731 | 38,563,458 | 39,278,452 | +1,015,721 | +714,994 |
| Appropriations | (38,393,175) | (38,404,458) | (38,944,373) | (+551,198) | (+539,915) |
| Conservation | | (284,000) | (439,179) | (+439,179) | (+155,179) |
| Rescissions | (- 130,444) | (- 125,000) | (- 105,100) | (+25,344) | (+19,900) |
| (By transfer) | (80,868) | (79,632) | (79,632) | (- 1,236) | |

¹ The President's budget proposed \$6.85 million for State Justice Institute.

² Permanent indefinite mandatory enacted in FY 98 Interior and Related Agencies Appropriations Act.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-117

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I | | | | | |
| MILITARY PERSONNEL | | | | | |
| Military Personnel, Army | 22,175,357 | 23,626,684 | 23,752,384 | +1,577,027 | +125,700 |
| Military Personnel, Navy | 17,772,297 | 19,606,984 | 19,551,484 | +1,779,187 | - 55,500 |
| Military Personnel, Marine Corps | 6,833,100 | 7,365,040 | 7,345,340 | +512,240 | - 19,700 |
| Military Personnel, Air Force | 18,174,284 | 20,151,514 | 19,724,014 | +1,549,730 | -427,500 |
| Reserve Personnel, Army | 2,473,001 | 2,604,197 | 2,670,197 | +197,196 | +66,000 |
| Reserve Personnel, Navy | 1,576,174 | 1,643,523 | 1,654,523 | +78,349 | +11,000 |
| Reserve Personnel, Marine Corps | 448,886 | 463,300 | 471,200 | +22,314 | +7,900 |
| Reserve Personnel, Air Force | 971,024 | 1,055,160 | 1,061,160 | +90,136 | +6,000 |
| National Guard Personnel, Army | 3,782,536 | 4,014,135 | 4,041,695 | +259,159 | +27,560 |
| National Guard Personnel, Air Force | 1,641,081 | 1,776,744 | 1,784,654 | +143,573 | +7,910 |
| Total, title I, Military Personnel | 75,847,740 | 82,307,281 | 82,056,651 | +6,208,911 | - 250,630 |
| TITLE II | | | | | |
| OPERATION AND MAINTENANCE | | | | | |
| Operation and Maintenance, Army | 19,144,431 | 21,191,680 | 22,335,074 | +3,190,643 | +1,143,394 |
| (By transfer—National Defense Stockpile) | (50,000) | ..... | ..... | (- 50,000) | ..... |
| Operation and Maintenance, Navy | 23,419,360 | 26,961,382 | 26,876,636 | +3,457,276 | - 84,746 |
| (By transfer—National Defense Stockpile) | (50,000) | ..... | ..... | (- 50,000) | ..... |
| Operation and Maintenance, Marine Corps | 2,778,758 | 2,892,314 | 2,931,934 | +153,176 | +39,620 |
| Operation and Maintenance, Air Force | 22,383,521 | 26,146,770 | 26,026,789 | +3,643,268 | - 119,981 |
| (By transfer—National Defense Stockpile) | (50,000) | ..... | ..... | (- 50,000) | ..... |
| Operation and Maintenance, Defense-Wide | 11,844,480 | 12,518,631 | 12,773,270 | +928,790 | +254,639 |
| Operation and Maintenance, Army Reserve | 1,562,118 | 1,787,246 | 1,771,246 | +209,128 | - 16,000 |
| Operation and Maintenance, Navy Reserve | 978,946 | 1,003,690 | 1,003,690 | +24,744 | ..... |
| Operation and Maintenance, Marine Corps Reserve | 145,959 | 144,023 | 144,023 | - 1,936 | ..... |
| Operation and Maintenance, Air Force Reserve | 1,903,659 | 2,029,866 | 2,024,866 | +121,207 | - 5,000 |
| Operation and Maintenance, Army National Guard | 3,333,835 | 3,677,359 | 3,768,058 | +434,223 | +90,699 |
| Operation and Maintenance, Air National Guard | 3,474,375 | 3,867,361 | 3,988,961 | +514,586 | +121,600 |
| Overseas Contingency Operations Transfer Fund | 3,938,777 | 2,844,226 | 50,000 | - 3,888,777 | - 2,794,226 |
| United States Court of Appeals for the Armed Forces | 8,574 | 9,096 | 9,096 | +522 | ..... |
| Environmental Restoration, Army | 389,932 | 389,800 | 389,800 | - 132 | ..... |
| Environmental Restoration, Navy | 294,038 | 257,517 | 257,517 | - 36,521 | ..... |
| Environmental Restoration, Air Force | 376,300 | 385,437 | 385,437 | +9,137 | ..... |

DEFENSE, 2002

761

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

762

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Environmental Restoration, Defense-Wide | 21,412 | 23,492 | 23,492 | +2,080 | ..... |
| Environmental Restoration, Formerly Used Defense Sites | 231,499 | 190,255 | 222,255 | - 9,244 | +32,000 |
| Overseas Humanitarian, Disaster, and Civic Aid | 55,900 | 49,700 | 49,700 | - 6,200 | ..... |
| Former Soviet Union Threat Reduction | 443,400 | 403,000 | ..... | - 443,400 | - 403,000 |
| Quality of Life Enhancements, Defense | 160,500 | ..... | ..... | - 160,500 | ..... |
| Support for International Sporting Competitions, Defense ..... | ..... | 15,800 | 15,800 | +15,800 | ..... |
| Total, title II, Operation and maintenance | 96,889,774 | 106,788,645 | 105,047,644 | +8,157,870 | - 1,741,001 |
| (By transfer) | (150,000) | ..... | ..... | (- 150,000) | ..... |
| TITLE III | | | | | |
| PROCUREMENT | | | | | |
| Aircraft Procurement, Army | 1,571,812 | 1,925,491 | 1,984,391 | +412,579 | +58,900 |
| Missile Procurement, Army | 1,320,681 | 1,859,634 | 1,079,330 | - 241,351 | - 780,304 |
| Procurement of Weapons and Tracked Combat Vehicles, Army | 2,472,524 | 2,276,746 | 2,193,746 | - 278,778 | - 83,000 |
| Procurement of Ammunition, Army | 1,220,516 | 1,193,365 | 1,200,465 | - 20,051 | +7,100 |
| Other Procurement, Army | 4,497,009 | 3,961,737 | 4,183,736 | - 313,273 | +221,999 |
| Aircraft Procurement, Navy | 8,477,138 | 8,252,543 | 7,938,143 | - 538,995 | - 314,400 |
| Weapons Procurement, Navy | 1,461,600 | 1,433,475 | 1,429,592 | - 32,008 | - 3,883 |
| Procurement of Ammunition, Navy and Marine Corps | 498,349 | 457,099 | 461,399 | - 36,950 | +4,300 |
| Shipbuilding and Conversion, Navy | 11,614,633 | 9,344,121 | 9,490,039 | - 2,124,594 | +145,918 |
| Other Procurement, Navy | 3,557,380 | 4,097,576 | 4,270,976 | +713,596 | +173,400 |
| Procurement, Marine Corps | 1,233,268 | 981,724 | 995,442 | - 237,826 | +13,718 |
| Aircraft Procurement, Air Force | 7,583,345 | 10,744,458 | 10,567,038 | +2,983,693 | - 177,420 |
| Missile Procurement, Air Force | 2,863,778 | 3,233,536 | 2,989,524 | +125,746 | - 244,012 |
| Procurement of Ammunition, Air Force | 647,808 | 865,344 | 866,644 | +218,836 | +1,300 |
| Other Procurement, Air Force | 7,763,747 | 8,159,521 | 8,085,863 | +322,116 | - 73,658 |
| Procurement, Defense-Wide | 2,346,258 | 1,603,927 | 2,389,490 | +43,232 | +785,563 |
| Defense Production Act Purchases | 3,000 | 50,000 | 40,000 | +37,000 | - 10,000 |
| National Guard and Reserve Equipment | 100,000 | ..... | 699,130 | +599,130 | +699,130 |
| Total, title III, Procurement | 59,232,846 | 60,440,297 | 60,864,948 | +1,632,102 | +424,651 |

DEFENSE, 2002

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE IV | | | | | |
| RESEARCH, DEVELOPMENT, TEST AND EVALUATION | | | | | |
| Research, Development, Test and Evaluation, Army | 6,342,552 | 6,693,920 | 7,106,074 | +763,522 | +412,154 |
| Research, Development, Test and Evaluation, Navy | 9,494,374 | 11,123,389 | 11,498,506 | +2,004,132 | +375,117 |
| Research, Development, Test and Evaluation, Air Force | 14,138,244 | 14,343,982 | 14,669,931 | +531,687 | +325,949 |
| Research, Development, Test and Evaluation, Defense-Wide | 11,157,375 | 15,050,787 | 15,415,275 | +4,257,900 | +364,488 |
| Operational Test and Evaluation, Defense | 227,060 | 217,355 | 231,855 | +4,795 | +14,500 |
| Total, title IV, Research, Development, Test and Evaluation | 41,359,605 | 47,429,433 | 48,921,641 | +7,562,036 | +1,492,208 |
| TITLE V | | | | | |
| REVOLVING AND MANAGEMENT FUNDS | | | | | |
| Defense Working Capital Funds | 916,276 | 1,951,986 | 1,312,986 | +396,710 | - 639,000 |
| National Defense Sealift Fund: | | | | | |
| Ready Reserve Force | 270,500 | 506,408 | 432,408 | +161,908 | - 74,000 |
| Acquisition | 130,158 | ..... | ..... | - 130,158 | ..... |
| Subtotal | 400,658 | 506,408 | 432,408 | +31,750 | - 74,000 |
| National Defense Airlift Fund: | | | | | |
| C-17 | 2,170,923 | ..... | ..... | - 2,170,923 | ..... |
| C-17 advance procurement | 257,800 | ..... | ..... | - 257,800 | ..... |
| C-17 ICS | 412,200 | ..... | ..... | - 412,200 | ..... |
| Subtotal | 2,840,923 | ..... | ..... | - 2,840,923 | ..... |
| Total, title V, Revolving and Management Funds | 4,157,857 | 2,458,394 | 1,745,394 | - 2,412,463 | - 713,000 |
| TITLE VI | | | | | |
| OTHER DEPARTMENT OF DEFENSE PROGRAMS | | | | | |
| Defense Health Program: | | | | | |
| Operation and maintenance | 11,414,393 | 17,565,750 | 17,659,475 | +6,245,082 | +93,725 |
| Procurement | 290,006 | 267,915 | 267,915 | - 22,091 | ..... |

DEFENSE, 2002

763

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

764

DEFENSE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Research and development | 413,380 | 65,304 | 463,804 | +50,424 | +398,500 |
| Total, Defense Health Program | 12,117,779 | 17,898,969 | 18,391,194 | +6,273,415 | +492,225 |
| Chemical Agents and Munitions Destruction, Army: ¹ | | | | | |
| Operation and maintenance | 600,000 | 789,020 | 739,020 | +139,020 | - 50,000 |
| Procurement | 105,700 | 164,158 | 164,158 | +58,458 | ..... |
| Research, development, test and evaluation | 274,400 | 200,379 | 202,379 | - 72,021 | +2,000 |
| Total, Chemical Agents | 980,100 | 1,153,557 | 1,105,557 | +125,457 | - 48,000 |
| Drug Interdiction and Counter-Drug Activities, Defense | 869,000 | 820,381 | 842,581 | - 26,419 | +22,200 |
| Office of the Inspector General | 147,545 | 152,021 | 152,021 | +4,476 | ..... |
| Total, title VI, Other Department of Defense Programs | 14,114,424 | 20,024,928 | 20,491,353 | +6,376,929 | +466,425 |
| TITLE VII | | | | | |
| RELATED AGENCIES | | | | | |
| Central Intelligence Agency Retirement and Disability System Fund | 216,000 | 212,000 | 212,000 | - 4,000 | ..... |
| Intelligence Community Management Account | 148,631 | 152,776 | 160,429 | +11,798 | +7,653 |
| Transfer to Department of Justice | (34,100) | (27,000) | (42,752) | (+8,652) | (+15,752) |
| Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund | 60,000 | 25,000 | 67,500 | +7,500 | +42,500 |
| National Security Education Trust Fund | 6,950 | 8,000 | 8,000 | +1,050 | ..... |
| Total, title VII, Related agencies | 431,581 | 397,776 | 447,929 | +16,348 | +50,153 |
| TITLE VIII | | | | | |
| GENERAL PROVISIONS | | | | | |
| Additional transfer authority (Sec. 8005) | (2,000,000) | (2,500,000) | (2,000,000) | ..... | (- 500,000) |
| Indian Financing Act incentives (Sec. 8022) | 8,000 | ..... | 8,000 | ..... | +8,000 |
| FFRDCs (Sec. 8032f) ..... | ..... | ..... | - 40,000 | - 40,000 | - 40,000 |
| Disposal and lease of DOD real property (Sec. 8038) | 24,000 | 19,000 | 19,000 | - 5,000 | ..... |
| Overseas Mil Fac Invest Recovery (Sec. 8041) | 3,000 | 3,362 | 3,362 | +362 | ..... |
| Reserve Component Incentive and Bonus programs (8049) ..... | ..... | ..... | 10,000 | +10,000 | +10,000 |

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Rescissions (Sec. 8054) | - 546,980 | | - 531,475 | +15,505 | - 531,475 |
| Navy Working Capital Fund Cash Balances | - 800,000 | | | +800,000 | |
| Fuel Pricing/Rate Stabilization Adj | - 705,000 | | | +705,000 | |
| American Red Cross (Sec. 8087) | 5,000 | | 3,500 | - 1,500 | +3,500 |
| Excess Foreign Currency Cash Balance (Sec. 8095) | - 856,900 | | - 240,000 | +616,900 | - 240,000 |
| Legislative liaison savings (Sec. 8098) | | | - 50,000 | - 50,000 | - 50,000 |
| Travel cost growth (Sec. 8102) | | | - 262,000 | - 262,000 | - 262,000 |
| Travel Cards (Sec. 8103) | 5,000 | 8,000 | 8,000 | +3,000 | |
| Transfer to Department of Transportation | (10,000) | | | (- 10,000) | |
| United Service Organizations (Sec. 8111) | 7,500 | | 8,500 | +1,000 | +8,500 |
| Fort Des Moines Memorial Grant (Sec. 8116) | | | 4,500 | +4,500 | +4,500 |
| Davis Bacon Act Threshold Increase | | - 190,000 | | | +190,000 |
| Depot Maintenance Utilization Waiver | | - 140,000 | | | +140,000 |
| Performance Based Academic Model | 5,000 | | | - 5,000 | |
| BMDO Support reduction | - 14,000 | | | +14,000 | |
| Preservation of Democracy | 20,000 | | | - 20,000 | |
| Quarantine benefits | 1,000 | | | - 1,000 | |
| National D-Day Museum (Sec. 8117) | 2,100 | | 4,250 | +2,150 | +4,250 |
| Fisher House (Sec. 8119) | 2,000 | | 1,700 | - 300 | +1,700 |
| Eisenhower Commission (Sec. 8120c) | | | 2,600 | +2,600 | +2,600 |
| Zero emission steam technology demo (Sec. 8121) | 2,000 | | 1,700 | - 300 | +1,700 |
| Clear Radar Upgrade (Sec. 8122) | | | 8,000 | +8,000 | +8,000 |
| CAAS/Contract Growth (Sec. 8123) | - 71,367 | | - 1,650,000 | - 1,578,633 | - 1,650,000 |
| Defense Counter-Terrorism Fellowship prog. (Sec. 8125) | | | 17,900 | +17,900 | +17,900 |
| Chicago Military Academy | 5,000 | | | - 5,000 | |
| Ship scrapping initiative | 10,000 | | | - 10,000 | |
| U.S./China Security Review Commission | 3,000 | | | - 3,000 | |
| Gulf War Illness | 1,650 | | | - 1,650 | |
| Oakland military academy | 2,000 | | | - 2,000 | |
| Brownfield site | 2,000 | | | - 2,000 | |
| Excess Funded Carryover | - 92,700 | | | +92,700 | |
| Headquarters and Administration | - 159,076 | | | +159,076 | |
| Overseas Contingency Operation Transfer Fund | - 1,100,000 | | | +1,100,000 | |
| Utilities (Sec. 8135) | | | - 105,000 | - 105,000 | - 105,000 |
| USS Alabama Museum Memorial (Sec. 8138) | | | 4,200 | +4,200 | +4,200 |
| USS Intrepid Museum Memorial (Sec. 8139) | | | 4,250 | +4,250 | +4,250 |

DEFENSE, 2002

765

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

766

DEFENSE, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Fairchild Air Force Base (Sec. 8140) | | | 6,000 | +6,000 | +6,000 |
| Special Needs Learning Center (Sec. 8141) | | | 3,500 | +3,500 | +3,500 |
| Newmark (Sec. 8142) | 10,000 | | 8,500 | -1,500 | +8,500 |
| Tethered Aerostat Radar System (Sec. 8144) | | | 3,000 | +3,000 | +3,000 |
| Government Purchase Card (Sec. 8146) | | | -100,000 | -100,000 | -100,000 |
| Army Acquisition Restructuring (Sec. 8149) | | | -5,000 | -5,000 | -5,000 |
| Padgett Thomas Barracks (sec. 8158) | | | 15,000 | +15,000 | +15,000 |
| Armed Forces Retirement Home (Sec. 8163) | | | 5,200 | +5,200 | +5,200 |
| Total, title VIII (net) | -4,227,773 | -299,638 | -2,832,813 | +1,394,960 | -2,533,175 |
| TITLE IX | | | | | |
| COUNTER-TERRORISM AND DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION | | | | | |
| Counter-Terrorism and Operational Response Transfer Fund | | | 478,000 | +478,000 | +478,000 |
| Transfer to Department of Justice | | | (10,000) | (+10,000) | (+10,000) |
| Former Soviet Union Threat Reduction | | | 403,000 | +403,000 | +403,000 |
| Total, title IX, Counter-terrorism and Defense against Weapons of Mass Destruction.. | | | 881,000 | +881,000 | +881,000 |
| Total for the bill (net) | 287,806,054 | 319,547,116 | 317,623,747 | +29,817,693 | -1,923,369 |
| OTHER APPROPRIATIONS | | | | | |
| Miscellaneous Appropriations (P.L. 106-554): | | | | | |
| Repair of U.S.S. COLE | 150,000 | | | -150,000 | |
| Marine Corps Ground Task Force Training Command | 2,000 | | | -2,000 | |
| Overseas Contingency Operations Transfer Fund | 100,000 | | | -100,000 | |
| Defense Imagery and Mapping Agency | 2,000 | | | -2,000 | |
| Rapid diagnostic and fingerprinting techniques | 1,000 | | | -1,000 | |
| Fort Irwin National Training Center expansion: | | | | | |
| O and M, Army | 2,500 | | | -2,500 | |
| BLM, Management of Lands and Resources | 2,500 | | | -2,500 | |
| Supplemental (P.L. 107-20) (net) | 5,457,700 | | | -5,457,700 | |
| Emergency Response Fund (P.L. 107-38) | 5,460,400 | | | -5,460,400 | |

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Across the board cut (0.22%) | - 469,000 | ..... | ..... | +469,000 | ..... |
| Total, other appropriations | 10,709,100 | ..... | ..... | - 10,709,100 | ..... |
| Net total appropriations | 298,515,154 | 319,547,116 | 317,623,747 | +19,108,593 | - 1,923,369 |
| Other adjustments affecting the bill: | | | | | |
| Adjustment for unapprop'd balance transfer (Stockpile) | 150,000 | ..... | ..... | - 150,000 | ..... |
| Stockpile collections (unappropriated) | - 150,000 | - 150,000 | - 150,000 | ..... | ..... |
| Total adjustments ..... | ..... | - 150,000 | - 150,000 | - 150,000 | ..... |
| Net grand total | 298,515,154 | 319,397,116 | 317,473,747 | +18,958,593 | - 1,923,369 |
| Appropriations | (299,062,134) | (319,397,116) | (318,005,222) | (+18,943,088) | (- 1,391,894) |
| Rescissions | (- 546,980) | ..... | (- 531,475) | (+15,505) | (- 531,475) |

¹Included in Budget under Procurement title.

DEFENSE, 2002

767

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-96

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| FEDERAL FUNDS | | | | | |
| Federal payment for Resident Tuition Support | 17,000 | 17,000 | 17,000 | | |
| Federal payment to the Capitol City Career Development and Job Training Partnership | | | 500 | +500 | +500 |
| Federal payment to the Capitol Education Fund | | | 500 | +500 | +500 |
| Federal payment to the Metropolitan Kappa Youth Development Foundation, Inc | | | 450 | +450 | +450 |
| Federal payment for World Bank/IMF meeting | | 15,918 | | | - 15,918 |
| Federal payment to the Fire and Emergency Medical Services Department | | | 500 | +500 | +500 |
| Federal payment to the Chief Medical Examiner | | | 585 | +585 | +585 |
| Federal payment to the Youth Life Foundation | | | 250 | +250 | +250 |
| Federal payment to Food and Friends | | | 2,000 | +2,000 | +2,000 |
| Federal payment to the City Administrator | | | 300 | +300 | +300 |
| Federal payment to Southeastern University | | | 500 | +500 | +500 |
| Federal payment to the District Of Columbia Public Schools | 500 | | 2,500 | +2,000 | +2,500 |
| Federal payments for District of Columbia and Federal Law Enforcement Mobile Wireless Interoperability Project | | | 1,400 | +1,400 | +1,400 |
| Federal payment for Emergency Planning and Security Costs in the District of Columbia | | | 16,058 | +16,058 | +16,058 |
| Federal Payment to the Chief Financial Officer of the District of Columbia | 1,250 | | 8,300 | +7,050 | +8,300 |
| Supplemental funding | 750 | | | - 750 | |
| (By transfer, supplemental funding) | (250) | | | (- 250) | |
| Federal payment to the District of Columbia Corrections Trustee Operations | 134,200 | 32,700 | 30,200 | - 104,000 | - 2,500 |
| Federal payment to the District of Columbia Courts | 105,000 | 111,378 | 112,180 | +7,180 | +802 |
| Miscellaneous appropriations (P.L. 106-554) | 400 | | | - 400 | |
| Crime victims fund (Miscellaneous appropriations P.L. 106-554) ¹ | 18,000 | | | - 18,000 | |
| Federal payment for Family Court Act | | | 24,016 | +24,016 | +24,016 |
| Defender Services in District of Columbia Courts | 34,387 | 34,311 | 34,311 | - 76 | |
| Federal payment to the Court Services and Offender Supervision Agency for the District of Columbia | 112,527 | 147,300 | 147,300 | +34,773 | |
| Federal payment to the Children's National Medical Center | 500 | | 5,500 | +5,000 | +5,500 |
| St. Coletta of Greater Washington Expansion Project | 1,000 | | 2,000 | +1,000 | +2,000 |
| Federal payment to Faith and Politics Institute | | | 50 | +50 | +50 |
| Federal payment to the Thurgood Marshall Academy Charter School | | | 1,000 | +1,000 | +1,000 |
| Federal payment to the George Washington University Center for Excellence in Municipal Management | | | 250 | +250 | +250 |
| Court Appointed Special Advocates | | | 250 | +250 | +250 |
| Federal Contribution for Enforcement of Law Banning Possession of Tobacco Products by Minors (sec. 130) | 100 | | 100 | | +100 |

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-96—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Federal payment for Commercial Revitalization program | 1,500 | ..... | ..... | - 1,500 | ..... |
| Federal payment for Metropolitan Police Department | 100 | ..... | ..... | - 100 | ..... |
| Federal contribution to Covenant House Washington | 500 | ..... | ..... | - 500 | ..... |
| Federal payment of Washington Interfaith Network | 1,000 | ..... | ..... | - 1,000 | ..... |
| Federal payment for Plan to Simplify Employee Compensation Systems | 250 | ..... | ..... | - 250 | ..... |
| Metrorail construction | 25,000 | ..... | ..... | - 25,000 | ..... |
| Federal payment for Brownfield remediation | 3,450 | ..... | ..... | - 3,450 | ..... |
| Presidential Inauguration | 5,961 | ..... | ..... | - 5,961 | ..... |
| Child Advocacy Center | 500 | ..... | ..... | - 500 | ..... |
| District of Columbia Special Olympics | 250 | ..... | ..... | - 250 | ..... |
| Total, Federal funds to the District of Columbia | 464,125 | 358,607 | 408,000 | - 56,125 | +49,393 |
| DISTRICT OF COLUMBIA FUNDS | | | | | |
| OPERATING EXPENSES | | | | | |
| District of Columbia Financial Responsibility and Management Assistance Authority | <i>(3,140)</i> | ..... | ..... | <i>(- 3,140)</i> | ..... |
| Governmental direction and support | <i>(195,771)</i> | <i>(284,559)</i> | <i>(286,138)</i> | <i>(+90,367)</i> | <i>(+1,579)</i> |
| Supplemental funding | <i>(5,150)</i> | ..... | ..... | <i>(- 5,150)</i> | ..... |
| Economic development and regulation | <i>(205,638)</i> | <i>(230,878)</i> | <i>(230,878)</i> | <i>(+25,240)</i> | ..... |
| Supplemental funding | <i>(1,685)</i> | ..... | ..... | <i>(- 1,685)</i> | ..... |
| Public safety and justice | <i>(762,546)</i> | <i>(632,668)</i> | <i>(633,853)</i> | <i>(- 128,693)</i> | <i>(+1,185)</i> |
| Supplemental funding | <i>(8,871)</i> | ..... | ..... | <i>(- 8,871)</i> | ..... |
| Public education system | <i>(998,918)</i> | <i>(1,106,165)</i> | <i>(1,108,665)</i> | <i>(+109,747)</i> | <i>(+2,500)</i> |
| Supplemental funding | <i>(13,000)</i> | ..... | ..... | <i>(- 13,000)</i> | ..... |
| Human support services | <i>(1,535,654)</i> | <i>(1,803,923)</i> | <i>(1,803,923)</i> | <i>(+268,269)</i> | ..... |
| Supplemental funding | <i>(28,000)</i> | ..... | ..... | <i>(- 28,000)</i> | ..... |
| Public works | <i>(278,242)</i> | <i>(300,151)</i> | <i>(300,151)</i> | <i>(+21,909)</i> | ..... |
| Supplemental funding | <i>(131)</i> | ..... | ..... | <i>(- 131)</i> | ..... |
| Receivership Programs | <i>(389,528)</i> | <i>(403,368)</i> | <i>(403,868)</i> | <i>(+14,340)</i> | <i>(+500)</i> |
| Workforce Investments ..... | ..... | <i>(42,896)</i> | <i>(42,896)</i> | <i>(+42,896)</i> | ..... |
| Supplemental funding | <i>(40,500)</i> | ..... | ..... | <i>(- 40,500)</i> | ..... |
| Reserve | <i>(150,000)</i> | <i>(150,000)</i> | <i>(120,000)</i> | <i>(- 30,000)</i> | <i>(- 30,000)</i> |
| Reserve Relief ..... | ..... | ..... | <i>(30,000)</i> | <i>(+30,000)</i> | <i>(+30,000)</i> |
| Repayment of Loans and Interest | <i>(243,238)</i> | <i>(247,902)</i> | <i>(247,902)</i> | <i>(+4,664)</i> | ..... |
| Repayment of General Fund Recovery Debt | <i>(39,300)</i> | <i>(39,300)</i> | <i>(39,300)</i> | ..... | ..... |

DISTRICT OF COLUMBIA, 2002

769

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-96—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Payment of Interest on Short-Term Borrowing | (1,140) | (500) | (500) | (-640) | ..... |
| Presidential Inauguration | (5,961) | ..... | ..... | (-5,961) | ..... |
| Certificates of Participation | (7,950) | ..... | ..... | (-7,950) | ..... |
| Emergency Planning and Security Costs ..... | ..... | ..... | (16,058) | (+16,058) | (+16,058) |
| Security for meetings ..... | ..... | (15,918) | ..... | ..... | (-15,918) |
| Wilson Building | (8,409) | (8,859) | (8,859) | (+450) | ..... |
| Supplemental funding | (7,100) | ..... | ..... | (-7,100) | ..... |
| Optical and Dental Insurance Payments | (2,675) | ..... | ..... | (-2,675) | ..... |
| Management Supervisory Services | (13,200) | ..... | ..... | (-13,200) | ..... |
| Emergency Reserve Fund Transfer | (61,406) | (33,254) | (33,254) | (-28,152) | ..... |
| Operational Improvements Savings (including Managed Competition) | (-10,000) | ..... | ..... | (+10,000) | ..... |
| Management Reform Savings | (-37,000) | ..... | ..... | (+37,000) | ..... |
| Cafeteria Plan Savings | (-5,000) | ..... | ..... | (+5,000) | ..... |
| Non-Departmental Agency ..... | ..... | (5,799) | (5,799) | (+5,799) | ..... |
| Total, operating expenses, general fund | (4,955,153) | (5,306,140) | (5,312,044) | (+356,891) | (+5,904) |
| ENTERPRISE AND OTHER FUNDS | | | | | |
| Water and Sewer Authority | (275,705) | (244,978) | (244,978) | (-30,727) | ..... |
| Washington Aqueduct ..... | ..... | (46,510) | (46,510) | (+46,510) | ..... |
| Supplemental funding | (2,151) | ..... | ..... | (-2,151) | ..... |
| Stormwater Permit Compliance enterprise fund ..... | ..... | (3,100) | (3,100) | (+3,100) | ..... |
| Lottery and Charitable Games enterprise fund | (223,200) | (229,688) | (229,688) | (+6,488) | ..... |
| Sports and Entertainment Commission | (10,968) | (9,127) | (9,627) | (-1,341) | (+500) |
| Public Benefit Corporation | (78,235) | ..... | ..... | (-78,235) | ..... |
| District of Columbia Retirement Board | (11,414) | (13,388) | (13,388) | (+1,974) | ..... |
| Correctional Industries Fund | (1,808) | ..... | ..... | (-1,808) | ..... |
| Washington Convention Center enterprise fund | (52,726) | (57,278) | (57,278) | (+4,552) | ..... |
| Housing Finance Agency ..... | ..... | (4,711) | (4,711) | (+4,711) | ..... |
| National Capital Revitalization Corporation ..... | ..... | (2,673) | (2,673) | (+2,673) | ..... |
| Total, Enterprise Funds | (656,207) | (611,453) | (611,953) | (-44,254) | (+500) |
| Total, operating expenses | (5,611,360) | (5,917,593) | (5,923,997) | (+312,637) | (+6,404) |

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-96—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| CAPITAL OUTLAY | | | | | |
| General fund | (1,022,074) | (1,074,605) | (1,074,605) | (+52,531) | ..... |
| Water and Sewer Fund | (140,725) | (152,114) | (152,114) | (+11,389) | ..... |
| Total, Capital Outlay | (1,162,799) | (1,226,719) | (1,226,719) | (+63,920) | ..... |
| Total, District of Columbia funds | (6,774,159) | (7,144,312) | (7,150,716) | (+376,557) | (+6,404) |
| Total appropriations | 464,125 | 358,607 | 408,000 | - 56,125 | +49,393 |
| Other adjustments affecting the bill: | | | | | |
| Transfer land to Fairfax County | 1,000 | ..... | ..... | - 1,000 | ..... |
| Across-the-board cut (0.22%) (P.L. 106-554) | - 1,000 | ..... | ..... | +1,000 | ..... |
| Grand total: | | | | | |
| Federal Funds to the District of Columbia | 464,125 | 358,607 | 408,000 | - 56,125 | +49,393 |
| District of Columbia funds | (6,774,159) | (7,144,312) | (7,150,716) | (+376,557) | (+6,404) |

¹ Section 403 P.L. 106-554, 114 Stat. 2763a-188.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-66

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—DEPARTMENT OF DEFENSE—CIVIL | | | | | |
| DEPARTMENT OF THE ARMY | | | | | |
| CORPS OF ENGINEERS—CIVIL | | | | | |
| General investigations | 160,584 | 130,000 | 154,350 | - 6,234 | +24,350 |
| Construction, general | 1,716,165 | 1,324,000 | 1,715,951 | - 214 | +391,951 |
| Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee | 350,458 | 280,000 | 345,992 | - 4,466 | +65,992 |
| Supplemental appropriations (P.L. 107-20) | 9,000 | ..... | ..... | - 9,000 | ..... |
| Operation and maintenance, general | 1,897,775 | 1,745,000 | 1,874,803 | - 22,972 | +129,803 |
| Supplemental appropriations (P.L. 107-20) | 86,500 | ..... | ..... | - 86,500 | ..... |
| Flood control and coastal emergencies: | | | | | |
| Supplemental appropriations (P.L. 107-20) | 50,000 | ..... | ..... | - 50,000 | ..... |
| Rescission ..... | ..... | ..... | - 25,000 | - 25,000 | - 25,000 |
| Regulatory program | 124,725 | 128,000 | 127,000 | +2,275 | - 1,000 |
| Formerly Utilized Sites Remedial Action Program | 139,692 | 140,000 | 140,000 | +308 | ..... |
| General expenses | 151,666 | 153,000 | 153,000 | +1,334 | ..... |
| Total, title I, Department of Defense—Civil (net) | 4,686,565 | 3,900,000 | 4,486,096 | - 200,469 | +586,096 |
| TITLE II—DEPARTMENT OF THE INTERIOR | | | | | |
| CENTRAL UTAH PROJECT COMPLETION ACCOUNT | | | | | |
| Central Utah project construction | 19,524 | 24,169 | 24,169 | +4,645 | ..... |
| Fish, wildlife, and recreation mitigation and conservation | 14,136 | 10,749 | 10,749 | - 3,387 | ..... |
| Utah reclamation mitigation and conservation account | 4,989 | ..... | ..... | - 4,989 | ..... |
| Subtotal | 38,649 | 34,918 | 34,918 | - 3,731 | ..... |
| Program oversight and administration | 1,213 | 1,310 | 1,310 | +97 | ..... |
| Total, Central Utah project completion account | 39,862 | 36,228 | 36,228 | - 3,634 | ..... |
| BUREAU OF RECLAMATION | | | | | |
| Water and related resources | 678,953 | 647,997 | 762,531 | +83,578 | +114,534 |
| Loan program account | 9,348 | 7,495 | 7,495 | - 1,853 | ..... |
| (Limitation on direct loans) | (26,941) | (26,000) | (26,000) | (- 941) | ..... |

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-66—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Central Valley project restoration fund | 38,360 | 55,039 | 55,039 | +16,679 | ..... |
| California Bay-Delta restoration ..... | ..... | 20,000 | ..... | ..... | - 20,000 |
| Policy and administration | 50,114 | 52,968 | 52,968 | +2,854 | ..... |
| Total, Bureau of Reclamation | 776,775 | 783,499 | 878,033 | +101,258 | +94,534 |
| Total, title II, Department of the Interior | 816,637 | 819,727 | 914,261 | +97,624 | +94,534 |
| TITLE III—DEPARTMENT OF ENERGY | | | | | |
| Energy supply | 659,918 | 544,245 | 666,726 | +6,808 | +122,481 |
| Non-defense environmental management | 277,200 | 228,553 | 236,372 | - 40,828 | +7,819 |
| Supplemental appropriations (P.L. 107-20) | 11,950 | ..... | ..... | - 11,950 | ..... |
| Uranium facilities maintenance and remediation | 392,502 | 363,425 | 418,425 | +25,923 | +55,000 |
| Supplemental appropriations (P.L. 107-20) | 30,000 | ..... | ..... | - 30,000 | ..... |
| Science | 3,180,341 | 3,159,890 | 3,233,100 | +52,759 | +73,210 |
| Nuclear Waste Disposal | 190,654 | 134,979 | 95,000 | - 95,654 | - 39,979 |
| Departmental administration | 225,942 | 221,618 | 210,853 | - 15,089 | - 10,765 |
| Miscellaneous revenues | - 151,000 | - 137,810 | - 137,810 | +13,190 | ..... |
| Net appropriation | 74,942 | 83,808 | 73,043 | - 1,899 | - 10,765 |
| Office of the Inspector General | 31,430 | 31,430 | 32,430 | +1,000 | +1,000 |
| Environmental restoration and waste management: | | | | | |
| Defense function | (6,254,464) | (5,740,783) | (6,480,991) | (+226,527) | (+740,208) |
| Non-defense function | (711,652) | (591,978) | (654,797) | (- 56,855) | (+62,819) |
| Total | (6,966,116) | (6,332,761) | (7,135,788) | (+169,672) | (+803,027) |
| ATOMIC ENERGY DEFENSE ACTIVITIES | | | | | |
| National Nuclear Security Administration: | | | | | |
| Weapons activities | 5,006,153 | 5,300,025 | 5,429,238 | +423,085 | +129,213 |
| Supplemental appropriations (P.L. 107-20) | 126,625 | ..... | ..... | - 126,625 | ..... |
| Defense nuclear nonproliferation | 872,273 | 773,700 | 803,586 | - 68,687 | +29,886 |
| Naval reactors | 688,645 | 688,045 | 688,045 | - 600 | ..... |
| Office of the Administrator | 9,978 | 15,000 | 312,596 | +302,618 | +297,596 |

ENERGY AND WATER DEVELOPMENT, 2002

773

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-66—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Subtotal, National Nuclear Security Administration | 6,703,674 | 6,776,770 | 7,233,465 | +529,791 | +456,695 |
| ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES | | | | | |
| Defense environmental restoration and waste management | 4,963,533 | 4,548,708 | 5,234,576 | +271,043 | +685,868 |
| Supplemental appropriations (P.L. 107-20) | 95,000 | ..... | ..... | -95,000 | ..... |
| Defense facilities closure projects | 1,080,331 | 1,050,538 | 1,092,878 | +12,547 | +42,340 |
| Supplemental appropriations (P.L. 107-20) | 21,000 | ..... | ..... | -21,000 | ..... |
| Defense environmental management privatization | 65,000 | 141,537 | 153,537 | +88,537 | +12,000 |
| Supplemental appropriations (P.L. 107-20) | 29,600 | ..... | ..... | -29,600 | ..... |
| Subtotal, Defense environmental management | 6,254,464 | 5,740,783 | 6,480,991 | +226,527 | +740,208 |
| Other defense activities | 582,466 | 527,614 | 544,044 | -38,422 | +16,430 |
| Supplemental appropriations (P.L. 107-20) | 5,000 | ..... | ..... | -5,000 | ..... |
| Defense nuclear waste disposal | 199,725 | 310,000 | 280,000 | +80,275 | -30,000 |
| Total, Atomic Energy Defense Activities | 13,745,329 | 13,355,167 | 14,538,500 | +793,171 | +1,183,333 |
| POWER MARKETING ADMINISTRATIONS | | | | | |
| Operation and maintenance, Southeastern Power Administration | 3,891 | 4,891 | 4,891 | +1,000 | ..... |
| Operation and maintenance, Southwestern Power Administration | 28,038 | 28,038 | 28,038 | ..... | ..... |
| Construction, rehabilitation, operation and maintenance, Western Area Power Administration | 165,465 | 169,465 | 171,938 | +6,473 | +2,473 |
| Supplemental appropriations (P.L. 107-20) | 1,578 | ..... | ..... | -1,578 | ..... |
| Falcon and Amistad operating and maintenance fund | 2,663 | 2,663 | 2,663 | ..... | ..... |
| Total, Power Marketing Administrations | 201,635 | 205,057 | 207,530 | +5,895 | +2,473 |
| FEDERAL ENERGY REGULATORY COMMISSION | | | | | |
| Salaries and expenses | 175,200 | 181,155 | 184,155 | +8,955 | +3,000 |
| Revenues applied | -175,200 | -181,155 | -184,155 | -8,955 | -3,000 |
| Defense nuclear waste disposal (rescission) | -75,000 | ..... | ..... | +75,000 | ..... |
| Defense environmental privatization (rescission) | -97,000 | ..... | ..... | +97,000 | ..... |
| Total, title III, Department of Energy | 18,623,901 | 18,106,554 | 19,501,126 | +877,225 | +1,394,572 |

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-66—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE IV—INDEPENDENT AGENCIES | | | | | |
| Appalachian Regional Commission | 66,254 | 66,290 | 71,290 | +5,036 | +5,000 |
| Defense Nuclear Facilities Safety Board | 18,459 | 18,500 | 18,500 | +41 | ..... |
| Delta Regional Authority | 19,956 | 19,992 | 10,000 | -9,956 | -9,992 |
| Denali Commission | 29,934 | 29,939 | 38,000 | +8,066 | +8,061 |
| Nuclear Regulatory Commission: | | | | | |
| Salaries and expenses | 481,825 | 506,900 | 516,900 | +35,075 | +10,000 |
| Revenues | -447,958 | -463,248 | -473,520 | -25,562 | -10,272 |
| Subtotal | 33,867 | 43,652 | 43,380 | +9,513 | -272 |
| Office of Inspector General | 5,500 | 6,180 | 6,180 | +680 | ..... |
| Revenues | -5,390 | -5,932 | -5,933 | -543 | -1 |
| Subtotal | 110 | 248 | 247 | +137 | -1 |
| Total | 33,977 | 43,900 | 43,627 | +9,650 | -273 |
| Nuclear Waste Technical Review Board | 2,894 | 3,100 | 3,100 | +206 | ..... |
| Total, title IV, Independent agencies | 171,474 | 181,721 | 184,517 | +13,043 | +2,796 |
| EMERGENCY SUPPLEMENTAL | | | | | |
| DEPARTMENT OF ENERGY | | | | | |
| ATOMIC ENERGY DEFENSE ACTIVITIES | | | | | |
| Cerro Grande fire activities (contingent emergency) | 203,012 | ..... | ..... | -203,012 | ..... |
| Appalachian Regional Commission (contingent emergency) | 10,976 | ..... | ..... | -10,976 | ..... |
| Total, Emergency Supplemental | 213,988 | ..... | ..... | -213,988 | ..... |
| Net total appropriations | 24,512,565 | 23,008,002 | 25,086,000 | +573,435 | +2,077,998 |
| Other adjustments affecting the bill: | | | | | |
| URMCA—permanent authority from WAPA transfer | 1,000 | 1,227 | 6,000 | +5,000 | +4,773 |
| Sly Park Unit | -11,000 | ..... | ..... | +11,000 | ..... |
| OMB adjustment for across-the-board cut (0.22%) | 18 | ..... | ..... | -18 | ..... |

ENERGY AND WATER DEVELOPMENT, 2002

775

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-66—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Non-defense supp. carryover (P.L. 107-20) ..... | ..... | - 2,000 | - 2,000 | - 2,000 | ..... |
| Defense supp. carryover (P.L. 107-20) ..... | ..... | 3,000 | 3,000 | +3,000 | ..... |
| Total, adjustments | - 9,982 | 2,227 | 7,000 | +16,982 | +4,773 |
| Net grand total | 24,502,583 | 23,010,229 | 25,093,000 | +590,417 | +2,082,771 |
| Appropriations | (24,460,595) | (23,010,229) | (25,118,000) | (+657,405) | (+2,107,771) |
| Contingent emergency appropriations | (213,988) | ..... | ..... | (- 213,988) | ..... |
| Rescissions | (- 172,000) | ..... | (- 25,000) | (+147,000) | (- 25,000) |

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-115

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|---------------------------|---------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—EXPORT AND INVESTMENT ASSISTANCE | | | | | |
| EXPORT-IMPORT BANK OF THE UNITED STATES | | | | | |
| Subsidy appropriation | 865,000 | 633,323 | 727,323 | - 137,677 | +94,000 |
| (Direct loan authorization) | (865,000) | (152,000) | (950,000) | (+85,000) | (+798,000) |
| (Guaranteed loan authorization) | (13,535,000) | (11,335,000) | (12,700,000) | (- 835,000) | (+1,365,000) |
| Administrative expenses | 62,000 | 65,000 | 63,000 | +1,000 | - 2,000 |
| Negative subsidy | - 15,000 | - 11,000 | - 11,000 | +4,000 | ..... |
| Total, Export-Import Bank of the United States | 912,000 | 687,323 | 779,323 | - 132,677 | +92,000 |
| OVERSEAS PRIVATE INVESTMENT CORPORATION | | | | | |
| Noncredit account: | | | | | |
| Administrative expenses | 38,000 | 38,608 | 38,608 | +608 | ..... |
| Insurance fees and other offsetting collections | - 283,000 | - 290,000 | - 290,000 | - 7,000 | ..... |
| Program account | 24,000 | ..... | ..... | - 24,000 | ..... |
| (Direct loan authorization) | (127,000) | (45,000) | (45,000) | (- 82,000) | ..... |
| (Guaranteed loan authorization) | (1,000,000) | (1,152,000) | (1,152,000) | (+152,000) | ..... |
| Total, Overseas Private Investment Corporation | - 221,000 | - 251,392 | - 251,392 | - 30,392 | ..... |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| Trade and development agency | 50,000 | 50,024 | 50,024 | +24 | ..... |
| Total, title I, Export and investment assistance | 741,000 | 485,955 | 577,955 | - 163,045 | +92,000 |
| (Loan authorizations) | (15,527,000) | (12,684,000) | (14,847,000) | (- 680,000) | (+2,163,000) |
| TITLE II—BILATERAL ECONOMIC ASSISTANCE | | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT | | | | | |
| Child survival and health programs fund | 1,063,000 | 991,000 | 1,433,500 | +370,500 | +442,500 |
| Rescission of unobligated balances | - 10,000 | - 20,000 | ..... | +10,000 | +20,000 |
| UNICEF | (110,000) | (110,000) | (120,000) | (+10,000) | (+10,000) |
| Subtotal, Child survival (net) | 1,053,000 | 971,000 | 1,433,500 | +380,500 | +462,500 |

FOREIGN OPERATIONS, 2002

777

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-115—Continued

778

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Development assistance | 1,305,000 | 1,325,000 | 1,178,000 | - 127,000 | - 147,000 |
| International disaster assistance | 165,000 | 200,000 | 235,500 | +70,500 | +35,500 |
| Supplemental funding | 135,000 | ..... | ..... | - 135,000 | ..... |
| Transition Initiatives | 50,000 | 50,000 | 50,000 | ..... | ..... |
| (By transfer) | (5,000) | ..... | ..... | (- 5,000) | ..... |
| Micro & Small Enterprise Development program account: | | | | | |
| Subsidy appropriation | 1,500 | ..... | ..... | - 1,500 | ..... |
| (Guaranteed loan authorization) | (30,000) | ..... | ..... | (- 30,000) | ..... |
| Administrative expenses | 500 | ..... | ..... | - 500 | ..... |
| Development credit authority: | | | | | |
| Subsidy appropriation | 1,500 | ..... | ..... | - 1,500 | ..... |
| (By transfer) | (5,000) | (25,000) | (18,500) | (+13,500) | (- 6,500) |
| (Guaranteed loan authorization) | (49,700) | (355,000) | (267,500) | (+217,800) | (- 87,500) |
| Administrative expenses | 4,000 | 7,500 | 7,500 | +3,500 | ..... |
| Subtotal, development assistance | 2,715,500 | 2,553,500 | 2,904,500 | +189,000 | +351,000 |
| Payment to the Foreign Service Retirement and Disability Fund | 44,489 | 44,880 | 44,880 | +391 | ..... |
| Operating expenses of the United States Agency for International Development | 520,000 | 549,000 | 549,000 | +29,000 | ..... |
| (By transfer) | (1,000) | ..... | (3,500) | (+2,500) | (+3,500) |
| Supplemental funding | 13,000 | ..... | ..... | - 13,000 | ..... |
| Operating expenses of the United States Agency for Development Office of Inspector General | 27,000 | 32,000 | 31,500 | +4,500 | - 500 |
| Total, United States Agency for International Development | 3,319,989 | 3,179,380 | 3,529,880 | +209,891 | +350,500 |
| OTHER BILATERAL ECONOMIC ASSISTANCE | | | | | |
| Economic support fund: | | | | | |
| Camp David countries | 1,535,000 | 1,375,000 | 1,375,000 | - 160,000 | ..... |
| Other | 760,000 | 879,000 | 824,000 | +64,000 | - 55,000 |
| Rescission of unobligated balances | - 10,000 | - 5,000 | ..... | +10,000 | +5,000 |
| Subtotal, Economic support fund | 2,285,000 | 2,249,000 | 2,199,000 | - 86,000 | - 50,000 |
| International Fund for Ireland | 25,000 | ..... | 25,000 | ..... | +25,000 |
| Assistance for Eastern Europe and the Baltic States | 600,000 | 605,000 | 621,000 | +21,000 | +16,000 |
| Supplemental funding | 75,825 | ..... | ..... | - 75,825 | ..... |

FOREIGN OPERATIONS, 2002

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-115—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (–) | |
|--|------------------------------|------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Assistance for the Independent States of the former Soviet Union | 810,000 | 808,000 | 784,000 | – 26,000 | – 24,000 |
| Total, Other Bilateral Economic Assistance | 3,795,825 | 3,662,000 | 3,629,000 | – 166,825 | – 33,000 |
| INDEPENDENT AGENCIES | | | | | |
| INTER-AMERICAN FOUNDATION | | | | | |
| Appropriation | | | 13,107 | +13,107 | +13,107 |
| (By transfer) | (12,000) | (12,108) | | (– 12,000) | (– 12,108) |
| AFRICAN DEVELOPMENT FOUNDATION | | | | | |
| Appropriation | | | 16,542 | +16,542 | +16,542 |
| (By transfer) | (16,000) | (16,042) | | (– 16,000) | (– 16,042) |
| PEACE CORPS | | | | | |
| Appropriation | 265,000 | 275,000 | 275,000 | +10,000 | |
| DEPARTMENT OF STATE | | | | | |
| International narcotics control and law enforcement | 325,000 | 217,000 | 217,000 | – 108,000 | |
| Andean Counterdrug Initiative | | 731,000 | 625,000 | +625,000 | – 106,000 |
| Migration and refugee assistance | 700,000 | 715,000 | 705,000 | +5,000 | – 10,000 |
| United States Emergency Refugee and Migration Assistance Fund | 15,000 | 15,000 | 15,000 | | |
| Nonproliferation, anti-terrorism, demining and related programs | 311,600 | 332,000 | 313,500 | +1,900 | – 18,500 |
| Subtotal, Department of State | 1,351,600 | 2,010,000 | 1,875,500 | +523,900 | – 134,500 |
| DEPARTMENT OF THE TREASURY | | | | | |
| International affairs technical assistance | 6,000 | 6,000 | 6,500 | +500 | +500 |
| Global Fund to Fight HIV/AIDS, Malaria, & Tuberculosis | | 100,000 | | | – 100,000 |
| Debt restructuring | 238,000 | 224,000 | 229,000 | – 9,000 | +5,000 |
| Supplemental funding | 210,000 | | | – 210,000 | |
| United States community adjustment and investment program | | 500 | | | – 500 |
| Subtotal, Department of the Treasury | 454,000 | 330,500 | 235,500 | – 218,500 | – 95,000 |
| Total, title II, Bilateral economic assistance | 9,186,414 | 9,456,880 | 9,574,529 | +388,115 | +117,649 |
| Appropriations | (8,772,589) | (9,481,880) | (9,574,529) | (+801,940) | (+92,649) |
| Emergency appropriations | (433,825) | | | (– 433,825) | |
| Rescission | (– 20,000) | (– 25,000) | | (+20,000) | (+25,000) |

FOREIGN OPERATIONS, 2002

779

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-115—Continued

780

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| (By transfer) | (39,000) | (53,150) | (22,000) | (- 17,000) | (- 31,150) |
| (Loan authorizations) | (79,700) | (355,000) | (267,500) | (+187,800) | (- 87,500) |
| TITLE III—MILITARY ASSISTANCE | | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| International Military Education and Training | 55,000 | 65,000 | 70,000 | +15,000 | +5,000 |
| Supplemental funding | 2,875 | ..... | ..... | - 2,875 | ..... |
| Foreign Military Financing Program: | | | | | |
| Grants: | | | | | |
| Camp David countries | 3,280,000 | 3,340,000 | 3,340,000 | +60,000 | ..... |
| Other | 265,000 | 334,000 | 310,000 | +45,000 | - 24,000 |
| Subtotal, grants | 3,545,000 | 3,674,000 | 3,650,000 | +105,000 | - 24,000 |
| (Limitation on administrative expenses) | (33,000) | (35,000) | (35,000) | (+2,000) | ..... |
| Supplemental funding | 31,000 | ..... | ..... | - 31,000 | ..... |
| Total, Foreign Military Financing | 3,576,000 | 3,674,000 | 3,650,000 | +74,000 | - 24,000 |
| Peacekeeping operations | 127,000 | 135,000 | 135,000 | +8,000 | ..... |
| Total, title III, Military assistance | 3,760,875 | 3,874,000 | 3,855,000 | +94,125 | - 19,000 |
| Appropriations | (3,727,000) | (3,874,000) | (3,855,000) | (+128,000) | (- 19,000) |
| Emergency appropriations | (33,875) | ..... | ..... | (- 33,875) | ..... |
| (Limitation on administrative expenses) | (33,000) | (35,000) | (35,000) | (+2,000) | ..... |
| TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE | | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| INTERNATIONAL FINANCIAL INSTITUTIONS | | | | | |
| WORLD BANK GROUP | | | | | |
| Contribution to the International Bank for Reconstruction and Development: | | | | | |
| Global Environment Facility | 108,000 | 107,500 | 100,500 | - 7,500 | - 7,000 |
| Contribution to the International Development Association | 775,000 | 803,400 | 792,400 | +17,400 | - 11,000 |

FOREIGN OPERATIONS, 2002

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-115—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Contribution to Multilateral Investment Guarantee Agency | 10,000 | 10,000 | 5,000 | - 5,000 | - 5,000 |
| (Limitation on callable capital subscriptions) | (50,000) | (50,000) | (25,000) | (- 25,000) | (- 25,000) |
| Total, World Bank Group | 893,000 | 920,900 | 897,900 | +4,900 | - 23,000 |
| Contribution to the Inter-American Development Bank: | | | | | |
| Contribution to the Inter-American Investment Corporation | 25,000 | 25,000 | 18,000 | - 7,000 | - 7,000 |
| Contribution to the Enterprise for the Americas Multilateral Investment Fund | 10,000 | ..... | ..... | - 10,000 | ..... |
| Total, contribution to the Inter-American Development Bank | 35,000 | 25,000 | 18,000 | - 17,000 | - 7,000 |
| Contribution to the Asian Development Bank: | | | | | |
| Contribution to the Asian Development Fund | 72,000 | 103,017 | 98,017 | +26,017 | - 5,000 |
| Contribution to the African Development Bank: | | | | | |
| Paid-in capital | 6,100 | 5,100 | 5,100 | - 1,000 | ..... |
| (Limitation on callable capital subscriptions) | (97,549) | (79,992) | (79,992) | (- 17,557) | ..... |
| Contribution to the African Development Fund | 100,000 | 100,000 | 100,000 | ..... | ..... |
| Total | 106,100 | 105,100 | 105,100 | - 1,000 | ..... |
| Contribution to the European Bank for Reconstruction and Development: | | | | | |
| Paid-in capital | 35,779 | 35,779 | 35,779 | ..... | ..... |
| (Limitation on callable capital subscriptions) | (123,238) | (123,238) | (123,238) | ..... | ..... |
| Contribution to the International Fund for Agricultural Development | 5,000 | 20,000 | 20,000 | +15,000 | ..... |
| Total, International Financial Institutions | 1,146,879 | 1,209,796 | 1,174,796 | +27,917 | - 35,000 |
| (Limitation on callable capital subscript) | (270,787) | (253,230) | (228,230) | (- 42,557) | (- 25,000) |
| INTERNATIONAL ORGANIZATIONS AND PROGRAMS | | | | | |
| Appropriation | 186,000 | 186,000 | 208,500 | +22,500 | +22,500 |
| Total, title IV, Multilateral economic assistance | 1,332,879 | 1,395,796 | 1,383,296 | +50,417 | - 12,500 |
| (Limitation on callable capital subscript) | (270,787) | (253,230) | (228,230) | (- 42,557) | (- 25,000) |
| Total appropriations | 15,021,168 | 15,212,631 | 15,390,780 | +369,612 | +178,149 |
| Other adjustments affecting the bill: | | | | | |
| Across-the-board cut (0.22%) | - 33,000 | ..... | ..... | +33,000 | ..... |

FOREIGN OPERATIONS, 2002

781

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-115—Continued

[Amounts in thousands of dollars]

782

FOREIGN OPERATIONS, 2002

| | Enacted, fiscal year 2001 | Budget request fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Grand total | 14,988,168 | 15,212,631 | 15,390,780 | +402,612 | +178,149 |
| Appropriations | (14,540,468) | (15,237,631) | (15,390,780) | (+850,312) | (+153,149) |
| Rescissions | (- 20,000) | (- 25,000) | ..... | (+20,000) | (+25,000) |
| Emergency appropriations | (467,700) | ..... | ..... | (- 467,700) | ..... |
| (By transfer) | (39,000) | (53,150) | (22,000) | (- 17,000) | (- 31,150) |
| (Limitation on administrative expenses) | (33,000) | (35,000) | (35,000) | (+2,000) | ..... |
| (Limitation on callable capital subscript) | (270,787) | (253,230) | (228,230) | (- 42,557) | (- 25,000) |
| (Loan authorizations) | (15,606,700) | (13,039,000) | (15,114,500) | (- 492,200) | (+2,075,500) |

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—DEPARTMENT OF THE INTERIOR | | | | | |
| BUREAU OF LAND MANAGEMENT | | | | | |
| Management of lands and resources | 733,116 | 734,312 | 746,632 | +13,516 | +12,320 |
| Emergency appropriations | 17,134 | ..... | ..... | - 17,134 | ..... |
| Conservation ..... | ..... | 26,000 | 29,000 | +29,000 | +3,000 |
| Supplemental appropriations (P.L. 107-20) | 3,000 | ..... | ..... | - 3,000 | ..... |
| Total, Management of lands and resources | 753,250 | 760,312 | 775,632 | +22,382 | +15,320 |
| Wildland fire management: | | | | | |
| Preparedness | 314,712 | 280,807 | 280,807 | - 33,905 | ..... |
| Fire suppression operations | 109,865 | 161,424 | 127,424 | +17,559 | - 34,000 |
| Other operations | 9,978 | 216,190 | 216,190 | +206,212 | ..... |
| Contingent emergency appropriations | 542,544 | ..... | - 542,544 | ..... | ..... |
| Contingent emergency appropriations (Suppression) ..... | ..... | ..... | 34,000 | +34,000 | +34,000 |
| Contingent emergency appropriations (Other operations) ..... | ..... | ..... | 20,000 | +20,000 | +20,000 |
| Total, Wildland fire management | 977,099 | 658,421 | 678,421 | - 298,678 | +20,000 |
| Central hazardous materials fund | 9,978 | 9,978 | 9,978 | ..... | ..... |
| Construction | 16,823 | 10,976 | 13,076 | - 3,747 | +2,100 |
| Payments in lieu of taxes | 199,560 | 150,000 | 160,000 | - 39,560 | +10,000 |
| Conservation ..... | ..... | ..... | 50,000 | +50,000 | +50,000 |
| Total, Payments in lieu of taxes | 199,560 | 150,000 | 210,000 | +10,440 | +60,000 |
| Land acquisition | 56,545 | ..... | ..... | - 56,545 | ..... |
| Conservation ..... | ..... | 47,686 | 49,920 | +49,920 | +2,234 |
| Oregon and California grant lands | 104,038 | 105,165 | 105,165 | +1,127 | ..... |
| Range improvements (indefinite) | 10,000 | 10,000 | 10,000 | ..... | ..... |
| Service charges, deposits, and forfeitures (indefinite) | 7,484 | 8,000 | 8,000 | +516 | ..... |
| Miscellaneous trust funds (indefinite) | 12,405 | 11,000 | 11,000 | - 1,405 | ..... |
| Total, Bureau of Land Management | 2,147,182 | 1,771,538 | 1,871,192 | - 275,990 | +99,654 |
| Appropriations | (1,587,504) | (1,697,852) | (1,688,272) | (+100,768) | (- 9,580) |
| Conservation ..... | ..... | (73,686) | (128,920) | (+128,920) | (+55,234) |
| Emergency appropriations | (17,134) | ..... | ..... | (- 17,134) | ..... |

INTERIOR, 2002

783

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

784

INTERIOR, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Contingent emergency appropriations | (542,544) | ..... | (54,000) | (- 488,544) | (+54,000) |
| UNITED STATES FISH AND WILDLIFE SERVICE | | | | | |
| Resource management | 800,330 | 779,752 | 819,597 | +19,267 | +39,845 |
| Emergency appropriations | 6,486 | ..... | ..... | - 6,486 | ..... |
| Conservation ..... | ..... | 27,000 | 31,000 | +31,000 | +4,000 |
| Total, Resource management | 806,816 | 806,752 | 850,597 | +43,781 | +43,845 |
| Construction | 62,877 | 35,849 | 55,543 | - 7,334 | +19,694 |
| Emergency appropriations | 8,481 | ..... | ..... | - 8,481 | ..... |
| Supplemental appropriations (P.L. 107-20) | 17,700 | ..... | ..... | - 17,700 | ..... |
| Total, Construction | 89,058 | 35,849 | 55,543 | - 33,515 | +19,694 |
| Land acquisition | 121,188 | ..... | ..... | - 121,188 | ..... |
| Conservation ..... | ..... | 164,401 | 99,135 | +99,135 | - 65,266 |
| Landowner incentive program (conservation) ..... | ..... | ..... | 40,000 | +40,000 | +40,000 |
| Private stewardship grants program (conservation) ..... | ..... | ..... | 10,000 | +10,000 | +10,000 |
| Cooperative endangered species conservation fund | 104,694 | ..... | ..... | - 104,694 | ..... |
| Conservation ..... | ..... | 54,694 | 96,235 | +96,235 | +41,541 |
| National wildlife refuge fund | 11,414 | 11,414 | 14,414 | +3,000 | +3,000 |
| North American wetlands conservation fund | 39,912 | ..... | ..... | - 39,912 | ..... |
| Conservation ..... | ..... | 14,912 | 43,500 | +43,500 | +28,588 |
| Neotropical migratory birds conservation fund ..... | ..... | ..... | 3,000 | +3,000 | +3,000 |
| Wildlife conservation and appreciation fund | 795 | ..... | ..... | - 795 | ..... |
| Multinational species conservation fund | 3,243 | 3,243 | 4,000 | +757 | +757 |
| State wildlife grants fund | 49,890 | ..... | ..... | - 49,890 | ..... |
| Conservation ..... | ..... | ..... | 85,000 | +85,000 | +85,000 |
| Rescission ..... | ..... | ..... | - 25,000 | - 25,000 | - 25,000 |
| Total, State wildlife grants fund (net) | 49,890 | ..... | 60,000 | +10,110 | +60,000 |
| Total, United States Fish and Wildlife Service (net) | 1,227,010 | 1,091,265 | 1,276,424 | +49,414 | +185,159 |
| Appropriations | (1,212,043) | (830,258) | (896,554) | (- 315,489) | (+66,296) |
| Rescission ..... | ..... | ..... | (- 25,000) | (- 25,000) | (- 25,000) |
| Conservation ..... | ..... | (261,007) | (404,870) | (+404,870) | (+143,863) |
| Emergency appropriations | (14,967) | ..... | ..... | (- 14,967) | ..... |

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| NATIONAL PARK SERVICE | | | | | |
| Operation of the national park system | 1,386,190 | 1,468,499 | 1,474,977 | +88,787 | +6,478 |
| Conservation ..... | ..... | 2,000 | 2,000 | +2,000 | ..... |
| Total, Operation of the national park system | 1,386,190 | 1,470,499 | 1,476,977 | +90,787 | +6,478 |
| United States Park Police | 77,876 | 65,260 | 65,260 | -12,616 | ..... |
| Supplemental appropriations (P.L. 107-20) | 1,700 | ..... | ..... | -1,700 | ..... |
| Total, United States Park Police | 79,576 | 65,260 | 65,260 | -14,316 | ..... |
| National recreation and preservation | 59,827 | 48,039 | 66,159 | +6,332 | +18,120 |
| Urban park and recreation fund | 29,934 | ..... | ..... | -29,934 | ..... |
| Conservation ..... | ..... | ..... | 30,000 | +30,000 | +30,000 |
| Historic preservation fund | 94,239 | ..... | ..... | -94,239 | ..... |
| Conservation ..... | ..... | 67,055 | 74,500 | +74,500 | +7,445 |
| Construction | 295,024 | 289,802 | 299,193 | +4,169 | +9,391 |
| Emergency appropriations | 5,288 | ..... | ..... | -5,288 | ..... |
| Conservation ..... | ..... | 50,000 | 66,851 | +66,851 | +16,851 |
| Total, Construction | 300,312 | 339,802 | 366,044 | +65,732 | +26,242 |
| Land and water conservation fund (rescission of contract authority) | -30,000 | -30,000 | -30,000 | ..... | ..... |
| Land acquisition and state assistance | 215,141 | ..... | ..... | -215,141 | ..... |
| Conservation ..... | ..... | 557,036 | 274,117 | +274,117 | -282,919 |
| Total, National Park Service (net) | 2,135,219 | 2,517,691 | 2,323,057 | +187,838 | -194,634 |
| Appropriations | (2,159,931) | (1,871,600) | (1,905,589) | (-254,342) | (+33,989) |
| Rescission | (-30,000) | (-30,000) | (-30,000) | ..... | ..... |
| Conservation ..... | ..... | (676,091) | (447,468) | (+447,468) | (-228,623) |
| Emergency appropriations | (5,288) | ..... | ..... | (-5,288) | ..... |
| UNITED STATES GEOLOGICAL SURVEY | | | | | |
| Surveys, investigations, and research | 880,106 | 813,376 | 889,002 | +8,896 | +75,626 |
| Emergency appropriations | 2,694 | ..... | ..... | -2,694 | ..... |
| Conservation ..... | ..... | ..... | 25,000 | +25,000 | +25,000 |
| Total, United States Geological Survey | 882,800 | 813,376 | 914,002 | +31,202 | +100,626 |

INTERIOR, 2002

785

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| MINERALS MANAGEMENT SERVICE | | | | | |
| Royalty and offshore minerals management | 240,526 | 252,098 | 253,397 | +12,871 | +1,299 |
| Use of receipts | -107,410 | -102,730 | -102,730 | +4,680 | ..... |
| Oil spill research | 6,105 | 6,105 | 6,105 | ..... | ..... |
| Total, Minerals Management Service | 139,221 | 155,473 | 156,772 | +17,551 | +1,299 |
| OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT | | | | | |
| Regulation and technology | 100,580 | 101,900 | 102,800 | +2,220 | +900 |
| Receipts from performance bond forfeitures (indefinite) | 274 | 275 | 275 | +1 | ..... |
| Total | 100,854 | 102,175 | 103,075 | +2,221 | +900 |
| Abandoned mine reclamation fund (definite, trust fund) | 201,992 | 166,783 | 203,455 | +1,463 | +36,672 |
| Total, Office of Surface Mining Reclamation and Enforcement | 302,846 | 268,958 | 306,530 | +3,684 | +37,572 |
| BUREAU OF INDIAN AFFAIRS | | | | | |
| Operation of Indian programs | 1,737,378 | 1,780,486 | 1,799,809 | +62,431 | +19,323 |
| Emergency appropriations | 1,197 | ..... | ..... | -1,197 | ..... |
| Supplemental appropriations (P.L. 107-20) | 50,000 | ..... | ..... | -50,000 | ..... |
| Total, Operation of Indian programs | 1,788,575 | 1,780,486 | 1,799,809 | +11,234 | +19,323 |
| Construction | 356,618 | 357,132 | 357,132 | +514 | ..... |
| Indian land and water claim settlements and miscellaneous payments to Indians | 37,443 | 60,949 | 60,949 | +23,506 | ..... |
| Indian guaranteed loan program account | 4,977 | 4,986 | 4,986 | +9 | ..... |
| (Limitation on guaranteed loans) | (59,551) | (75,000) | (75,000) | (+15,449) | ..... |
| Total, Bureau of Indian Affairs | 2,187,613 | 2,203,553 | 2,222,876 | +35,263 | +19,323 |
| DEPARTMENTAL OFFICES | | | | | |
| Insular Affairs: | | | | | |
| Assistance to Territories | 47,646 | 41,730 | 51,230 | +3,584 | +9,500 |
| Northern Marianas | 27,720 | 27,720 | 27,720 | ..... | ..... |
| Subtotal, Assistance to Territories | 75,366 | 69,450 | 78,950 | +3,584 | +9,500 |
| Compact of Free Association | 8,726 | 8,745 | 8,745 | +19 | ..... |

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Mandatory payments | 12,000 | 14,500 | 14,500 | +2,500 | ..... |
| Subtotal, Compact of Free Association | 20,726 | 23,245 | 23,245 | +2,519 | ..... |
| Total, Insular Affairs | 96,092 | 92,695 | 102,195 | +6,103 | +9,500 |
| Departmental management | 64,178 | 64,177 | 67,741 | +3,563 | +3,564 |
| Office of the Solicitor | 40,108 | 42,207 | 45,000 | +4,892 | +2,793 |
| Office of Inspector General | 27,785 | 30,490 | 34,302 | +6,517 | +3,812 |
| Office of the Special Trustee for American Indians | 82,446 | 99,224 | 99,224 | +16,778 | ..... |
| Emergency appropriations | 27,539 | ..... | ..... | -27,539 | ..... |
| Indian land consolidation pilot | 8,980 | 10,980 | 10,980 | +2,000 | ..... |
| Natural resource damage assessment fund | 5,391 | 5,497 | 5,497 | +106 | ..... |
| Total, Departmental Offices | 352,519 | 345,270 | 364,939 | +12,420 | +19,669 |
| GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR | | | | | |
| Abandoned mine/acid mine drainage (PA) | 12,572 | ..... | ..... | -12,572 | ..... |
| Total, title I, Department of the Interior (net) | 9,386,982 | 9,167,124 | 9,435,792 | +48,810 | +268,668 |
| Appropriations | (8,805,619) | (8,186,340) | (8,430,534) | (-375,085) | (+244,194) |
| Conservation ..... | ..... | (1,010,784) | (1,006,258) | (+1,006,258) | (-4,526) |
| Rescissions | (-30,000) | (-30,000) | (-55,000) | (-25,000) | (-25,000) |
| Emergency appropriations | (68,819) | ..... | ..... | (-68,819) | ..... |
| Contingent emergency appropriations | (542,544) | ..... | (54,000) | (-488,544) | (+54,000) |
| (Limitation on guaranteed loans) | (59,551) | (75,000) | (75,000) | (+15,449) | ..... |
| TITLE II—RELATED AGENCIES | | | | | |
| DEPARTMENT OF AGRICULTURE | | | | | |
| FOREST SERVICE | | | | | |
| Forest and rangeland research | 229,111 | 234,979 | 241,304 | +12,193 | +6,325 |
| Supplemental appropriations (P.L. 107-20) | 1,400 | ..... | ..... | -1,400 | ..... |
| Total, Forest and rangeland research | 230,511 | 234,979 | 241,304 | +10,793 | +6,325 |
| State and private forestry | 271,854 | 176,244 | 190,221 | -81,633 | +13,977 |

INTERIOR, 2002

787

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Conservation | | 61,585 | 101,000 | +101,000 | +39,415 |
| Contingent emergency appropriations | 12,473 | | | - 12,473 | |
| Emergency appropriations | 11,269 | | | - 11,269 | |
| Supplemental appropriations (P.L. 107-20) | 24,500 | | | - 24,500 | |
| Total, State and private forestry | 320,096 | 237,829 | 291,221 | - 28,875 | +53,392 |
| National forest system | 1,297,832 | 1,314,191 | 1,331,439 | +33,607 | +17,248 |
| Emergency appropriations | 7,233 | | | - 7,233 | |
| Supplemental appropriations (P.L. 107-20) | 12,000 | | | - 12,000 | |
| Total, National forest system | 1,317,065 | 1,314,191 | 1,331,439 | +14,374 | +17,248 |
| Wildland fire management: | | | | | |
| Preparedness | 611,143 | 622,618 | 622,618 | +11,475 | |
| Fire suppression operations | 226,140 | 321,321 | 255,321 | +29,181 | - 66,000 |
| Other operations | | 336,410 | 336,410 | +336,410 | |
| Contingent emergency appropriations | 1,042,975 | | | - 1,042,975 | |
| Contingent emergency appropriations (Suppression) | | | 266,000 | +266,000 | +266,000 |
| Contingent emergency appropriations (Other operations) | | | 80,000 | +80,000 | +80,000 |
| Total, Wildland fire management | 1,880,258 | 1,280,349 | 1,560,349 | - 319,909 | +280,000 |
| Capital improvement and maintenance | 517,427 | 473,230 | 485,188 | - 32,239 | +11,958 |
| Conservation | | 50,497 | 61,000 | +61,000 | +10,503 |
| Supplemental appropriations (P.L. 107-20) | 4,000 | | | - 4,000 | |
| Total, Capital improvement and maintenance | 521,427 | 523,727 | 546,188 | +24,761 | +22,461 |
| Land acquisition | 150,872 | | | - 150,872 | |
| Conservation | | 130,877 | 149,742 | +149,742 | +18,865 |
| Acquisition of lands for national forests, special acts | 1,067 | 1,069 | 1,069 | +2 | |
| Acquisition of lands to complete land exchanges (indefinite) | 233 | 234 | 234 | +1 | |
| Range betterment fund (indefinite) | 3,293 | 3,290 | 3,290 | - 3 | |
| Gifts, donations and bequests for forest and rangeland research | 92 | 92 | 92 | | |
| Management of national forest lands for subsistence uses | 5,488 | 5,488 | 5,488 | | |
| Southeast Alaska economic disaster fund | 4,989 | | | - 4,989 | |
| Total, Forest Service | 4,435,391 | 3,732,125 | 4,130,416 | - 304,975 | +398,291 |

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Appropriations | (3,361,441) | (3,487,166) | (3,470,674) | (+109,233) | (- 16,492) |
| Conservation ..... | ..... | (244,959) | (313,742) | (+313,742) | (+68,783) |
| Emergency appropriations | (18,502) | ..... | ..... | (- 18,502) | ..... |
| Contingent emergency appropriations | (1,055,448) | ..... | (346,000) | (- 709,448) | (+346,000) |
| DEPARTMENT OF ENERGY | | | | | |
| Clean coal technology: Deferral | - 67,000 | ..... | - 40,000 | +27,000 | - 40,000 |
| Fossil energy research and development | 432,464 | 449,000 | 582,790 | +150,326 | +133,790 |
| Strategic petroleum account (by transfer) | (12,000) | ..... | ..... | (- 12,000) | ..... |
| Clean coal technology (by transfer) | (95,000) | ..... | (33,700) | (- 61,300) | (+33,700) |
| Alternative fuels production (rescission) | - 1,000 | - 2,000 | - 2,000 | - 1,000 | ..... |
| Naval petroleum and oil shale reserves | 1,596 | 17,371 | 17,371 | +15,775 | ..... |
| Elk Hills School lands fund ..... | ..... | 36,000 | ..... | ..... | - 36,000 |
| Advance appropriations, Fiscal year 2002 | 36,000 | ..... | ..... | - 36,000 | ..... |
| Advance appropriations, Fiscal year 2003 ..... | ..... | ..... | 36,000 | +36,000 | +36,000 |
| Energy conservation | 813,442 | 755,805 | 912,805 | +99,363 | +157,000 |
| Biomass energy development (by transfer) | (2,000) | ..... | ..... | (- 2,000) | ..... |
| Economic regulation | 1,996 | 1,996 | 1,996 | ..... | ..... |
| Strategic petroleum reserve | 160,637 | 169,009 | 179,009 | +18,372 | +10,000 |
| (By transfer) | (4,000) | ..... | ..... | (- 4,000) | ..... |
| Energy Information Administration | 75,509 | 75,499 | 78,499 | +2,990 | +3,000 |
| Total, Department of Energy (net) | 1,453,644 | 1,502,680 | 1,766,470 | +312,826 | +263,790 |
| Appropriations | (1,485,644) | (1,504,680) | (1,772,470) | (+286,826) | (+267,790) |
| Rescission | (- 1,000) | (- 2,000) | (- 2,000) | (- 1,000) | ..... |
| Deferral | (- 67,000) | ..... | (- 40,000) | (+27,000) | (- 40,000) |
| Advance appropriations, Fiscal year 2003 | (36,000) | ..... | (36,000) | ..... | (+36,000) |
| (By transfer) | 113,000 | ..... | 33,700 | - 79,300 | +33,700 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | |
| INDIAN HEALTH SERVICE | | | | | |
| Indian health services | 2,265,663 | 2,387,014 | 2,389,614 | +123,951 | +2,600 |
| Indian health facilities | 363,103 | 319,795 | 369,487 | +6,384 | +49,692 |
| Total, Indian Health Service | 2,628,766 | 2,706,809 | 2,759,101 | +130,335 | +52,292 |

INTERIOR, 2002

789

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

790

INTERIOR, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| OTHER RELATED AGENCIES | | | | | |
| OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION | | | | | |
| Salaries and expenses | 14,967 | 15,148 | 15,148 | +181 | ..... |
| INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT | | | | | |
| Payment to the Institute | 4,116 | 4,490 | 4,490 | +374 | ..... |
| SMITHSONIAN INSTITUTION | | | | | |
| Salaries and expenses | 386,902 | 396,200 | 399,253 | +12,351 | +3,053 |
| Repair, restoration and alteration of facilities | 57,473 | 67,900 | 67,900 | +10,427 | ..... |
| Construction | 9,479 | 30,000 | 30,000 | +20,521 | ..... |
| Total, Smithsonian Institution | 453,854 | 494,100 | 497,153 | +43,299 | +3,053 |
| NATIONAL GALLERY OF ART | | | | | |
| Salaries and expenses | 64,638 | 66,229 | 68,967 | +4,329 | +2,738 |
| Repair, restoration and renovation of buildings | 10,847 | 14,220 | 14,220 | +3,373 | ..... |
| Total, National Gallery of Art | 75,485 | 80,449 | 83,187 | +7,702 | +2,738 |
| JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS | | | | | |
| Operations and maintenance | 13,969 | 15,000 | 15,000 | +1,031 | ..... |
| Construction | 19,956 | 19,000 | 19,000 | -956 | ..... |
| Total | 33,925 | 34,000 | 34,000 | +75 | ..... |
| WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS | | | | | |
| Salaries and expenses | 12,283 | 7,796 | 7,796 | -4,487 | ..... |
| NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES | | | | | |
| NATIONAL ENDOWMENT FOR THE ARTS | | | | | |
| Grants and administration | 97,785 | 98,234 | 98,234 | +449 | ..... |
| NATIONAL ENDOWMENT FOR THE HUMANITIES | | | | | |
| Grants and administration | 104,373 | 104,882 | 108,382 | +4,009 | +3,500 |
| Matching grants | 15,621 | 15,622 | 16,122 | +501 | +500 |
| Total, National Endowment for the Humanities | 119,994 | 120,504 | 124,504 | +4,510 | +4,000 |

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| INSTITUTE OF MUSEUM AND LIBRARY SERVICES | | | | | |
| OFFICE OF MUSEUM SERVICES | | | | | |
| Grants and administration | 24,852 | 24,899 | 26,899 | +2,047 | +2,000 |
| CHALLENGE AMERICA ARTS FUND | | | | | |
| Challenge America grants | 6,985 | 6,985 | 17,000 | +10,015 | +10,015 |
| <hr/> | | | | | |
| Total, National Foundation on the Arts and the Humanities | 249,616 | 250,622 | 266,637 | +17,021 | +16,015 |
| COMMISSION OF FINE ARTS | | | | | |
| Salaries and expenses | 1,076 | 1,274 | 1,224 | +148 | - 50 |
| NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS | | | | | |
| Grants | 6,985 | 7,000 | 7,000 | +15 | ..... |
| ADVISORY COUNCIL ON HISTORIC PRESERVATION | | | | | |
| Salaries and expenses | 3,182 | 3,310 | 3,400 | +218 | +90 |
| NATIONAL CAPITAL PLANNING COMMISSION | | | | | |
| Salaries and expenses | 6,486 | 7,253 | 7,253 | +767 | ..... |
| UNITED STATES HOLOCAUST MEMORIAL MUSEUM | | | | | |
| Holocaust Memorial Museum | 34,363 | 36,028 | 36,028 | +1,665 | ..... |
| PRESIDIO TRUST | | | | | |
| Presidio trust fund | 33,327 | 22,427 | 23,125 | - 10,202 | +698 |
| <hr/> | | | | | |
| Total, title II, related agencies (net) | 9,447,466 | 8,905,511 | 9,642,428 | +194,962 | +736,917 |
| Appropriations | (8,405,516) | (8,664,552) | (8,990,686) | (+585,170) | (+326,134) |
| Conservation ..... | ..... | (244,959) | (313,742) | (+313,742) | (+68,783) |
| Emergency appropriations | (18,502) | ..... | ..... | (- 18,502) | ..... |
| Contingent emergency appropriations | (1,055,448) | ..... | (346,000) | (- 709,448) | (+346,000) |
| Rescissions | (- 1,000) | (- 2,000) | (- 2,000) | (- 1,000) | ..... |
| Deferral | (- 67,000) | ..... | (- 40,000) | (+27,000) | (- 40,000) |
| Advance appropriations, Fiscal year 2003 | (36,000) | ..... | (36,000) | ..... | (+36,000) |
| (By transfer) | (113,000) | ..... | (33,700) | (- 79,300) | (+33,700) |

INTERIOR, 2002

791

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-63—Continued

[Amounts in thousands of dollars]

792

INTERIOR, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TREATMENT OF CERTAIN FUNDS FOR MINER BENEFITS | | | | | |
| United Mine Workers of America combined benefits fund | 57,872 | ..... | ..... | - 57,872 | ..... |
| Net total appropriations | 18,892,320 | 18,072,635 | 19,078,220 | +185,900 | +1,005,585 |
| Other adjustments affecting the bill: | | | | | |
| Stewardship contracting ..... | ..... | ..... | 1,000 | +1,000 | +1,000 |
| Boise Laboratory Replacement Act | - 1,000 | ..... | ..... | +1,000 | ..... |
| Extension of SERCDP | 1,000 | ..... | ..... | - 1,000 | ..... |
| ANILCA | 1,000 | ..... | ..... | - 1,000 | ..... |
| OMB adjustment for .22% across-the-board cut | - 348 | ..... | ..... | +348 | ..... |
| TVA transfer authority (FOPS bill, P.L. 106-429) | 4,000 | ..... | ..... | - 4,000 | ..... |
| Park Police retirement ..... | ..... | ..... | 22,000 | +22,000 | +22,000 |
| Total, adjustments | 4,652 | ..... | 23,000 | +18,348 | +23,000 |
| Net grand total | 18,896,972 | 18,072,635 | 19,101,220 | +204,248 | +1,028,585 |
| Current year, Fiscal year 2002 (net) | 18,860,972 | 18,072,635 | 19,065,220 | +204,248 | +992,585 |
| Appropriations | (17,273,659) | (16,850,892) | (17,444,220) | (+170,561) | (+593,328) |
| Conservation ..... | ..... | (1,253,743) | (1,318,000) | (+1,318,000) | (+64,257) |
| Emergency appropriations | (87,321) | ..... | ..... | (- 87,321) | ..... |
| Contingent emergency appropriations | (1,597,992) | ..... | (400,000) | (- 1,197,992) | (+400,000) |
| Rescissions | (- 31,000) | (- 32,000) | (- 57,000) | (- 26,000) | (- 25,000) |
| Deferral | (- 67,000) | ..... | (- 40,000) | (+27,000) | (- 40,000) |
| Advance appropriations, Fiscal year 2003 | 36,000 | ..... | 36,000 | ..... | +36,000 |
| (By transfer) | (113,000) | ..... | (33,700) | (- 79,300) | (+33,700) |
| (Limitation on guaranteed loans) | (59,551) | (75,000) | (75,000) | (+15,449) | ..... |

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—DEPARTMENT OF LABOR | | | | | |
| EMPLOYMENT AND TRAINING ADMINISTRATION | | | | | |
| Training and employment services | 3,014,453 | 5,128,521 | 3,167,282 | +152,829 | - 1,961,239 |
| Advance appropriation, fiscal year 2003 | 2,463,000 | ..... | 2,463,000 | ..... | +2,463,000 |
| Total | 5,477,453 | 5,128,521 | 5,630,282 | +152,829 | +501,761 |
| Community service employment for older Americans | 440,200 | 440,200 | 445,100 | +4,900 | +4,900 |
| Federal unemployment benefits and allowances (indefinite) | 406,550 | 415,650 | 415,650 | +9,100 | ..... |
| State unemployment insurance and employment service operations | 193,452 | 177,452 | 163,452 | - 30,000 | - 14,000 |
| Trust funds | 3,190,258 | 3,236,886 | 3,237,886 | +47,628 | +1,000 |
| Total | 3,383,710 | 3,414,338 | 3,401,338 | +17,628 | - 13,000 |
| Advances to the Unemployment Trust Fund and other funds | 435,000 | 464,000 | 464,000 | +29,000 | ..... |
| Program administration | 110,356 | 112,571 | 113,356 | +3,000 | +785 |
| Trust funds | 48,507 | 48,507 | 48,507 | ..... | ..... |
| Total | 158,863 | 161,078 | 161,863 | +3,000 | +785 |
| Total, Employment and Training Administration | 10,301,776 | 10,023,787 | 10,518,233 | +216,457 | +494,446 |
| PENSION AND WELFARE BENEFITS ADMINISTRATION | | | | | |
| Salaries and expenses | 107,633 | 107,988 | 109,866 | +2,233 | +1,878 |
| PENSION BENEFIT GUARANTY CORPORATION | | | | | |
| Pension Benefit Guaranty Corporation fund: Trust funds | 11,652 | 11,652 | 11,690 | +38 | +38 |
| EMPLOYMENT STANDARDS ADMINISTRATION | | | | | |
| Salaries and expenses | 360,735 | 282,453 | 369,220 | +8,485 | +86,767 |
| Trust funds | 1,981 | 1,981 | 1,981 | ..... | ..... |
| Total | 362,716 | 284,434 | 371,201 | +8,485 | +86,767 |
| Special benefits | 56,000 | 121,000 | 121,000 | +65,000 | ..... |
| Energy employees occupational illness compensation fund | 60,328 | 136,000 | 136,000 | +75,672 | ..... |

LABOR, HHS, AND EDUCATION, 2002

793

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

794

LABOR, HHS, AND EDUCATION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Black Lung Disability Trust Fund: | | | | | |
| Definite | 1,027,544 | 1,035,644 | 1,035,759 | +8,215 | +115 |
| Indefinite | 356 | 356 | 356 | ..... | ..... |
| Total | 1,027,900 | 1,036,000 | 1,036,115 | +8,215 | +115 |
| Total, Employment Standards Administration | 1,506,944 | 1,577,434 | 1,664,316 | +157,372 | +86,882 |
| OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION | | | | | |
| Salaries and expenses | 425,886 | 425,835 | 443,651 | +17,765 | +17,816 |
| MINE SAFETY AND HEALTH ADMINISTRATION | | | | | |
| Salaries and expenses | 246,306 | 246,306 | 254,768 | +8,462 | +8,462 |
| BUREAU OF LABOR STATISTICS | | | | | |
| Salaries and expenses | 383,630 | 406,868 | 407,422 | +23,792 | +554 |
| Trust funds | 67,257 | 69,132 | 69,132 | +1,875 | ..... |
| Total | 450,887 | 476,000 | 476,554 | +25,667 | +554 |
| Office of Disability Employment Policy | 22,969 | 43,263 | 38,158 | +15,189 | - 5,105 |
| DEPARTMENTAL MANAGEMENT | | | | | |
| Salaries and expenses | 357,077 | 329,455 | 378,778 | +21,701 | +49,323 |
| Trust funds | 310 | 310 | 310 | ..... | ..... |
| Total | 357,387 | 329,765 | 379,088 | +21,701 | +49,323 |
| Veterans Employment and Training | 211,656 | 211,703 | 212,703 | +1,047 | +1,000 |
| Office of Inspector General | 49,913 | 52,182 | 52,182 | +2,269 | ..... |
| Trust funds | 4,770 | 4,951 | 4,951 | +181 | ..... |
| Total | 54,683 | 57,133 | 57,133 | +2,450 | ..... |
| Total, Departmental Management | 623,726 | 598,601 | 648,924 | +25,198 | +50,323 |

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Total, title I, Department of Labor | 13,697,779 | 13,510,866 | 14,166,160 | +468,381 | +655,294 |
| Appropriations, fiscal year 2002 | (11,234,779) | (13,510,866) | (11,703,160) | (+468,381) | (- 1,807,706) |
| Advance appropriations, fiscal year 2003 | (2,463,000) | ..... | (2,463,000) | ..... | (+2,463,000) |
| TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | |
| HEALTH RESOURCES AND SERVICES ADMINISTRATION | | | | | |
| Health resources and services | 5,544,989 | 4,972,687 | 6,081,237 | +536,248 | +1,108,550 |
| Advance appropriation, fiscal year 2003 | 30,000 | ..... | ..... | - 30,000 | ..... |
| Health education assistance loans program: | | | | | |
| Administrative expenses | 3,672 | 3,792 | 3,792 | +120 | ..... |
| Vaccine injury compensation program trust fund | 114,355 | 114,855 | 114,855 | +500 | ..... |
| HRSA administration | 2,992 | 2,992 | 2,992 | ..... | ..... |
| Total, HRSA | 5,696,008 | 5,094,326 | 6,202,876 | +506,868 | +1,108,550 |
| CENTERS FOR DISEASE CONTROL AND PREVENTION | | | | | |
| Disease control, research, and training | 3,862,773 | 3,696,611 | 4,293,151 | +430,378 | +596,540 |
| NATIONAL INSTITUTES OF HEALTH | | | | | |
| National Cancer Institute | 3,737,217 | 4,177,203 | 4,190,405 | +453,188 | +13,202 |
| National Heart, Lung, and Blood Institute | 2,298,664 | 2,567,429 | 2,576,125 | +277,461 | +8,696 |
| National Institute of Dental and Craniofacial Research | 306,153 | 341,898 | 343,327 | +37,174 | +1,429 |
| National Institute of Diabetes and Digestive and Kidney Diseases | 1,303,570 | 1,457,915 | 1,466,833 | +163,263 | +8,918 |
| National Institute of Neurological Disorders and Stroke | 1,176,797 | 1,316,448 | 1,328,188 | +151,391 | +11,740 |
| National Institute of Allergy and Infectious Diseases | 2,062,621 | 2,355,325 | 2,372,278 | +309,657 | +16,953 |
| National Institute of General Medical Sciences | 1,539,903 | 1,720,206 | 1,725,263 | +185,360 | +5,057 |
| National Institute of Child Health and Human Development | 978,721 | 1,096,650 | 1,113,605 | +134,884 | +16,955 |
| National Eye Institute | 510,525 | 571,126 | 581,366 | +70,841 | +10,240 |
| National Institute of Environmental Health Sciences | 502,987 | 561,750 | 566,639 | +63,652 | +4,889 |
| National Institute on Aging | 786,303 | 879,961 | 893,443 | +107,140 | +13,482 |
| National Institute of Arthritis and Musculoskeletal and Skin Diseases | 396,528 | 443,565 | 448,865 | +52,337 | +5,300 |
| National Institute on Deafness and Other Communication Disorders | 301,069 | 336,757 | 342,072 | +41,003 | +5,315 |
| National Center of Nursing Research | 105,158 | 117,686 | 120,451 | +15,293 | +2,765 |
| National Institute on Alcohol Abuse and Alcoholism | 340,537 | 381,966 | 384,238 | +43,701 | +2,272 |
| National Institute on Drug Abuse | 780,827 | 907,369 | 888,105 | +107,278 | - 19,264 |

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

796

LABOR, HHS, AND EDUCATION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| National Institute of Mental Health | 1,106,519 | 1,238,305 | 1,248,626 | +142,107 | +10,321 |
| National Human Genome Research Institute | 382,040 | 426,739 | 429,515 | +47,475 | +2,776 |
| National Institute of Biomedical Imaging and Bioengineering | 1,975 | 40,206 | 111,984 | +110,009 | +71,778 |
| National Center for Research Resources | 817,098 | 974,038 | 1,011,594 | +194,496 | +37,556 |
| National Center for Complementary and Alternative Medicine | 89,121 | 100,063 | 104,644 | +15,523 | +4,581 |
| National Center on Minority Health and Health Disparities | 132,044 | 158,425 | 157,812 | +25,768 | - 613 |
| John E. Fogarty International Center | 50,472 | 56,449 | 56,940 | +6,468 | +491 |
| National Library of Medicine | 246,304 | 275,725 | 277,658 | +31,354 | +1,933 |
| Office of the Director | 188,346 | 232,098 | 235,540 | +47,194 | +3,442 |
| Buildings and facilities | 153,761 | 306,600 | 309,600 | +155,839 | +3,000 |
| Total, NIH | 20,295,260 | 23,041,902 | 23,285,116 | +2,989,856 | +243,214 |
| SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION | | | | | |
| Substance abuse and mental health services | 2,963,424 | 3,029,456 | 3,138,279 | +174,855 | +108,823 |
| AGENCY FOR HEALTHCARE RESEARCH AND QUALITY | | | | | |
| Healthcare research and quality | 104,755 | ..... | 2,600 | - 102,155 | +2,600 |
| 1% evaluation funding (non-add) | (164,980) | (306,245) | (296,145) | (+131,165) | (- 10,100) |
| Total, Public Health Service | 32,922,220 | 34,862,295 | 36,922,022 | +3,999,802 | +2,059,727 |
| CENTER FOR MEDICARE AND MEDICAID SERVICES | | | | | |
| Grants to States for Medicaid | 130,262,133 | 143,099,433 | 143,099,433 | +12,837,300 | ..... |
| Medicare transfer (P.L. 105-33) | - 60,000 | - 70,000 | - 70,000 | - 10,000 | ..... |
| Appropriation available from prior year advance | - 30,589,003 | - 36,207,551 | - 36,207,551 | - 5,618,548 | ..... |
| Total, adjusted appropriation | 99,613,130 | 106,821,882 | 106,821,882 | +7,208,752 | ..... |
| New advance, 1st quarter, fiscal year 2003 | 36,207,551 | 46,601,937 | 46,601,937 | +10,394,386 | ..... |
| Total, Grants to States for Medicaid | 135,820,681 | 153,423,819 | 153,423,819 | +17,603,138 | ..... |
| Payments to health care trust funds | 70,381,600 | 81,924,200 | 81,979,200 | +11,597,600 | +55,000 |
| Program management (trust funds) | 2,241,598 | 2,351,158 | 2,440,798 | +199,200 | +89,640 |

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Total, Center for Medicare and Medicaid Services | 208,443,879 | 237,699,177 | 237,843,817 | +29,399,938 | +144,640 |
| Appropriations, fiscal year 2002 | (172,236,328) | (191,097,240) | (191,241,880) | (+19,005,552) | (+144,640) |
| Advance appropriations, fiscal year 2003 | (36,207,551) | (46,601,937) | (46,601,937) | (+10,394,386) | ..... |
| ADMINISTRATION FOR CHILDREN AND FAMILIES | | | | | |
| Payments to States for Child Support Enforcement and Family Support Programs | 3,747,800 | 3,907,800 | 3,907,800 | +160,000 | ..... |
| Less funds advanced in previous years | -650,000 | -1,000,000 | -1,000,000 | -350,000 | ..... |
| Total, adjusted appropriation | 3,097,800 | 2,907,800 | 2,907,800 | -190,000 | ..... |
| New advance, 1st quarter, fiscal year 2003 | 1,000,000 | 1,100,000 | 1,100,000 | +100,000 | ..... |
| Total | 4,097,800 | 4,007,800 | 4,007,800 | -90,000 | ..... |
| Low income home energy assistance: | | | | | |
| Emergency allocation: | | | | | |
| Non-emergency funding | 300,000 | 300,000 | ..... | -300,000 | -300,000 |
| Contingent emergency funding | 300,000 | ..... | 300,000 | ..... | +300,000 |
| Subtotal | 600,000 | 300,000 | 300,000 | -300,000 | ..... |
| Current appropriation | 300,000 | 1,400,000 | 1,700,000 | +1,400,000 | +300,000 |
| Total | 900,000 | 1,700,000 | 2,000,000 | +1,100,000 | +300,000 |
| Refugee and entrant assistance | 433,038 | 445,224 | 460,203 | +27,165 | +14,979 |
| Payments to States for the Child Care and Development Block Grant | 817,196 | 2,199,987 | 2,099,994 | +1,282,798 | -99,993 |
| Social Services Block Grant | 1,725,000 | 1,700,000 | 1,700,000 | -25,000 | ..... |
| Children and families services programs | 6,565,485 | 8,191,398 | 7,029,183 | +463,698 | -1,162,215 |
| Advance appropriation, fiscal year 2003 | 1,400,000 | ..... | 1,400,000 | ..... | +1,400,000 |
| Total | 7,965,485 | 8,191,398 | 8,429,183 | +463,698 | +237,785 |
| Rescission of permanent appropriations | -21,000 | ..... | -21,000 | ..... | -21,000 |
| Promoting Safe and Stable Families | 305,000 | 305,000 | 305,000 | ..... | ..... |
| Discretionary portion ..... | ..... | 200,000 | 70,000 | +70,000 | -130,000 |
| Total | 305,000 | 505,000 | 375,000 | +70,000 | -130,000 |

LABOR, HHS, AND EDUCATION, 2002

797

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Mentoring Children of Prisoners | | 67,000 | | | - 67,000 |
| Payments to States for foster care and adoption assistance | 6,401,100 | 6,681,500 | 6,621,500 | +220,400 | - 60,000 |
| Less funds advanced in previous years | - 1,538,000 | - 1,735,900 | - 1,735,900 | - 197,900 | |
| Total, adjusted appropriation | 4,863,100 | 4,945,600 | 4,885,600 | +22,500 | - 60,000 |
| New advance, 1st quarter, fiscal year 2003 | 1,735,900 | 1,754,000 | 1,754,000 | +18,100 | |
| Total, Payments to States for foster care | 6,599,000 | 6,699,600 | 6,639,600 | +40,600 | - 60,000 |
| Total, Administration for Children and Families | 22,821,519 | 25,516,009 | 25,690,780 | +2,869,261 | +174,771 |
| ADMINISTRATION ON AGING | | | | | |
| Aging services program | 1,102,942 | 1,097,718 | 1,199,814 | +96,872 | +102,096 |
| OFFICE OF THE SECRETARY | | | | | |
| General departmental management | 293,784 | 351,648 | 341,703 | +47,919 | - 9,945 |
| Trust funds | 5,851 | 5,851 | 5,851 | | |
| Total | 299,635 | 357,499 | 347,554 | +47,919 | - 9,945 |
| Office of Inspector General | 33,586 | 35,786 | 35,786 | +2,200 | |
| Office for Civil Rights | 24,669 | 28,691 | 28,691 | +4,022 | |
| Trust funds | 3,314 | 3,314 | 3,314 | | |
| Total | 27,983 | 32,005 | 32,005 | +4,022 | |
| Policy research | 16,548 | 2,500 | 2,500 | - 14,048 | |
| Retirement Pay and Medical Benefits for Commissioned Officers: Expenses (indefinite) | 219,772 | 242,577 | 242,577 | +22,805 | |
| Public Health and Social Services Emergency Fund | 240,949 | 245,619 | 242,949 | +2,000 | - 2,670 |
| Contingent emergency funding | 126,150 | | | - 126,150 | |
| Total, Office of the Secretary | 964,623 | 915,986 | 903,371 | - 61,252 | - 12,615 |
| Total, title II, Department of Health and Human Services (net) | 266,255,183 | 300,091,185 | 302,559,804 | +36,304,621 | +2,468,619 |
| Appropriations, fiscal year 2002 (net) | (225,881,732) | (250,635,248) | (251,703,867) | (+25,822,135) | (+1,068,619) |
| Appropriations | (225,902,732) | (250,635,248) | (251,724,867) | (+25,822,135) | (+1,089,619) |

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Rescission | (- 21,000) | ..... | (- 21,000) | ..... | (- 21,000) |
| Advance appropriations, fiscal year 2003 | (40,373,451) | (49,455,937) | (50,855,937) | (+10,482,486) | (+1,400,000) |
| TITLE III—DEPARTMENT OF EDUCATION | | | | | |
| Education reform | 910,096 | ..... | ..... | - 910,096 | ..... |
| Education for the disadvantaged ¹ | 2,958,821 | 11,032,621 | 4,963,599 | +2,004,778 | - 6,069,022 |
| Advance appropriation, fiscal year 2003 | 6,758,300 | ..... | 7,383,301 | +625,001 | +7,383,301 |
| Total | 9,717,121 | 11,032,621 | 12,346,900 | +2,629,779 | +1,314,279 |
| Impact aid | 993,302 | 1,130,500 | 1,143,500 | +150,198 | +13,000 |
| School improvement programs ¹ | 4,421,979 | 6,366,794 | 6,062,473 | +1,640,494 | - 304,321 |
| Advance appropriation, fiscal year 2003 | 1,765,000 | ..... | 1,765,000 | ..... | +1,765,000 |
| Total | 6,186,979 | 6,366,794 | 7,827,473 | +1,640,494 | +1,460,679 |
| Reading excellence | 91,000 | ..... | ..... | - 91,000 | ..... |
| Advance appropriation, fiscal year 2003 | 195,000 | ..... | ..... | - 195,000 | ..... |
| Total | 286,000 | ..... | ..... | - 286,000 | ..... |
| Indian education | 115,500 | 116,000 | 120,368 | +4,868 | +4,368 |
| Bilingual and immigrant education | 460,000 | 460,000 | 665,000 | +205,000 | +205,000 |
| Special education | 2,367,948 | 8,425,595 | 3,600,804 | +1,232,856 | - 4,824,791 |
| Advance appropriation, fiscal year 2003 | 5,072,000 | ..... | 5,072,000 | ..... | +5,072,000 |
| Total | 7,439,948 | 8,425,595 | 8,672,804 | +1,232,856 | +247,209 |
| Rehabilitation services and disability research | 405,549 | 448,734 | 464,430 | +58,881 | +15,696 |
| Mandatory | 2,399,790 | 2,481,383 | 2,481,383 | +81,593 | ..... |
| Total | 2,805,339 | 2,930,117 | 2,945,813 | +140,474 | +15,696 |
| Special Institutions for Persons With Disabilities: | | | | | |
| American Printing House for the Blind | 12,000 | 12,000 | 14,000 | +2,000 | +2,000 |
| National Technical Institute for the Deaf | 53,376 | 52,570 | 55,376 | +2,000 | +2,806 |

LABOR, HHS, AND EDUCATION, 2002

799

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

800

LABOR, HHS, AND EDUCATION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Gallaudet University | 89,400 | 89,400 | 96,938 | +7,538 | +7,538 |
| Total | 154,776 | 153,970 | 166,314 | +11,538 | +12,344 |
| Vocational and adult education | 1,034,600 | 1,801,660 | 1,143,060 | +108,460 | - 658,600 |
| Advance appropriation, fiscal year 2003 | 791,000 | ..... | 791,000 | ..... | +791,000 |
| Total | 1,825,600 | 1,801,660 | 1,934,060 | +108,460 | +132,400 |
| Student financial assistance | 10,674,000 | 11,674,000 | 12,285,500 | +1,611,500 | +611,500 |
| Federal family education loan program account | 48,000 | 49,636 | 49,636 | +1,636 | ..... |
| Higher education | 1,911,710 | 1,723,223 | 2,031,048 | +119,338 | +307,825 |
| Howard University | 232,474 | 232,474 | 237,474 | +5,000 | +5,000 |
| College housing and academic facilities loans program | 762 | 762 | 762 | ..... | ..... |
| Historically Black College and University capital financing, program account | 208 | 208 | 208 | ..... | ..... |
| Education research, statistics, and assessment ¹ | 351,367 | 382,120 | 443,870 | +92,503 | +61,750 |
| Departmental Management: | | | | | |
| Program administration | 412,196 | 424,212 | 424,212 | +12,016 | ..... |
| Office for Civil Rights | 75,822 | 79,934 | 79,934 | +4,112 | ..... |
| Office of the Inspector General | 36,411 | 38,720 | 38,720 | +2,309 | ..... |
| Total | 524,429 | 542,866 | 542,866 | +18,437 | ..... |
| Total, title III, Department of Education | 44,637,611 | 47,022,546 | 51,413,596 | +6,775,985 | +4,391,050 |
| Appropriations, fiscal year 2002 | (30,056,311) | (47,022,546) | (36,402,295) | (+6,345,984) | (- 10,620,251) |
| Advance appropriations, fiscal year 2003 | (14,581,300) | ..... | (15,011,301) | (+430,001) | (+15,011,301) |
| TITLE IV—RELATED AGENCIES | | | | | |
| Armed Forces Retirement Home: | | | | | |
| Operation and maintenance | 60,000 | 61,628 | 61,628 | +1,628 | ..... |
| Capital program | 9,832 | 9,812 | 9,812 | - 20 | ..... |
| Total, AFSH | 69,832 | 71,440 | 71,440 | +1,608 | ..... |
| Corporation for National and Community Service: | | | | | |
| Domestic Volunteer Service Programs, operating expenses | 303,850 | 316,850 | 328,895 | +25,045 | +12,045 |

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Corporation for Public Broadcasting: | | | | | |
| Advance appropriation, fiscal year 2004 | 365,000 | ..... | 380,000 | +15,000 | +380,000 |
| Digitalization | 20,000 | 20,000 | 25,000 | +5,000 | +5,000 |
| Federal Mediation and Conciliation Service | 38,200 | 39,482 | 39,982 | +1,782 | +500 |
| Federal Mine Safety and Health Review Commission | 6,320 | 6,939 | 6,939 | +619 | ..... |
| Institute of Museum and Library Services: | | | | | |
| Office of Library Services: Grants and administration | 207,469 | 168,078 | 197,602 | -9,867 | +29,524 |
| Medicare payment advisory commission (trust funds) | 8,000 | 8,000 | 8,250 | +250 | +250 |
| National Commission on Libraries and Information Science | 1,495 | ..... | 1,000 | -495 | +1,000 |
| National Council on Disability | 2,615 | 2,830 | 2,830 | +215 | ..... |
| National Education Goals Panel | 1,500 | 2,000 | 400 | -1,100 | -1,600 |
| National Labor Relations Board | 216,438 | 221,438 | 226,438 | +10,000 | +5,000 |
| National Mediation Board | 10,400 | 10,635 | 10,635 | +235 | ..... |
| Occupational Safety and Health Review Commission | 8,720 | 8,964 | 8,964 | +244 | ..... |
| Railroad Retirement Board: | | | | | |
| Dual benefits payments account | 150,000 | 137,000 | 137,000 | -13,000 | ..... |
| Federal payments to the Railroad Retirement Accounts | 150 | 150 | 150 | ..... | ..... |
| Limitation on trust fund transfer: | | | | | |
| Administrative expenses | 95,000 | 97,700 | 97,700 | +2,700 | ..... |
| Office of Inspector General | 5,700 | 6,480 | 6,261 | +561 | -219 |
| Total | 250,850 | 241,330 | 241,111 | -9,739 | -219 |
| SOCIAL SECURITY ADMINISTRATION | | | | | |
| Payments to social security trust funds | 20,400 | 434,400 | 434,400 | +414,000 | ..... |
| Special benefits for disabled coal miners: | | | | | |
| Direct appropriation | 489,748 | 446,840 | 446,840 | -42,908 | ..... |
| Appropriation available from prior year advance | -124,000 | -114,000 | -114,000 | +10,000 | ..... |
| Total, fiscal year 2002 appropriation | 365,748 | 332,840 | 332,840 | -32,908 | ..... |
| New advance, 1st quarter, fiscal year 2003 | 114,000 | 108,000 | 108,000 | -6,000 | ..... |
| Total, special benefits for disabled coal miners | 479,748 | 440,840 | 440,840 | -38,908 | ..... |

LABOR, HHS, AND EDUCATION, 2002

801

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

802

LABOR, HHS, AND EDUCATION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Supplemental security income program: | | | | | |
| Mandatory | 30,584,000 | 29,113,412 | 29,120,412 | - 1,463,588 | +7,000 |
| Discretionary | 2,349,000 | 2,627,000 | 2,627,000 | +278,000 | ..... |
| Subtotal | 32,933,000 | 31,740,412 | 31,747,412 | - 1,185,588 | +7,000 |
| Appropriation available from prior year advance | - 9,890,000 | - 10,470,000 | - 10,470,000 | - 580,000 | ..... |
| Total, fiscal year 2002 appropriation | 23,043,000 | 21,270,412 | 21,277,412 | - 1,765,588 | +7,000 |
| Additional CDR funding | 210,000 | 200,000 | 200,000 | - 10,000 | ..... |
| User fee activities | 91,000 | 100,000 | 100,000 | +9,000 | ..... |
| New advance, 1st quarter, fiscal year 2003 | 10,470,000 | 10,790,000 | 10,790,000 | +320,000 | ..... |
| Total, supplemental security income program | 33,814,000 | 32,360,412 | 32,367,412 | - 1,446,588 | +7,000 |
| Limitation on administrative expenses: Trust funds | 7,124,000 | 7,568,000 | 7,568,000 | +444,000 | ..... |
| Office of Inspector General | 16,944 | 19,000 | 19,000 | +2,056 | ..... |
| Trust funds | 52,500 | 56,000 | 56,000 | +3,500 | ..... |
| Total | 69,444 | 75,000 | 75,000 | +5,556 | ..... |
| Adjustment: Trust fund transfers from general revenues | - 2,650,000 | - 2,927,000 | - 2,927,000 | - 277,000 | ..... |
| Total, Social Security Administration | 38,857,592 | 37,951,652 | 37,958,652 | - 898,940 | +7,000 |
| Appropriations, fiscal year 2002 | (28,273,592) | (27,053,652) | (27,060,652) | (- 1,212,940) | (+7,000) |
| Advance appropriations, fiscal year 2003 | (10,584,000) | (10,898,000) | (10,898,000) | (+314,000) | ..... |
| United States Institute of Peace: Operating expenses | 15,000 | 15,207 | 15,104 | +104 | - 103 |
| Total, title IV, Related agencies | 40,383,281 | 39,084,845 | 39,523,242 | - 860,039 | +438,397 |
| Appropriations, fiscal year 2002 | (29,434,281) | (28,186,845) | (28,245,242) | (- 1,189,039) | (+58,397) |
| Advance appropriations, fiscal year 2003 | (10,584,000) | (10,898,000) | (10,898,000) | (+314,000) | ..... |
| Advance appropriations, fiscal year 2004 | (365,000) | ..... | (380,000) | (+15,000) | (+380,000) |
| Net total appropriations | 364,973,854 | 399,709,442 | 407,662,802 | +42,688,948 | +7,953,360 |

**DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002,
PUBLIC LAW 107-116—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Other adjustments affecting the bill: | | | | | |
| Adjustment to balance with fiscal year 2001 bill | - 2,061 | | | +2,061 | |
| SSI receipts | - 91,000 | - 100,000 | - 100,000 | - 9,000 | |
| Sec. 515—SSI receipts | - 10,000 | | | +10,000 | |
| Title XX | 25,000 | | | - 25,000 | |
| SSA State Reimbursement | - 295,000 | | | +295,000 | |
| Welfare to work and child support | - 50,000 | | | +50,000 | |
| Across the board administrative expenses reduction | | | - 25,000 | - 25,000 | - 25,000 |
| Title VI—Mark-to-Market | | | - 354,000 | - 354,000 | - 354,000 |
| Total, adjustments | - 423,061 | - 100,000 | - 479,000 | - 55,939 | - 379,000 |
| Net grand total | 364,550,793 | 399,609,442 | 407,183,802 | +42,633,009 | +7,574,360 |
| Appropriations, fiscal year 2002 | (295,778,892) | (339,255,505) | (327,296,564) | (+31,517,672) | (- 11,958,941) |
| Contingent emergency appropriations | (426,150) | | (300,000) | (- 126,150) | (+300,000) |
| Rescission | (- 21,000) | | (- 21,000) | | (- 21,000) |
| Net total, fiscal year 2002 | 296,184,042 | 339,255,505 | 327,575,564 | +31,391,522 | - 11,679,941 |
| Advance appropriations, fiscal year 2003 | 68,001,751 | 60,353,937 | 79,228,238 | +11,226,487 | +18,874,301 |
| Advance appropriations, fiscal year 2004 | 365,000 | | 380,000 | +15,000 | +380,000 |

¹ Amounts adjusted to be comparable for conference.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—CONGRESSIONAL OPERATIONS | | | | | |
| SENATE | | | | | |
| PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS | | | | | |
| Gratuities, deceased Members | 141 | ..... | ..... | - 141 | ..... |
| EXPENSE ALLOWANCES | | | | | |
| Expense allowances: | | | | | |
| Vice President | 10 | 10 | 10 | ..... | ..... |
| President Pro Tempore of the Senate | 10 | 10 | 10 | ..... | ..... |
| Majority Leader of the Senate | 10 | 10 | 10 | ..... | ..... |
| Minority Leader of the Senate | 10 | 10 | 10 | ..... | ..... |
| Majority Whip of the Senate | 5 | 5 | 5 | ..... | ..... |
| Minority Whip of the Senate | 5 | 5 | 5 | ..... | ..... |
| Chairman of the Majority Conference Committee | 3 | 3 | 3 | ..... | ..... |
| Chairman of the Minority Conference Committee | 3 | 3 | 3 | ..... | ..... |
| Chairman of the Majority Policy Committee | 3 | 3 | 3 | ..... | ..... |
| Chairman of the Minority Policy Committee | 3 | 3 | 3 | ..... | ..... |
| Subtotal, expense allowances | 62 | 62 | 62 | ..... | ..... |
| Representation allowances for the Majority and Minority Leaders | 30 | 30 | 30 | ..... | ..... |
| Total, Expense allowances and representation | 92 | 92 | 92 | ..... | ..... |
| SALARIES, OFFICERS AND EMPLOYEES | | | | | |
| Office of the Vice President | 1,785 | 1,867 | 1,867 | +82 | ..... |
| Office of the President Pro Tempore | 453 | 473 | 473 | +20 | ..... |
| Offices of the Majority and Minority Leaders | 2,742 | 2,868 | 2,868 | +126 | ..... |
| Offices of the Majority and Minority Whips | 1,722 | 1,912 | 1,912 | +190 | ..... |
| Committee on Appropriations | 8,747 | 9,875 | 9,875 | +1,128 | ..... |
| Conference committees | 2,304 | 2,500 | 2,500 | +196 | ..... |
| Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority | 590 | 618 | 618 | +28 | ..... |

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Policy Committees | 2,342 | 2,550 | 2,550 | +208 | ..... |
| Office of the Chaplain | 288 | 301 | 301 | +13 | ..... |
| Office of the Secretary | 14,738 | 15,424 | 15,424 | +686 | ..... |
| Office of the Sergeant at Arms and Doorkeeper | 34,811 | 39,082 | 39,082 | +4,271 | ..... |
| Offices of the Secretaries for the Majority and Minority | 1,292 | 1,350 | 1,350 | +58 | ..... |
| Agency contributions and related expenses | 20,507 | 25,219 | 25,219 | +4,712 | ..... |
| Total, salaries, officers and employees | 92,321 | 104,039 | 104,039 | +11,718 | ..... |
| OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE | | | | | |
| Salaries and expenses | 4,046 | 4,306 | 4,306 | +260 | ..... |
| OFFICE OF SENATE LEGAL COUNSEL | | | | | |
| Salaries and expenses | 1,069 | 1,109 | 1,109 | +40 | ..... |
| EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE | | | | | |
| Expense allowances | 12 | 12 | 12 | ..... | ..... |
| CONTINGENT EXPENSES OF THE SENATE | | | | | |
| Inquiries and investigations | 83,000 | 107,264 | 107,264 | +24,264 | ..... |
| Expenses of United States Senate Caucus on International Narcotics Control | 370 | 370 | 520 | +150 | +150 |
| Secretary of the Senate | 2,077 | 3,511 | 8,571 | +6,494 | +5,060 |
| Sergeant at Arms and Doorkeeper of the Senate | 71,511 | 95,904 | 95,904 | +24,393 | ..... |
| Miscellaneous items | 8,655 | 10,274 | 14,274 | +5,619 | +4,000 |
| Miscellaneous appropriations (P.L. 106-554) | 6,500 | ..... | ..... | -6,500 | ..... |
| Senators' Official Personnel and Office Expense Account | 251,929 | 285,494 | 270,494 | +18,565 | -15,000 |
| OFFICIAL MAIL COSTS | | | | | |
| Expenses | 300 | 300 | 300 | ..... | ..... |
| Total, contingent expenses of the Senate | 424,342 | 503,117 | 497,327 | +72,985 | -5,790 |
| Total, Senate | 522,023 | 612,675 | 606,885 | +84,862 | -5,790 |

LEGISLATIVE BRANCH, 2002

805

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| HOUSE OF REPRESENTATIVES | | | | | |
| PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS | | | | | |
| Gratuities, deceased Members | 714 | ..... | 145 | - 569 | +145 |
| SALARIES AND EXPENSES | | | | | |
| HOUSE LEADERSHIP OFFICES | | | | | |
| Office of the Speaker | 1,759 | 1,866 | 1,866 | +107 | ..... |
| Office of the Majority Floor Leader | 1,726 | 1,830 | 1,830 | +104 | ..... |
| Office of the Minority Floor Leader | 2,096 | 2,224 | 2,224 | +128 | ..... |
| Office of the Majority Whip | 1,466 | 1,562 | 1,562 | +96 | ..... |
| Office of the Minority Whip | 1,096 | 1,168 | 1,168 | +72 | ..... |
| Speaker's Office for Legislative Floor Activities | 410 | 431 | 431 | +21 | ..... |
| Republican Steering Committee | 765 | 806 | 806 | +41 | ..... |
| Republican Conference | 1,255 | 1,342 | 1,342 | +87 | ..... |
| Democratic Steering and Policy Committee | 1,352 | 1,435 | 1,435 | +83 | ..... |
| Democratic Caucus | 668 | 713 | 713 | +45 | ..... |
| Nine minority employees | 1,229 | 1,293 | 1,293 | +64 | ..... |
| Training and Development Program: | | | | | |
| Majority | 278 | 290 | 290 | +12 | ..... |
| Minority | 278 | 290 | 290 | +12 | ..... |
| Cloakroom Personnel: | | | | | |
| Majority ..... | ..... | ..... | 330 | +330 | +330 |
| Minority ..... | ..... | ..... | 330 | +330 | +330 |
| Subtotal, House Leadership Offices | 14,378 | 15,250 | 15,910 | +1,532 | +660 |
| MEMBERS' REPRESENTATIONAL ALLOWANCES INCLUDING MEMBERS' CLERK HIRE, OFFICIAL EXPENSES OF MEMBERS, AND OFFICIAL MAIL | | | | | |
| Expenses | 430,877 | 479,339 | 479,472 | +48,595 | +133 |
| COMMITTEE EMPLOYEES | | | | | |
| Standing Committees, Special and Select (except Appropriations) | 100,272 | 104,492 | 104,514 | +4,242 | +22 |
| Committee on Appropriations (including studies and investigations) | 22,328 | 23,000 | 23,002 | +674 | +2 |
| Subtotal, Committee employees | 122,600 | 127,492 | 127,516 | +4,916 | +24 |

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| SALARIES, OFFICERS AND EMPLOYEES | | | | | |
| Office of the Clerk | 17,740 | 16,025 | 15,408 | -2,332 | -617 |
| Office of the Sergeant at Arms | 3,692 | 4,083 | 4,139 | +447 | +56 |
| Office of the Chief Administrative Officer | 72,848 | 67,480 | 67,495 | -5,353 | +15 |
| Office of Inspector General | 3,249 | 3,754 | 3,756 | +507 | +2 |
| Office of General Counsel | 806 | 892 | 894 | +88 | +2 |
| Office of the Chaplain | 140 | 144 | 144 | +4 | ..... |
| Office of the Parliamentarian | 1,201 | 1,344 | 1,344 | +143 | ..... |
| Office of the Parliamentarian | (1,035) | (1,168) | (1,168) | (+133) | ..... |
| Compilation of precedents of the House of Representatives | (166) | (176) | (176) | (+10) | ..... |
| Office of the Law Revision Counsel of the House | 2,045 | 2,104 | 2,107 | +62 | +3 |
| Office of the Legislative Counsel of the House | 5,085 | 5,454 | 5,456 | +371 | +2 |
| Corrections Calendar Office | 832 | 883 | 883 | +51 | ..... |
| Other authorized employees | 213 | 230 | 140 | -73 | -90 |
| Technical Assistants, Office of the Attending Physician | (213) | (230) | (140) | (73) | (90) |
| Subtotal, Salaries, Officers and Employees | 107,851 | 102,393 | 101,766 | -6,085 | -627 |
| ALLOWANCES AND EXPENSES | | | | | |
| Supplies, materials, administrative costs and Federal tort claims | 2,235 | 3,359 | 3,379 | +1,144 | +20 |
| Official mail for committees, leadership offices, and administrative offices of the House | 410 | 410 | 410 | ..... | ..... |
| Government contributions | 150,776 | 153,167 | 152,957 | +2,181 | -210 |
| Miscellaneous items | 393 | 690 | 690 | +297 | ..... |
| Special education needs | 215 | ..... | ..... | -215 | ..... |
| Subtotal, Allowances and expenses | 154,029 | 157,626 | 157,436 | +3,407 | -190 |
| Undistributed reduction ..... | ..... | ..... | -4,050 | -4,050 | -4,050 |
| Total, salaries and expenses | 829,735 | 882,100 | 878,050 | +48,315 | -4,050 |
| Total, House of Representatives | 830,449 | 882,100 | 878,195 | +47,746 | -3,905 |
| JOINT ITEMS | | | | | |
| Joint Congressional Committee on Inaugural Ceremonies of 2001 | 1,000 | ..... | ..... | -1,000 | ..... |
| Joint Economic Committee | 3,315 | 3,424 | 3,424 | +109 | ..... |
| Joint Committee on Taxation | 6,416 | 6,733 | 6,733 | +317 | ..... |

LEGISLATIVE BRANCH, 2002

807

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| OFFICE OF THE ATTENDING PHYSICIAN | | | | | |
| Medical supplies, equipment, expenses, and allowances | 1,831 | 1,765 | 1,865 | +34 | +100 |
| CAPITOL POLICE BOARD | | | | | |
| CAPITOL POLICE | | | | | |
| Salaries: | | | | | |
| Sergeant at Arms of the House of Representatives | 47,206 | 54,946 | 55,239 | +8,033 | +293 |
| Sergeant at Arms and Doorkeeper of the Senate | 50,346 | 56,976 | 57,805 | +7,459 | +829 |
| Subtotal, salaries | 97,552 | 111,922 | 113,044 | +15,492 | +1,122 |
| Security enhancements (emergency funding) | 2,102 | ..... | ..... | - 2,102 | ..... |
| General expenses | 7,243 | 10,394 | 13,146 | +5,903 | +2,752 |
| Total, Capitol Police | 106,897 | 122,316 | 126,190 | +19,293 | +3,874 |
| Capitol Guide Service and Special Services Office | 2,371 | 2,512 | 2,512 | +141 | ..... |
| Statements of Appropriations | 30 | 30 | 30 | ..... | ..... |
| Total, Joint items | 121,860 | 136,780 | 140,754 | +18,894 | +3,974 |
| OFFICE OF COMPLIANCE | | | | | |
| Salaries and expenses | 1,851 | 2,059 | 2,059 | +208 | ..... |
| CONGRESSIONAL BUDGET OFFICE | | | | | |
| Salaries and expenses | 28,430 | 30,680 | 30,780 | +2,350 | +100 |
| ARCHITECT OF THE CAPITOL | | | | | |
| CAPITOL BUILDINGS AND GROUNDS | | | | | |
| General and administration, salaries and expenses ..... | ..... | ..... | 51,371 | +51,371 | +51,371 |
| Capitol buildings | 44,624 | 111,835 | 15,194 | - 29,430 | - 96,641 |
| Capitol grounds | 5,350 | 7,754 | 6,009 | +659 | - 1,745 |
| Senate office buildings | 63,833 | 53,551 | 42,126 | - 21,707 | - 11,425 |
| House office buildings | 41,678 | 51,187 | 54,006 | +12,328 | +2,819 |

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Capitol Power Plant | 43,728 | 51,499 | 56,983 | +13,255 | +5,484 |
| Offsetting collections | -4,400 | -4,400 | -4,400 | ..... | ..... |
| Net subtotal, Capitol Power Plant | 39,328 | 47,099 | 52,583 | +13,255 | +5,484 |
| Total, Architect of the Capitol | 194,813 | 271,426 | 221,289 | +26,476 | -50,137 |
| LIBRARY OF CONGRESS CONGRESSIONAL RESEARCH SERVICE | | | | | |
| Salaries and expenses | 73,430 | 81,139 | 81,454 | +8,024 | +315 |
| GOVERNMENT PRINTING OFFICE | | | | | |
| Congressional printing and binding | 81,205 | 90,900 | 81,000 | -205 | -9,900 |
| Total, title I, Congressional Operations | 1,854,061 | 2,107,759 | 2,042,416 | +188,355 | -65,343 |
| TITLE II—OTHER AGENCIES BOTANIC GARDEN | | | | | |
| Salaries and expenses | 3,321 | 6,129 | 5,646 | +2,325 | -483 |
| LIBRARY OF CONGRESS | | | | | |
| Salaries and expenses | 382,596 | 297,275 | 306,692 | -75,904 | +9,417 |
| Authority to spend receipts | -6,850 | -6,850 | -6,850 | ..... | ..... |
| Subtotal, salaries and expenses | 375,746 | 290,425 | 299,842 | -75,904 | +9,417 |
| Copyright Office, salaries and expenses | 38,438 | 43,322 | 40,896 | +2,458 | -2,426 |
| Authority to spend receipts | -29,270 | -28,964 | -27,864 | +1,406 | +1,100 |
| Subtotal, Copyright Office | 9,168 | 14,358 | 13,032 | +3,864 | -1,326 |
| Books for the blind and physically handicapped, salaries and expenses | 48,502 | 49,765 | 49,788 | +1,286 | +23 |
| Furniture and furnishings | 4,881 | 8,599 | 7,932 | +3,051 | -667 |
| Total, Library of Congress (except CRS) | 438,297 | 363,147 | 370,594 | -67,703 | +7,447 |

LEGISLATIVE BRANCH, 2002

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| ARCHITECT OF THE CAPITOL | | | | | |
| CAPITOL VISITORS CENTER | | | | | |
| Capitol Visitors Center | | | 70,000 | +70,000 | +70,000 |
| CONGRESSIONAL CEMETERY | | | | | |
| Congressional Cemetery | | | 1,250 | +1,250 | +1,250 |
| LIBRARY BUILDINGS AND GROUNDS | | | | | |
| Structural and mechanical care | 15,935 | 21,402 | 21,753 | +5,818 | +351 |
| Total, Architect of the Capitol | 15,935 | 21,402 | 93,003 | +77,068 | +71,601 |
| GOVERNMENT PRINTING OFFICE | | | | | |
| OFFICE OF SUPERINTENDENT OF DOCUMENTS | | | | | |
| Salaries and expenses | 27,893 | 29,639 | 29,639 | +1,746 | ..... |
| GOVERNMENT PRINTING OFFICE REVOLVING FUND | | | | | |
| GPO revolving fund | 6,000 | 6,000 | (1) | -6,000 | -6,000 |
| Total, Government Printing Office | 33,893 | 35,639 | 29,639 | -4,254 | -6,000 |
| GENERAL ACCOUNTING OFFICE | | | | | |
| Salaries and expenses | 387,020 | 430,295 | 424,345 | +37,325 | -5,950 |
| Offsetting collections | -3,000 | -2,501 | -2,501 | +499 | ..... |
| Total, General Accounting Office | 384,020 | 427,794 | 421,844 | +37,824 | -5,950 |
| PAYMENT TO THE RUSSIAN LEADERSHIP DEVELOPMENT CENTRAL TRUST FUND | | | | | |
| Center for Russian Leadership Development | | | 8,000 | +8,000 | +8,000 |
| Total, title II, Other agencies | 875,466 | 854,111 | 928,726 | +53,260 | +74,615 |
| Total appropriations | 2,729,527 | 2,961,870 | 2,971,142 | +241,615 | +9,272 |

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-68—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Other adjustments affecting the bill: | | | | | |
| Across the board cut (0.22%) | - 6,000 | ..... | ..... | +6,000 | ..... |
| OMB/CBO adjustment | 5,882 | ..... | ..... | - 5,882 | ..... |
| GPO early retirement/buyout authority ..... | ..... | ..... | 1,000 | +1,000 | +1,000 |
| National Garden ..... | ..... | ..... | 2,000 | +2,000 | +2,000 |
| Total, adjustments | - 118 | ..... | 3,000 | +3,118 | +3,000 |
| Grand total | 2,729,409 | 2,961,870 | 2,974,142 | +244,733 | +12,272 |

¹Funding provided in Fiscal Year 2001 Supplemental (P.L. 107-20).

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-64

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Military construction, Army | 907,878 | 1,760,541 | 1,778,256 | +870,378 | +17,715 |
| Rescission | | | - 36,400 | - 36,400 | - 36,400 |
| Foreign currency fluctuation adjustment | - 635 | | | +635 | |
| Miscellaneous appropriations (P.L. 106-554) | 26,941 | | | - 26,941 | |
| Supplemental appropriations (P.L. 107-20) | 9,144 | | | - 9,144 | |
| Net total | 943,328 | 1,760,541 | 1,741,856 | +798,528 | - 18,685 |
| Military construction, Navy | 929,113 | 1,071,408 | 1,144,221 | +215,108 | +72,813 |
| Rescission | | | - 19,588 | - 19,588 | - 19,588 |
| Foreign currency fluctuation adjustment | - 2,889 | | | +2,889 | |
| Supplemental appropriations (P.L. 107-20) | 3,187 | | | - 3,187 | |
| Net total | 929,411 | 1,071,408 | 1,124,633 | +195,222 | +53,225 |
| Military construction, Air Force | 868,294 | 1,068,250 | 1,194,880 | +326,586 | +126,630 |
| Rescission | | | - 4,000 | - 4,000 | - 4,000 |
| Miscellaneous appropriations (P.L. 106-554) | 11,974 | | | - 11,974 | |
| Supplemental appropriations (P.L. 107-20) | 5,065 | | | - 5,065 | |
| Net total | 885,333 | 1,068,250 | 1,190,880 | +305,547 | +122,630 |
| Military construction, Defense-wide | 819,954 | 694,558 | 840,558 | +20,604 | +146,000 |
| Rescissions | | | - 69,280 | - 69,280 | - 69,280 |
| Foreign currency fluctuation adjustment | - 7,115 | | | +7,115 | |
| Supplemental appropriations (P.L. 107-20) | - 14,376 | | | +14,376 | |
| Net total | 798,463 | 694,558 | 771,278 | - 27,185 | +76,720 |
| Net total, Active components | 3,556,535 | 4,594,757 | 4,828,647 | +1,272,112 | +233,890 |
| Military construction, Army National Guard | 281,097 | 267,389 | 405,565 | +124,468 | +138,176 |
| Miscellaneous appropriations (P.L. 106-554) | 4,490 | | | - 4,490 | |
| Total | 285,587 | 267,389 | 405,565 | +119,978 | +138,176 |
| Military construction, Air National Guard | 203,381 | 149,072 | 253,386 | +50,005 | +104,314 |
| Supplemental appropriations (P.L. 107-20) | 6,700 | | | - 6,700 | |
| Total | 210,081 | 149,072 | 253,386 | +43,305 | +104,314 |

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-64—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Military construction, Army Reserve | 108,499 | 111,404 | 167,019 | +58,520 | +55,615 |
| Military construction, Naval Reserve | 64,331 | 33,641 | 53,201 | - 11,130 | +19,560 |
| Rescission | - 2,400 | ..... | - 925 | +1,475 | - 925 |
| Net total | 61,931 | 33,641 | 52,276 | - 9,655 | +18,635 |
| Military construction, Air Force Reserve | 36,510 | 53,732 | 74,857 | +38,347 | +21,125 |
| Net total, Reserve components | 702,608 | 615,238 | 953,103 | +250,495 | +337,865 |
| Net total, Military construction | 4,259,143 | 5,209,995 | 5,781,750 | +1,522,607 | +571,755 |
| Appropriations | (4,259,143) | (5,209,995) | (5,781,750) | (+1,522,607) | (+571,755) |
| Rescissions | (- 2,400) | ..... | (- 130,193) | (- 127,793) | (- 130,193) |
| NATO Security Investment Program | 171,622 | 162,600 | 162,600 | - 9,022 | ..... |
| Family housing, Army: | | | | | |
| Construction | 235,437 | 291,542 | 312,742 | +77,305 | +21,200 |
| Operation and maintenance | 949,655 | 1,108,991 | 1,089,573 | +139,918 | - 19,418 |
| Supplemental appropriations (P.L. 107-20) | 26,480 | ..... | ..... | - 26,480 | ..... |
| Total | 1,211,572 | 1,400,533 | 1,402,315 | +190,743 | +1,782 |
| Family housing, Navy and Marine Corps: | | | | | |
| Construction | 417,235 | 304,400 | 331,780 | - 85,455 | +27,380 |
| Operation and maintenance | 879,625 | 918,095 | 910,095 | +30,470 | - 8,000 |
| Supplemental appropriations (P.L. 107-20) | 20,300 | ..... | ..... | - 20,300 | ..... |
| Total | 1,317,160 | 1,222,495 | 1,241,875 | - 75,285 | +19,380 |
| Family housing, Air Force: | | | | | |
| Construction | 251,413 | 518,237 | 550,703 | +299,290 | +32,466 |
| Operation and maintenance | 819,061 | 869,121 | 844,715 | +25,654 | - 24,406 |
| Supplemental appropriations (P.L. 107-20) | 13,625 | ..... | ..... | - 13,625 | ..... |
| Total | 1,084,099 | 1,387,358 | 1,395,418 | +311,319 | +8,060 |
| Family housing, Defense-wide | 44,787 | 44,012 | 44,012 | - 775 | ..... |
| Department of Defense Family Housing Improvement Fund ..... | ..... | 2,000 | 2,000 | +2,000 | ..... |

MILITARY CONSTRUCTION, 2002

813

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-64—Continued

[Amounts in thousands of dollars]

814

MILITARY CONSTRUCTION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Homeowners assistance fund, Defense | | 10,119 | 10,119 | +10,119 | ..... |
| (By transfer) ..... |  | ..... | (7,730) | (7,730) | (7,730) |
| Total, Family housing | 3,657,618 | 4,066,517 | 4,095,739 | +438,121 | +29,222 |
| (By transfer) ..... | ..... | ..... | (7,730) | (7,730) | (7,730) |
| Base realignment and closure account | 1,022,115 | 532,200 | 632,713 | - 389,402 | +100,513 |
| Supplemental appropriations (P.L. 107-20) | 9,000 | ..... | ..... | - 9,000 | ..... |
| Total | 1,031,115 | 532,200 | 632,713 | - 398,402 | +100,513 |
| GENERAL PROVISIONS | | | | | |
| Previous acts (rescission) | - 100,000 | ..... | ..... | +100,000 | ..... |
| Foreign currency fluctuations, Construction, Defense (rescission) (sec. 130) | - 83,000 | ..... | - 60,000 | +23,000 | - 60,000 |
| Reduction (1.127%) (sec. 132) ..... | ..... | ..... | - 112,802 | - 112,802 | - 112,802 |
| Net total, General provisions | - 183,000 | ..... | - 172,802 | +10,198 | - 172,802 |
| Net total appropriations | 8,936,498 | 9,971,312 | 10,500,000 | +1,563,502 | +528,688 |
| Other adjustments affecting the bill: | | | | | |
| OMB adjustment for across-the-board cut (.22%) | 35 | ..... | ..... | - 35 | ..... |
| Net grand total | 8,936,533 | 9,971,312 | 10,500,000 | +1,563,467 | +528,688 |
| Appropriations | (9,132,572) | (9,971,312) | (10,690,193) | (1,557,621) | (718,881) |
| Rescissions | (- 185,400) | ..... | (- 190,193) | (- 4,793) | (- 190,193) |
| (By transfer) ..... | ..... | ..... | (7,730) | (7,730) | (7,730) |

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—DEPARTMENT OF TRANSPORTATION | | | | | |
| OFFICE OF THE SECRETARY | | | | | |
| Salaries and expenses | 63,245 | 69,500 | 67,778 | +4,533 | - 1,722 |
| Immediate Office of the Secretary | (1,827) | (1,989) | (1,929) | (+102) | (- 60) |
| Immediate Office of the Deputy Secretary | (587) | (638) | (619) | (+32) | (- 19) |
| Office of the General Counsel | (9,972) | (13,355) | (13,355) | (+3,383) | ..... |
| Office of the Assistant Secretary for Policy | (3,011) | (3,153) | (3,058) | (+47) | (- 95) |
| Office of the Assistant Secretary for Aviation and International Affairs | (7,289) | (7,650) | (7,421) | (+132) | (- 229) |
| Office of the Assistant Secretary for Budget and Programs | (7,362) | (7,728) | (7,728) | (+366) | ..... |
| Office of the Assistant Secretary for Governmental Affairs | (2,150) | (2,282) | (2,282) | (+132) | ..... |
| Office of the Assistant Secretary for Administration | (19,020) | (20,262) | (19,250) | (+230) | (- 1,012) |
| Office of Public Affairs | (1,674) | (1,776) | (1,723) | (+49) | (- 53) |
| Executive Secretariat | (1,181) | (1,241) | (1,204) | (+23) | (- 37) |
| Board of Contract Appeals | (496) | (523) | (507) | (+11) | (- 16) |
| Office of Small and Disadvantaged Business Utilization | (1,192) | (1,251) | (1,240) | (+48) | (- 11) |
| Office of Intelligence and Security | (1,262) | (1,321) | (1,321) | (+59) | ..... |
| Office of the Chief Information Officer | (6,222) | (6,331) | (6,141) | (- 81) | (- 190) |
| Subtotal | (63,245) | (69,500) | (67,778) | (+4,533) | (- 1,722) |
| Across the board (0.22%) rescission | - 139 | ..... | ..... | +139 | ..... |
| Office of civil rights | 8,140 | 8,500 | 8,500 | +360 | ..... |
| Across the board (0.22%) rescission | - 18 | ..... | ..... | +18 | ..... |
| Transportation security administration ..... | ..... | ..... | 1,250,000 | +1,250,000 | +1,250,000 |
| Offsetting collections ..... | ..... | ..... | - 1,250,000 | - 1,250,000 | - 1,250,000 |
| Transportation planning, research, and development | 11,000 | 5,193 | 11,993 | +993 | +6,800 |
| Across the board (0.22%) rescission | - 24 | ..... | ..... | +24 | ..... |
| Transportation Administrative Service Center | (126,887) | (125,323) | (125,323) | (- 1,564) | ..... |
| Minority business resource center program | 1,900 | 900 | 900 | - 1,000 | ..... |
| Across the board (0.22%) rescission | - 4 | ..... | ..... | +4 | ..... |
| (Limitation on guaranteed loans) | (13,775) | (18,367) | (18,367) | (+4,592) | ..... |
| Minority business outreach | 3,000 | 3,000 | 3,000 | ..... | ..... |
| Across the board (0.22%) rescission | - 7 | ..... | ..... | +7 | ..... |
| Payments to air carriers (Airport and Airway Trust Fund) ..... | ..... | ..... | 13,000 | +13,000 | +13,000 |
| Rental payments (rescission) (P.L. 107-20) | - 440 | ..... | ..... | +440 | ..... |

TRANSPORTATION, 2002

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

816

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Total, Office of the Secretary | 87,285 | 87,093 | 1,355,171 | +1,267,886 | +1,268,078 |
| ATB rescissions | - 192 | ..... | ..... | +192 | ..... |
| Rescission | - 440 | ..... | ..... | +440 | ..... |
| Offsetting collections ..... | ..... | ..... | - 1,250,000 | - 1,250,000 | - 1,250,000 |
| Total | 86,653 | 87,093 | 105,171 | +18,518 | +18,078 |
| COAST GUARD | | | | | |
| Operating expenses | 2,851,000 | 3,042,588 | 2,942,000 | +91,000 | - 100,588 |
| Defense function | 341,000 | 340,250 | 440,000 | +99,000 | +99,750 |
| Subtotal | 3,192,000 | 3,382,838 | 3,382,000 | +190,000 | - 838 |
| Across the board (0.22%) rescission | - 6,967 | ..... | ..... | +6,967 | ..... |
| Supplemental (P.L. 107-20) | 92,000 | ..... | ..... | - 92,000 | ..... |
| Emergency Response Fund (P.L. 107-38) | 18,000 | ..... | ..... | - 18,000 | ..... |
| Acquisition, construction, and improvements | 415,000 | 659,323 | 636,354 | +221,354 | - 22,969 |
| Vessels | (156,450) | (79,390) | (89,640) | (- 66,810) | (+10,250) |
| Aircraft | (37,650) | (500) | (9,500) | (- 28,150) | (+9,000) |
| Other equipment | (60,113) | (95,471) | (79,293) | (+19,180) | (- 16,178) |
| Shore facilities and aids to navigation facilities | (63,336) | (79,262) | (73,100) | (+9,764) | (- 6,162) |
| Personnel and related support | (55,151) | (66,700) | (64,631) | (+9,480) | (- 2,069) |
| Integrated Deepwater Systems | (42,300) | (338,000) | (320,190) | (+277,890) | (- 17,810) |
| Subtotal, A C & I | (415,000) | (659,323) | (636,354) | (+221,354) | (- 22,969) |
| Across the board (0.22%) rescission | - 869 | ..... | ..... | +869 | ..... |
| Rescissions | - 12,000 | ..... | ..... | +12,000 | ..... |
| Supplemental (P.L. 107-20) | 4,000 | ..... | ..... | - 4,000 | ..... |
| Environmental compliance and restoration | 16,700 | 16,927 | 16,927 | +227 | ..... |
| Across the board (0.22%) rescission | - 37 | ..... | ..... | +37 | ..... |
| Alteration of bridges | 15,500 | 15,466 | 15,466 | - 34 | ..... |
| Across the board (0.22%) rescission | - 35 | ..... | ..... | +35 | ..... |
| Retired pay | 778,000 | 876,346 | 876,346 | +98,346 | ..... |
| Reserve training | 80,375 | 83,194 | 83,194 | +2,819 | ..... |
| Across the board (0.22%) rescission | - 176 | ..... | ..... | +176 | ..... |
| Research, development, test, and evaluation | 21,320 | 21,722 | 20,222 | - 1,098 | - 1,500 |

TRANSPORTATION, 2002

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Across the board (0.22%) rescission | - 40 | ..... | ..... | +40 | ..... |
| Trust fund share of expenses (ATB rescission) | - 108 | ..... | ..... | +108 | ..... |
| Total, Coast Guard | 4,632,895 | 5,055,816 | 5,030,509 | +397,614 | - 25,307 |
| ATB rescissions | - 8,232 | ..... | ..... | +8,232 | ..... |
| Rescissions | - 12,000 | ..... | ..... | +12,000 | ..... |
| Total | 4,612,663 | 5,055,816 | 5,030,509 | +417,846 | - 25,307 |
| FEDERAL AVIATION ADMINISTRATION | | | | | |
| Operations | 6,544,235 | 6,886,000 | 6,886,000 | +341,765 | ..... |
| Air traffic services | (5,200,274) | (5,447,421) | (5,452,871) | (+252,597) | (+5,450) |
| Aviation regulation and certification | (694,979) | (744,744) | (768,769) | (+73,790) | (+24,025) |
| Civil aviation security | (139,301) | (150,154) | (150,154) | (+10,853) | ..... |
| Research and acquisition | (189,988) | (196,674) | (195,799) | (+5,811) | (- 875) |
| Commercial space transportation | (12,000) | (14,706) | (12,456) | (+456) | (- 2,250) |
| Financial services | (48,444) | (50,684) | (50,284) | (+1,840) | (- 400) |
| Human resources | (54,864) | (74,516) | (69,516) | (+14,652) | (- 5,000) |
| Regional coordination | (99,347) | (90,893) | (85,943) | (- 13,404) | (- 4,950) |
| Staff offices | (105,038) | (116,208) | (109,208) | (+4,170) | (- 7,000) |
| Undistributed ..... | ..... | ..... | (- 9,000) | (- 9,000) | (- 9,000) |
| Subtotal | (6,544,235) | (6,886,000) | (6,886,000) | (+341,765) | ..... |
| Across the board (0.22%) rescission | - 14,397 | ..... | ..... | +14,397 | ..... |
| Emergency Response Fund (P.L. 107-38) | 123,000 | ..... | ..... | - 123,000 | ..... |
| Facilities and equipment (Airport and Airway Trust Fund) | 2,656,765 | 2,914,000 | 2,914,000 | +257,235 | ..... |
| Across the board (0.22%) rescission | - 5,845 | ..... | ..... | +5,845 | ..... |
| Rescission (Airport and Airway Trust Fund) ..... | ..... | ..... | - 15,000 | - 15,000 | - 15,000 |
| Research, engineering, and development (Airport and Airway Trust Fund) | 187,000 | 187,781 | 195,000 | +8,000 | +7,219 |
| Across the board (0.22%) rescission | - 411 | ..... | ..... | +411 | ..... |
| Grants-in-aid for airports (Airport and Airway Trust Fund): | | | | | |
| (Liquidation of contract authorization) | (3,200,000) | (1,800,000) | (1,800,000) | (- 1,400,000) | ..... |
| (Limitation on obligations) | (3,200,000) | (3,300,000) | (3,300,000) | (+100,000) | ..... |
| Across the board (0.22%) rescission | (- 7,040) | ..... | ..... | (+7,040) | ..... |
| Across the board (0.22%) rescission | - 4 | ..... | ..... | +4 | ..... |

TRANSPORTATION, 2002

817

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Rescission of contract authorization | - 609,000 | - 331,000 | - 301,720 | +307,280 | +29,280 |
| Net subtotal | (2,583,956) | (2,969,000) | (2,998,280) | (+414,324) | (+29,280) |
| Total, Federal Aviation Administration | 9,511,000 | 9,987,781 | 9,995,000 | +484,000 | +7,219 |
| (Limitations on obligations) | (3,200,000) | (3,300,000) | (3,300,000) | (+100,000) | ..... |
| Total budgetary resources | (12,711,000) | (13,287,781) | (13,295,000) | (+584,000) | (+7,219) |
| ATB rescissions | (- 7,040) | ..... | ..... | (+7,040) | ..... |
| ATB rescissions | - 20,657 | ..... | ..... | +20,657 | ..... |
| Rescission | - 609,000 | - 331,000 | - 316,720 | +292,280 | +14,280 |
| Net total | (12,074,303) | (12,956,781) | (12,978,280) | (+903,977) | (+21,499) |
| FEDERAL HIGHWAY ADMINISTRATION | | | | | |
| Limitation on administrative expenses | (295,119) | (317,693) | (311,000) | (+15,881) | (- 6,693) |
| Federal-aid highways (Highway Trust Fund): | | | | | |
| (Limitation on obligations) | (26,603,806) | (27,042,994) | (27,280,000) | (+676,194) | (+237,006) |
| Across the board (0.22%) rescission | (- 58,528) | ..... | ..... | (+58,528) | ..... |
| Revenue aligned budget authority (RABA) | (3,058,000) | (4,341,700) | (4,486,700) | (+1,428,700) | (+145,000) |
| Innovative transportation solutions program (RABA) ..... | ..... | (45,000) | ..... | ..... | (- 45,000) |
| Alternative transportation grant prog (RABA) ..... | ..... | (100,000) | ..... | ..... | (- 100,000) |
| Border infrastructure construction prog (RABA) ..... | ..... | (56,300) | (56,300) | (+56,300) | ..... |
| Subtotal, RABA | (3,058,000) | (4,543,000) | (4,543,000) | (+1,485,000) | ..... |
| Across the board (0.22%) rescission | (- 6,728) | ..... | ..... | (+6,728) | ..... |
| RABA transfer to FMCSA ..... | ..... | (- 22,837) | (- 23,896) | (- 23,896) | (- 1,059) |
| Subtotal, limitation on obligations | (29,661,806) | (31,563,157) | (31,799,104) | (+2,137,298) | (+235,947) |
| (Exempt obligations) | (1,069,000) | (955,000) | (955,000) | (- 114,000) | ..... |
| (Liquidation of contract authorization) | (28,000,000) | (30,000,000) | (30,000,000) | (+2,000,000) | ..... |
| Rescission (P.L. 107-20) | - 15,918 | ..... | ..... | +15,918 | ..... |
| Emergency Relief Program (Highway Trust Fund) (contingent emergency appropriation) | 720,000 | ..... | ..... | - 720,000 | ..... |
| Across the board (0.22%) rescission | - 1,584 | ..... | ..... | +1,584 | ..... |
| Emergency highway restoration (P.L. 107-20) | 27,600 | ..... | ..... | - 27,600 | ..... |

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Appalachian development highway system | 279,963 | ..... | 200,000 | - 79,963 | +200,000 |
| Across the board (0.22%) rescission | - 649 | ..... | ..... | +649 | ..... |
| State infrastructure banks (rescission) ..... | ..... | ..... | - 5,750 | - 5,750 | - 5,750 |
| Value pricing project (rescission)(Highway Trust Fund) (sec. 318) ..... | ..... | ..... | - 9,231 | - 9,231 | - 9,231 |
| TIFIA (rescission) (Highway Trust Fund) (sec. 318) ..... | ..... | ..... | - 43,742 | - 43,742 | - 43,742 |
| Total, Federal Highway Administration | 307,563 | ..... | 200,000 | - 107,563 | +200,000 |
| Contingent emergency | 720,000 | ..... | ..... | - 720,000 | ..... |
| (Limitations on obligations) | (29,661,806) | (31,563,157) | (31,799,104) | (+2,137,298) | (+235,947) |
| (Exempt obligations) | (1,069,000) | (955,000) | (955,000) | (- 114,000) | ..... |
| Total budgetary resources | (31,758,369) | (32,518,157) | (32,954,104) | (+1,195,735) | (+435,947) |
| ATB rescissions | (- 65,256) | ..... | ..... | (+65,256) | ..... |
| ATB rescissions | - 2,233 | ..... | ..... | +2,233 | ..... |
| Rescissions | - 15,918 | ..... | - 58,723 | - 42,805 | - 58,723 |
| Net total | (31,674,962) | (32,518,157) | (32,895,381) | (+1,220,419) | (+377,224) |
| FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION | | | | | |
| Motor carrier safety (limitation on administrative expenses) | (92,194) | (139,007) | (110,000) | (+17,806) | (- 29,007) |
| Across the board (0.22%) rescission | (- 202) | ..... | ..... | (+202) | ..... |
| Rescission ..... | ..... | ..... | - 6,665 | - 6,665 | - 6,665 |
| National motor carrier safety program (Highway Trust Fund): | | | | | |
| (Liquidation of contract authorization) | (177,000) | (204,837) | (205,896) | (+28,896) | (+1,059) |
| (Limitation on obligations) | (177,000) | (182,000) | (182,000) | (+5,000) | ..... |
| Across the board (0.22%) rescission | (- 389) | ..... | ..... | (+389) | ..... |
| RABA transfer from FHWA: | | | | | |
| Border-State grants ..... | ..... | (18,000) | (18,000) | (+18,000) | ..... |
| State commercial driver's license ..... | ..... | (4,837) | ..... | ..... | (- 4,837) |
| Motor carrier safety assistance grants ..... | ..... | ..... | (5,896) | (+5,896) | (+5,896) |
| Subtotal, RABA ..... | ..... | (22,837) | (23,896) | (+23,896) | (+1,059) |
| Subtotal, limitation on obligations | (177,000) | (204,837) | (205,896) | (+28,896) | (+1,059) |

TRANSPORTATION, 2002

819

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Border enforcement activities (sec. 350f) | | | 25,866 | +25,866 | +25,866 |
| Total, Federal Motor Carrier Safety Administration | | | 25,866 | +25,866 | +25,866 |
| (Limitations on obligations) | (269,194) | (343,844) | (315,896) | (+46,702) | (- 27,948) |
| Total budgetary resources | (269,194) | (343,844) | (341,762) | (+72,568) | (- 2,082) |
| ATB rescissions | (- 591) | | | (+591) | |
| Rescissions | | | - 6,665 | - 6,665 | - 6,665 |
| Net total | (268,603) | (343,844) | (335,097) | (+66,494) | (- 8,747) |
| NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION | | | | | |
| Operations and research | 116,876 | 122,000 | 127,780 | +10,904 | +5,780 |
| Operations and research (Highway trust fund): | | | | | |
| (Liquidation of contract authorization) | (72,000) | (72,000) | (72,000) | | |
| (Limitation on obligations) | (72,000) | (72,000) | (72,000) | | |
| Rescission of contract authority | | | - 1,516 | - 1,516 | - 1,516 |
| National Driver Register (Highway trust fund) | 2,000 | 2,000 | 2,000 | | |
| Subtotal, Operations and research | (190,876) | (196,000) | (200,264) | (+9,388) | (+4,264) |
| Across the board (0.22%) rescission | - 261 | | | +261 | |
| Across the board (0.22%) rescission | (- 158) | | | (+158) | |
| Highway traffic safety grants (Highway Trust Fund): | | | | | |
| (Liquidation of contract authorization) | (213,000) | (223,000) | (223,000) | (+10,000) | |
| (Limitation on obligations): | | | | | |
| Highway safety programs (sec. 402) | (155,000) | (160,000) | (160,000) | (+5,000) | |
| Occupant protection incentive grants (sec. 405) | (13,000) | (15,000) | (15,000) | (+2,000) | |
| Alcohol-impaired driving countermeasures grants (sec. 410) | (36,000) | (38,000) | (38,000) | (+2,000) | |
| State highway safety data grants (sec. 411) | (9,000) | (10,000) | (10,000) | (+1,000) | |
| Subtotal, limitation on obligations | (213,000) | (223,000) | (223,000) | (+10,000) | |
| Across the board (0.22%) rescission | (- 469) | | | (+469) | |
| Total, National Highway Traffic Safety Administration | 118,876 | 124,000 | 129,780 | +10,904 | +5,780 |

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| (Limitations on obligations) | (285,000) | (295,000) | (295,000) | (+10,000) | ..... |
| Total budgetary resources | (403,876) | (419,000) | (424,780) | (+20,904) | (+5,780) |
| ATB rescissions | (- 627) | ..... | ..... | (+627) | ..... |
| ATB rescissions | - 261 | ..... | ..... | +261 | ..... |
| Rescissions ..... | ..... | ..... | - 1,516 | - 1,516 | - 1,516 |
| Net total | (402,988) | (419,000) | (423,264) | (+20,276) | (+4,264) |
| FEDERAL RAILROAD ADMINISTRATION | | | | | |
| Safety and operations | 101,717 | 111,357 | 110,857 | +9,140 | - 500 |
| Across the board (0.22%) rescission | - 224 | ..... | ..... | +224 | ..... |
| Offsetting collections ..... | ..... | - 41,000 | ..... | ..... | +41,000 |
| Railroad research and development | 25,325 | 28,325 | 29,000 | +3,675 | +675 |
| Across the board (0.22%) rescission | - 56 | ..... | ..... | +56 | ..... |
| Offsetting collections ..... | ..... | - 14,000 | ..... | ..... | +14,000 |
| Rhode Island Rail Development | 17,000 | ..... | ..... | - 17,000 | ..... |
| Across the board (0.22%) rescission | - 37 | ..... | ..... | +37 | ..... |
| Pennsylvania Station Redevelopment project (advance appropriations, FY 2001, FY 2002, FY 2003) ¹ | 20,000 | 20,000 | 20,000 | ..... | ..... |
| Across the board (0.22%) rescission | - 44 | ..... | ..... | +44 | ..... |
| Next generation high-speed rail | 25,100 | 25,100 | 32,300 | +7,200 | +7,200 |
| Across the board (0.22%) rescission | - 55 | ..... | ..... | +55 | ..... |
| Alaska Railroad rehabilitation | 20,000 | ..... | 20,000 | ..... | +20,000 |
| Across the board (0.22%) rescission | - 44 | ..... | ..... | +44 | ..... |
| West Virginia Rail development | 15,000 | ..... | ..... | - 15,000 | ..... |
| Across the board (0.22%) rescission | - 33 | ..... | ..... | +33 | ..... |
| Capital grants to the National Railroad Passenger Corporation | 521,476 | 521,476 | 521,476 | ..... | ..... |
| Across the board (0.22%) rescission | - 1,147 | ..... | ..... | +1,147 | ..... |
| Total, Federal Railroad Administration | 745,618 | 651,258 | 733,633 | - 11,985 | +82,375 |
| ATB rescissions | - 1,640 | ..... | ..... | +1,640 | ..... |
| Total | 743,978 | 651,258 | 733,633 | - 10,345 | +82,375 |
| FEDERAL TRANSIT ADMINISTRATION | | | | | |
| Administrative expenses | 12,800 | 13,400 | 13,400 | +600 | ..... |

TRANSPORTATION, 2002

821

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

822

TRANSPORTATION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Across the board (0.22%) rescission | - 28 | ..... | ..... | +28 | ..... |
| Administrative expenses (Highway Trust Fund, Mass Transit Account) (limitation on obligations) | (51,200) | (53,600) | (53,600) | (+2,400) | ..... |
| Subtotal, Administrative expenses | (63,972) | (67,000) | (67,000) | (+3,028) | ..... |
| Formula grants | 669,000 | 718,400 | 718,400 | +49,400 | ..... |
| Across the board (0.22%) rescission | - 1,360 | ..... | ..... | +1,360 | ..... |
| Formula grants (Highway Trust Fund) (limitation on obligations) | (2,676,000) | (2,873,600) | (2,873,600) | (+197,600) | ..... |
| Across the board (0.22%) rescission | (- 5,887) | ..... | ..... | (+5,887) | ..... |
| Subtotal, Formula grants | (3,343,640) | (3,592,000) | (3,592,000) | (+248,360) | ..... |
| University transportation research | 1,200 | 1,200 | 1,200 | ..... | ..... |
| University transportation research (Highway Trust Fund, Mass Transit Acct) (limitation on obligations) | (4,800) | (4,800) | (4,800) | ..... | ..... |
| Across the board (0.22%) rescission | (- 3) | ..... | ..... | (+3) | ..... |
| Subtotal, University transportation research | (6,000) | (6,000) | (6,000) | ..... | ..... |
| Transit planning and research | 22,200 | 23,000 | 23,000 | +800 | ..... |
| Transit planning and research (Highway Trust Fund, Mass Transit Account) (limitation on obligations) | (87,800) | (93,000) | (93,000) | (+5,200) | ..... |
| Subtotal, Transit planning and research | (110,000) | (116,000) | (116,000) | (+6,000) | ..... |
| Rural transportation assistance | (5,250) | (5,250) | (5,250) | ..... | ..... |
| National transit institute | (4,000) | (4,000) | (4,000) | ..... | ..... |
| Transit cooperative research | (8,250) | (8,250) | (8,250) | ..... | ..... |
| Metropolitan planning | (52,114) | (55,422) | (55,422) | (+3,308) | ..... |
| State planning | (10,886) | (11,578) | (11,578) | (+692) | ..... |
| National planning and research | (29,500) | (31,500) | (31,500) | (+2,000) | ..... |
| Subtotal | (110,000) | (116,000) | (116,000) | (+6,000) | ..... |
| Across the board (0.22%) rescission | - 49 | ..... | ..... | +49 | ..... |
| Trust fund share of expenses (Highway Trust Fund) (liquidation of contract authorization) | (5,016,600) | (5,397,800) | (5,397,800) | (+381,200) | ..... |
| Capital investment grants | 529,200 | 568,200 | 568,200 | +39,000 | ..... |

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Capital investment grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations) | (2,116,800) | (2,272,800) | (2,272,800) | (+156,000) | ..... |
| Subtotal, Capital investment grants | (2,646,000) | (2,841,000) | (2,841,000) | (+195,000) | ..... |
| Fixed guideway modernization | (1,058,400) | (1,136,400) | (1,136,400) | (+78,000) | ..... |
| Buses and bus-related facilities | (529,200) | (568,200) | (568,200) | (+39,000) | ..... |
| New starts | (1,058,400) | (1,136,400) | (1,136,400) | (+78,000) | ..... |
| Subtotal | (2,646,000) | (2,841,000) | (2,841,000) | (+195,000) | ..... |
| Across the board (0.22%) rescission | - 1,274 | ..... | ..... | +1,274 | ..... |
| Discretionary grants (Highway Trust Fund, Mass Transit Account) (liquidation of contract authorization) | (350,000) | ..... | ..... | (- 350,000) | ..... |
| Job access and reverse commute grants | 20,000 | 25,000 | 25,000 | +5,000 | ..... |
| Across the board (0.22%) rescission | - 44 | ..... | ..... | +44 | ..... |
| (Highway Trust Fund, Mass Transit Account) (limitation on obligations) | (80,000) | (100,000) | (100,000) | (+20,000) | ..... |
| Trust fund share of expenses (limitation on obligations) (ATB rescission) | (- 8,492) | ..... | ..... | (+8,492) | ..... |
| Subtotal, Job access and reverse commute grants | (99,956) | (125,000) | (125,000) | (+25,044) | ..... |
| Total, Federal Transit Administration | 1,254,400 | 1,349,200 | 1,349,200 | +94,800 | ..... |
| (Limitations on obligations) | (5,016,600) | (5,397,800) | (5,397,800) | (+381,200) | ..... |
| Total budgetary resources | (6,271,000) | (6,747,000) | (6,747,000) | (+476,000) | ..... |
| ATB rescissions | (- 14,382) | ..... | ..... | (+14,382) | ..... |
| ATB rescissions | - 2,755 | ..... | ..... | +2,755 | ..... |
| Total | (6,253,863) | (6,747,000) | (6,747,000) | (+493,137) | ..... |
| SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION | | | | | |
| Operations and maintenance (Harbor Maintenance Trust Fund) | 13,004 | 13,345 | 13,345 | +341 | ..... |
| Across the board (0.22%) rescission | - 29 | ..... | ..... | +29 | ..... |
| Total | 12,975 | 13,345 | 13,345 | +370 | ..... |

TRANSPORTATION, 2002

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

824

TRANSPORTATION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION | | | | | |
| Research and special programs: | | | | | |
| Hazardous materials safety | 18,750 | 21,217 | 21,217 | +2,467 | ..... |
| Emergency transportation | 1,831 | 1,897 | 1,897 | +66 | ..... |
| Research and technology | 4,816 | 4,760 | 2,784 | -2,032 | -1,976 |
| Program and administrative support | 10,976 | 14,059 | 11,381 | +405 | -2,678 |
| Adjustment ..... | ..... | 60 | ..... | ..... | -60 |
| Subtotal, research and special programs | 36,373 | 41,993 | 37,279 | +906 | -4,714 |
| Across the board (0.22%) rescission | -79 | ..... | ..... | +79 | ..... |
| Offsetting collections ..... | ..... | -12,000 | ..... | ..... | +12,000 |
| Pipeline safety: | | | | | |
| Pipeline Safety Fund | 36,556 | 46,286 | 50,386 | +13,830 | +4,100 |
| Oil Spill Liability Trust Fund | 7,488 | 7,472 | 7,864 | +376 | +392 |
| Pipeline safety reserve | (3,000) | ..... | ..... | (-3,000) | ..... |
| Subtotal, Pipeline safety program (incl reserve) | (47,044) | (53,758) | (58,250) | (+11,206) | (+4,492) |
| Across the board (0.22%) rescission | -19 | ..... | ..... | +19 | ..... |
| Emergency preparedness grants: | | | | | |
| Emergency preparedness fund | 200 | 200 | 200 | ..... | ..... |
| Limitation on emergency preparedness fund | (14,300) | (14,300) | (14,300) | ..... | ..... |
| Total, Research and Special Programs Administration | 80,617 | 83,951 | 95,729 | +15,112 | +11,778 |
| ATB rescissions | -98 | ..... | ..... | +98 | ..... |
| Total | 80,519 | 83,951 | 95,729 | +15,210 | +11,778 |
| OFFICE OF INSPECTOR GENERAL | | | | | |
| Salaries and expenses | 48,450 | 50,614 | 50,614 | +2,164 | ..... |
| Across the board (0.22%) rescission | -106 | ..... | ..... | +106 | ..... |
| (By transfer from FTA) | (1,000) | (2,000) | ..... | (-1,000) | (-2,000) |
| Total (including transfer) | (49,344) | (52,614) | (50,614) | (+1,270) | (-2,000) |

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| SURFACE TRANSPORTATION BOARD | | | | | |
| Salaries and expenses | 17,954 | 18,457 | 18,457 | +503 | |
| Offsetting collections | - 900 | - 950 | - 950 | - 50 | |
| Total | 17,054 | 17,507 | 17,507 | +453 | |
| Across the board (0.22%) rescission | - 37 | | | +37 | |
| BUREAU OF TRANSPORTATION STATISTICS | | | | | |
| Office of airline information (Airport and Airway Trust Fund) | | 3,760 | | | - 3,760 |
| GENERAL PROVISIONS | | | | | |
| Amtrak Reform Council (sec. 329) | 750 | 785 | 225 | - 525 | - 560 |
| Across the board (0.22%) rescission | - 2 | | | +2 | |
| Muscle Shoals, Tuscumbia, and Sheffield | 5,000 | | | - 5,000 | |
| Valley trains and tours | 1,000 | | | - 1,000 | |
| Miscellaneous highways | 1,145,000 | | | - 1,145,000 | |
| Across the board (0.22%) rescission | - 2,519 | | | +2,519 | |
| Woodrow Wilson Memorial Bridge | 600,000 | | | - 600,000 | |
| Surface transportation projects (sec. 330) | | | 144,000 | +144,000 | +144,000 |
| Miscellaneous appropriations (P.L. 106-554): | | | | | |
| Huntsville International Airport (sec. 1104) | 2,500 | | | - 2,500 | |
| Southeast Light Rail Extension Project (sec. 1105) | 1,000 | | | - 1,000 | |
| Newark-Elizabeth rail link project (sec. 1107) | 3,000 | | | - 3,000 | |
| Commercial remote sensing products and spatial information technologies (sec. 1109) | 4,000 | | | - 4,000 | |
| Rural farm-to-market roads (sec. 1121) | 2,400 | | | - 2,400 | |
| Buses and bus facilities, A&M University (sec. 1123) | 500 | | | - 500 | |
| Highway Trust Fund, various projects (sec. 1128) | 8,700 | | | - 8,700 | |
| Across the board (0.22%) rescission | - 1,333 | | | +1,333 | |
| Total, General provisions | 1,769,996 | 785 | 144,225 | - 1,625,771 | +143,440 |
| Net total, title I, Department of Transportation | 18,633,160 | 17,094,110 | 17,506,955 | - 1,126,205 | +412,845 |
| Appropriations | (18,570,612) | (17,405,110) | (17,870,579) | (- 700,033) | (+465,469) |
| Rescissions | (- 677,452) | (- 331,000) | (- 383,624) | (+293,828) | (- 52,624) |
| Contingent emergency | (720,000) | | | (- 720,000) | |
| Advance appropriations, FY 2002 | (20,000) | (20,000) | (20,000) | | |

TRANSPORTATION, 2002

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

826

TRANSPORTATION, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| (By transfer) | (1,000) | (2,000) | ..... | (- 1,000) | (- 2,000) |
| (Limitations on obligations) | (38,432,600) | (40,899,801) | (41,107,800) | (+2,675,200) | (+207,999) |
| (Rescissions of limitations on obligations) | (- 87,896) | ..... | ..... | (+87,896) | ..... |
| (Exempt obligations) | (1,069,000) | (955,000) | (955,000) | (- 114,000) | ..... |
| Net total budgetary resources | (58,046,864) | (58,948,911) | (59,569,755) | (+1,522,891) | (+620,844) |
| TITLE II—RELATED AGENCIES | | | | | |
| ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD | | | | | |
| Salaries and expenses | 4,795 | 5,015 | 5,015 | +220 | ..... |
| Across the board (0.22%) rescission | - 11 | ..... | ..... | +11 | ..... |
| Total | 4,784 | 5,015 | 5,015 | +231 | ..... |
| NATIONAL TRANSPORTATION SAFETY BOARD | | | | | |
| Salaries and expenses | 62,942 | 64,480 | 68,000 | +5,058 | +3,520 |
| Across the board (0.22%) rescission | - 139 | ..... | ..... | +139 | ..... |
| Subtotal | 62,803 | 64,480 | 68,000 | +5,197 | +3,520 |
| Emergency Response Fund (P.L. 107-38) | 150 | ..... | ..... | - 150 | ..... |
| Total, National Transportation Safety Board | 62,953 | 64,480 | 68,000 | +5,047 | +3,520 |
| UNITED STATES-CANADA RAILROAD COMMISSION | | | | | |
| Salaries and expenses (P.L. 107-20) | 2,000 | ..... | ..... | - 2,000 | ..... |
| Total, title II, Related Agencies | 69,737 | 69,495 | 73,015 | +3,278 | +3,520 |
| Net total appropriations | 18,702,897 | 17,163,605 | 17,579,970 | - 1,122,927 | +416,365 |
| Other adjustments affecting the bill: | | | | | |
| Pipeline safety (OSLTF) | - 7,000 | - 47,000 | - 50,000 | - 43,000 | - 3,000 |
| Across the board cut (0.22%) | - 42,000 | ..... | ..... | +42,000 | ..... |
| CBO/OMB adjustment | 40,244 | ..... | ..... | - 40,244 | ..... |
| TASC adjustment (sec. 349) ..... | ..... | ..... | - 5,000 | - 5,000 | - 5,000 |

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-87—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Total, adjustments | - 8,756 | - 47,000 | - 55,000 | - 46,244 | - 8,000 |
| Net grand total | 18,694,141 | 17,116,605 | 17,524,970 | - 1,169,171 | +408,365 |
| Appropriations | (18,633,499) | (17,427,605) | (17,888,594) | (- 744,905) | (+460,989) |
| Rescissions | (- 679,358) | (- 331,000) | (- 383,624) | (+295,734) | (- 52,624) |
| Contingent emergency | (720,000) | ..... | ..... | (- 720,000) | ..... |
| Advance appropriations, FY 2002 | (20,000) | (20,000) | (20,000) | ..... | ..... |
| (By transfer) | (1,000) | (2,000) | ..... | (- 1,000) | (- 2,000) |
| (Limitations on obligations) | (38,432,600) | (40,899,801) | (41,107,800) | (+2,675,200) | (+207,999) |
| (Rescissions of limitations on obligations) | (- 87,896) | ..... | ..... | (+87,896) | ..... |
| (Exempt obligations) | (1,069,000) | (955,000) | (955,000) | (- 114,000) | ..... |
| Net grand total budgetary resources | (58,107,845) | (58,971,406) | (59,587,770) | (+1,479,925) | (+616,364) |

NOTE.—FY 2001 rescissions included in Net total lines.

¹Funding provided in P.L. 106-113.

TRANSPORTATION, 2002

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-67

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I—DEPARTMENT OF THE TREASURY | | | | | |
| Departmental Offices | 222,337 | 181,768 | 177,142 | -45,195 | -4,626 |
| Department-wide systems and capital investments programs | 62,150 | 70,828 | 68,828 | +6,678 | -2,000 |
| Office of Inspector General | 32,827 | 35,150 | 35,424 | +2,597 | +274 |
| Treasury Inspector General for Tax Administration | 118,166 | 122,342 | 123,746 | +5,580 | +1,404 |
| Treasury Building and Annex Repair and Restoration | 30,932 | 32,932 | 28,932 | -2,000 | -4,000 |
| Expanded Access to Financial Services | 9,978 | ..... | 2,000 | -7,978 | +2,000 |
| Financial Crimes Enforcement Network | 37,493 | 45,155 | 45,837 | +8,344 | +682 |
| Counterterrorism Fund | 54,879 | 44,879 | 40,000 | -14,879 | -4,879 |
| Federal Law Enforcement Training Center: | | | | | |
| Salaries and Expenses | 99,264 | 100,707 | 105,680 | +6,416 | +4,973 |
| Acquisition, Construction, Improvements, and Related Expenses | 54,086 | 21,895 | 33,434 | -20,652 | +11,539 |
| Total | 153,350 | 122,602 | 139,114 | -14,236 | +16,512 |
| Interagency Law Enforcement: Interagency crime and drug enforcement | 103,248 | 106,487 | 107,576 | +4,328 | +1,089 |
| Financial Management Service | 255,972 | 211,594 | 212,850 | -43,122 | +1,256 |
| Bureau of Alcohol, Tobacco and Firearms | 771,143 | 803,521 | 810,316 | +39,173 | +6,795 |
| GREAT grants ..... | ..... | ..... | 13,000 | +13,000 | +13,000 |
| Total | 771,143 | 803,521 | 823,316 | +52,173 | +19,795 |
| United States Customs Service: | | | | | |
| Salaries and Expenses | 1,878,557 | 1,961,764 | 2,079,357 | +200,800 | +117,593 |
| Harbor Maintenance Fee Collection | 2,993 | 2,993 | 3,000 | +7 | +7 |
| Operation, Maintenance and Procurement, Air and Marine Interdiction Programs | 132,934 | 162,637 | 177,860 | +44,926 | +15,223 |
| Miscellaneous appropriations (P.L. 106-554) | 6,985 | ..... | ..... | -6,985 | ..... |
| Automation modernization: | | | | | |
| Automated Commercial System | 122,443 | 122,432 | 122,432 | -11 | ..... |
| International Trade Data System | 5,389 | 5,400 | 5,400 | +11 | ..... |
| Automated Commercial Environment | 130,000 | 130,000 | 300,000 | +170,000 | +170,000 |
| Subtotal | 257,832 | 257,832 | 427,832 | +170,000 | +170,000 |

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-67—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Customs Services at Small Airports (to be derived from fees collected) | 1,993 | 3,000 | 3,000 | +1,007 | ..... |
| Offsetting receipts | -2,000 | -3,000 | -3,000 | -1,000 | ..... |
| Total | 2,279,294 | 2,385,226 | 2,688,049 | +408,755 | +302,823 |
| Bureau of the Public Debt | 182,699 | 185,370 | 186,953 | +4,254 | +1,583 |
| Payment of government losses in shipment | 1,000 | 1,000 | 1,000 | ..... | ..... |
| Internal Revenue Service: | | | | | |
| Processing, Assistance, and Management | 3,661,166 | 3,783,347 | 3,797,890 | +136,724 | +14,543 |
| Tax Law Enforcement | 3,366,380 | 3,533,198 | 3,538,347 | +171,967 | +5,149 |
| Earned Income Tax Credit Compliance Initiative | 144,681 | 146,000 | 146,000 | +1,319 | ..... |
| Information Systems | 1,522,416 | 1,563,249 | 1,563,249 | +40,833 | ..... |
| Business systems modernization | 71,593 | 396,593 | 391,593 | +320,000 | -5,000 |
| Staffing tax administration for balance and equity | 140,690 | ..... | ..... | -140,690 | ..... |
| Rescissions | -18,000 | ..... | ..... | +18,000 | ..... |
| Total | 8,888,926 | 9,422,387 | 9,437,079 | +548,153 | +14,692 |
| United States Secret Service: | | | | | |
| Salaries and Expenses | 824,885 | 857,117 | 920,615 | +95,730 | +63,498 |
| Acquisition, Construction, Improvements, and Related Expenses | 8,921 | 3,352 | 3,457 | -5,464 | +105 |
| Total | 833,806 | 860,469 | 924,072 | +90,266 | +63,603 |
| Total, title I, Department of the Treasury | 14,038,200 | 14,631,710 | 15,041,918 | +1,003,718 | +410,208 |
| Appropriations | (14,056,200) | (14,631,710) | (15,041,918) | (+985,718) | (+410,208) |
| Rescissions | (-18,000) | ..... | ..... | (+18,000) | ..... |
| TITLE II—POSTAL SERVICE | | | | | |
| Payment to the Postal Service Fund | 28,936 | 76,619 | 29,000 | +64 | -47,619 |
| Advance appropriation, fiscal year 2002 | 66,952 | 67,093 | 67,093 | +141 | ..... |
| Advance appropriation, fiscal year 2003 ..... | ..... | ..... | 47,619 | +47,619 | +47,619 |
| Total (including advances) | 95,888 | 143,712 | 143,712 | +47,824 | ..... |

TREASURY AND GENERAL GOVERNMENT, 2002

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-67—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| Executive Office of the President | | 237,775 | | | - 237,775 |
| Compensation of the President and the White House Office: | | | | | |
| Compensation of the President | 390 | | 450 | +60 | +450 |
| Salaries and Expenses | 53,171 | | 54,651 | +1,480 | +54,651 |
| Executive Residence at the White House: | | | | | |
| Operating Expenses | 10,876 | | 11,695 | +819 | +11,695 |
| White House Repair and Restoration | 966 | | 8,625 | +7,659 | +8,625 |
| Special Assistance to the President and the Official Residence of the Vice President: | | | | | |
| Salaries and Expenses | 3,665 | | 3,925 | +260 | +3,925 |
| Operating expenses | 353 | | 318 | - 35 | +318 |
| Council of Economic Advisers | 4,101 | | 4,211 | +110 | +4,211 |
| Office of Policy Development | 4,023 | | 4,142 | +119 | +4,142 |
| National Security Council | 7,149 | | 7,494 | +345 | +7,494 |
| Office of Administration | 43,641 | | 46,955 | +3,314 | +46,955 |
| Office of Management and Budget | 68,635 | | 70,752 | +2,117 | +70,752 |
| Office of National Drug Control Policy: | | | | | |
| Salaries and expenses | 24,705 | | 25,263 | +558 | +25,263 |
| Counterdrug Technology Assessment Center | 35,974 | 40,000 | 42,300 | +6,326 | +2,300 |
| Total | 60,679 | 40,000 | 67,563 | +6,884 | +27,563 |
| Federal Drug Control Programs: | | | | | |
| High Intensity Drug Trafficking Areas Program | 206,046 | 206,350 | 226,350 | +20,304 | +20,000 |
| Special Forfeiture Fund | 233,086 | 247,600 | 239,400 | +6,314 | - 8,200 |
| Unanticipated Needs | 998 | | 1,000 | +2 | +1,000 |
| Elections Commission of the Commonwealth of Puerto Rico | 2,494 | | | - 2,494 | |
| Total, title III, Executive Office of the President and Funds Appropriated to the President | 700,273 | 731,725 | 747,531 | +47,258 | +15,806 |

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-67—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE IV—INDEPENDENT AGENCIES | | | | | |
| Committee for Purchase From People Who Are Blind or Severely Disabled | 4,149 | 4,498 | 4,629 | +480 | +131 |
| Federal Election Commission | 40,411 | 41,411 | 43,689 | +3,278 | +2,278 |
| Federal Labor Relations Authority | 25,003 | 26,378 | 26,524 | +1,521 | +146 |
| General Services Administration: | | | | | |
| Federal Buildings Fund: | | | | | |
| Appropriations | 476,523 | ..... | 8,000 | - 468,523 | +8,000 |
| Advance appropriation, fiscal year 2002 ..... | ..... | 276,400 | 276,400 | +276,400 | ..... |
| Subtotal | 476,523 | 276,400 | 284,400 | - 192,123 | +8,000 |
| Limitations on availability of revenue: | | | | | |
| Construction and acquisition of facilities | (477,676) | (386,289) | (386,280) | (- 91,396) | (- 9) |
| Repairs and alterations | (681,613) | (826,676) | (826,676) | (+145,063) | ..... |
| Installment acquisition payments | (185,369) | (186,427) | (186,427) | (+1,058) | ..... |
| Rental of space | (2,943,854) | (2,959,550) | (2,952,050) | (+8,196) | (- 7,500) |
| Building Operations | (1,624,771) | (1,748,949) | (1,748,949) | (+124,178) | ..... |
| Subtotal | (5,913,283) | (6,107,891) | (6,100,382) | (+187,099) | (- 7,509) |
| Repayment of Debt | (70,595) | (72,000) | (72,000) | (+1,405) | ..... |
| Total, Federal Buildings Fund | 476,523 | 276,400 | 284,400 | - 192,123 | +8,000 |
| (Limitations) | (5,983,878) | (6,179,891) | (6,172,382) | (+188,504) | (- 7,509) |
| Policy and Operations | 137,406 | 138,499 | 143,139 | +5,733 | +4,640 |
| Office of Inspector General | 34,444 | 36,025 | 36,346 | +1,902 | +321 |
| Electronic Government Fund ..... | ..... | 20,000 | 5,000 | +5,000 | - 15,000 |
| Allowances and Office Staff for Former Presidents | 2,511 | 3,552 | 3,196 | +685 | - 356 |
| Expenses, Presidential transition | 7,084 | ..... | ..... | - 7,084 | ..... |
| Total, General Services Administration ¹ | 657,968 | 474,476 | 472,081 | - 185,887 | - 2,395 |
| Merit Systems Protection Board: | | | | | |
| Salaries and Expenses | 29,372 | 30,375 | 30,555 | +1,183 | +180 |
| Limitation on administrative expenses | 2,424 | 2,520 | 2,520 | +96 | ..... |
| Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation: | | | | | |
| Morris K. Udall scholarship | 1,996 | 1,746 | ..... | - 1,996 | - 1,746 |

TREASURY AND GENERAL GOVERNMENT, 2002

831

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-67—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|---------------------------|----------------------------------|--------------------------------|------------------------------|-----------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Native Nations Institute | | 250 | | | - 250 |
| Morris K. Udall Trust Fund | | | 1,996 | +1,996 | +1,996 |
| Environmental Dispute Resolution Fund | 1,248 | 1,309 | 1,309 | +61 | |
| National Archives and Records Administration: | | | | | |
| Operating expenses | 208,946 | 244,247 | 244,247 | +35,301 | |
| Reduction of debt | - 6,084 | - 6,612 | - 6,612 | - 528 | |
| Repairs and Restoration | 101,536 | 10,643 | 39,143 | - 62,393 | +28,500 |
| National Historical Publications and Records Commission: Grants program | 6,436 | 4,436 | 6,436 | | +2,000 |
| Total | 310,834 | 252,714 | 283,214 | - 27,620 | +30,500 |
| Office of Government Ethics | 9,663 | 10,060 | 10,117 | +454 | +57 |
| Office of Personnel Management: | | | | | |
| Salaries and Expenses | 93,888 | 99,036 | 99,636 | +5,748 | +600 |
| Limitation on administrative expenses | 101,762 | 115,928 | 115,928 | +14,166 | |
| Office of Inspector General | 1,357 | 1,398 | 1,498 | +141 | +100 |
| Limitation on administrative expenses | 9,724 | 10,016 | 10,016 | +292 | |
| Government Payment for Annuity, Employees Health Benefits | 5,427,166 | 6,145,000 | 6,145,000 | +717,834 | |
| Government Payment for Annuity, Employee Life Insurance | 35,000 | 33,000 | 33,000 | - 2,000 | |
| Payment to Civil Service Retirement and Disability Fund | 8,940,051 | 9,229,000 | 9,229,000 | +288,949 | |
| Total, Office of Personnel Management | 14,608,948 | 15,633,378 | 15,634,078 | +1,025,130 | +700 |
| Office of Special Counsel | 11,122 | 11,784 | 11,891 | +769 | +107 |
| United States Tax Court | 37,223 | 37,305 | 37,305 | +82 | |
| Total, title IV, Independent Agencies | 15,740,361 | 16,528,204 | 16,559,908 | +819,547 | +31,704 |
| Total appropriations | 30,574,722 | 32,035,351 | 32,493,069 | +1,918,347 | +457,718 |
| Other adjustments affecting the bill: | | | | | |
| US Mint revolving fund | 13,960 | 22,000 | 17,000 | +3,040 | - 5,000 |
| Sallie Mae | 1,000 | 1,000 | 1,000 | | |
| Federal buildings fund | - 74,000 | 31,000 | 14,000 | +88,000 | - 17,000 |
| Across the board cut (0.22%) | - 47,000 | | | +47,000 | |
| OMB/CBO adjustment | 35,491 | | | - 35,491 | |
| U.S.-China Security Review Commission (P.L. 107-20) | 1,700 | | | - 1,700 | |

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002, PUBLIC LAW 107-67—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Total adjustments | - 68,849 | 54,000 | 32,000 | +100,849 | - 22,000 |
| Grand total ¹ | 30,505,873 | 32,089,351 | 32,525,069 | +2,019,196 | +435,718 |
| Current year, fiscal year 2002 ¹ | 30,505,873 | 32,089,351 | 32,477,450 | +1,971,577 | +388,099 |
| Appropriations | (30,456,921) | (31,745,858) | (32,133,957) | (+1,677,036) | (+388,099) |
| Rescissions | (- 18,000) | ..... | ..... | (+18,000) | ..... |
| Advance appropriations, fiscal year 2002 | (66,952) | (343,493) | (343,493) | (+276,541) | ..... |
| Advance appropriations, fiscal year 2003 ..... | ..... | ..... | 47,619 | +47,619 | +47,619 |
| (Limitations) | (5,983,878) | (6,179,891) | (6,172,382) | (+188,504) | (- 7,509) |

¹Includes advance appropriations for Fiscal Year 2002.

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73**

[Amounts in thousands of dollars]

834

VA AND HOUSING AND URBAN DEVELOPMENT, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE I | | | | | |
| DEPARTMENT OF VETERANS AFFAIRS | | | | | |
| VETERANS BENEFITS ADMINISTRATION | | | | | |
| Compensation and pensions | 23,355,689 | 24,944,288 | 24,944,288 | +1,588,599 | ..... |
| Readjustment benefits | 1,981,000 | 2,135,000 | 2,135,000 | +154,000 | ..... |
| Veterans insurance and indemnities | 19,850 | 26,200 | 26,200 | +6,350 | ..... |
| Veterans housing benefit program fund program account (indefinite) | 165,740 | 203,278 | 203,278 | +37,538 | ..... |
| (Limitation on direct loans) | (300) | (300) | (300) | ..... | ..... |
| Administrative expenses | 162,000 | 164,497 | 164,497 | +2,497 | ..... |
| Administrative savings from prohibiting new Vendee Home Loans ..... | ..... | - 1,000 | ..... | ..... | +1,000 |
| Education loan fund program account | 1 | 1 | 1 | ..... | ..... |
| (Limitation on direct loans) | (3) | (3) | (3) | ..... | ..... |
| Administrative expenses | 220 | 64 | 64 | - 156 | ..... |
| Vocational rehabilitation loans program account | 52 | 72 | 72 | +20 | ..... |
| (Limitation on direct loans) | (2,726) | (3,301) | (3,301) | (+575) | ..... |
| Administrative expenses | 432 | 274 | 274 | - 158 | ..... |
| Native American Veteran Housing Loan Program Account | 532 | 544 | 544 | +12 | ..... |
| Total, Veterans Benefits Administration | 25,685,516 | 27,473,218 | 27,474,218 | +1,788,702 | +1,000 |
| VETERANS HEALTH ADMINISTRATION | | | | | |
| Medical care | 19,381,587 | 20,304,742 | 20,656,164 | +1,274,577 | +351,422 |
| Delayed equipment obligation | 900,000 | 675,000 | 675,000 | - 225,000 | ..... |
| Total | 20,281,587 | 20,979,742 | 21,331,164 | +1,049,577 | +351,422 |
| (Transfer to general operating expenses) | (- 28,134) | ..... | ..... | (+28,134) | ..... |
| (Transfer to Parking revolving fund) | (- 2,000) | ..... | ..... | (+2,000) | ..... |
| Medical care cost recovery collections: | | | | | |
| Offsetting receipts | - 639,000 | - 691,000 | - 691,000 | - 52,000 | ..... |
| Appropriations (indefinite) | 639,000 | 691,000 | 691,000 | +52,000 | ..... |
| Total available (excludes offsetting receipts) | 20,920,587 | 21,670,742 | 22,022,164 | +1,101,577 | +351,422 |
| Medical and prosthetic research | 351,000 | 360,237 | 371,000 | +20,000 | +10,763 |

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Medical administration and miscellaneous operating expenses | 62,000 | 67,628 | 66,731 | +4,731 | - 897 |
| Total, Veterans Health Administration | 20,694,587 | 21,407,607 | 21,768,895 | +1,074,308 | +361,288 |
| DEPARTMENTAL ADMINISTRATION | | | | | |
| General operating expenses | 1,050,000 | 1,194,831 | 1,195,728 | +145,728 | +897 |
| Offsetting receipts | (36,520) | ..... | ..... | (- 36,520) | ..... |
| Total, Program Level | (1,086,520) | (1,194,831) | (1,195,728) | (+109,208) | (+897) |
| (Transfer from medical care) | (47,134) | ..... | ..... | (- 47,134) | ..... |
| (Transfer from national cemetery) | (125) | ..... | ..... | (- 125) | ..... |
| (Transfer from inspector general) | (28) | ..... | ..... | (- 28) | ..... |
| National Cemetery Administration | 109,889 | 121,169 | 121,169 | +11,280 | ..... |
| (Transfer to general operating expenses) | (- 125) | ..... | ..... | (+125) | ..... |
| Office of Inspector General | 46,464 | 48,308 | 52,308 | +5,844 | +4,000 |
| (Transfer to general operating expenses) | (- 28) | ..... | ..... | (+28) | ..... |
| Construction, major projects | 66,040 | 183,180 | 183,180 | +117,140 | ..... |
| Construction, minor projects | 162,000 | 178,900 | 210,900 | +48,900 | +32,000 |
| Miscellaneous appropriations (P.L. 106-554) | 8,840 | ..... | ..... | - 8,840 | ..... |
| (Transfer to Parking Revolving Fund) | (- 4,500) | ..... | ..... | (+4,500) | ..... |
| Total | 170,840 | 178,900 | 210,900 | +40,060 | +32,000 |
| Grants for construction of State extended care facilities | 100,000 | 50,000 | 100,000 | ..... | +50,000 |
| Parking Revolving Fund ..... | ..... | 4,000 | 4,000 | +4,000 | ..... |
| Grants for the construction of State veterans cemeteries | 25,000 | 25,000 | 25,000 | ..... | ..... |
| (Transfer from Parking Revolving Fund) | (6,500) | ..... | ..... | (- 6,500) | ..... |
| Total, Departmental Administration | 1,568,233 | 1,805,388 | 1,892,285 | +324,052 | +86,897 |
| Total, title I, Department of Veterans Affairs | 47,948,336 | 50,686,213 | 51,135,398 | +3,187,062 | +449,185 |
| (Limitation on direct loans) | (3,029) | (3,604) | (3,604) | (+575) | ..... |

VA AND HOUSING AND URBAN DEVELOPMENT, 2002

835

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| TITLE II | | | | | |
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | | |
| PUBLIC AND INDIAN HOUSING | | | | | |
| Housing Certificate Fund: | | | | | |
| Direct appropriation | 9,740,907 | 15,717,392 | 11,440,975 | +1,700,068 | -4,276,417 |
| Advance appropriations provided in previous acts | 4,200,000 | | 4,200,000 | | +4,200,000 |
| Subtotal, discretionary, fiscal year 2002 ¹ | 13,940,907 | 15,717,392 | 15,640,975 | +1,700,068 | -76,417 |
| Advance appropriations, fiscal year 2003 | | | 4,200,000 | +4,200,000 | +4,200,000 |
| Rescission of unobligated balances: | | | | | |
| Section 8 recaptures (rescission) | -1,947,300 | | -1,200,000 | +747,300 | -1,200,000 |
| Public housing capital fund | 3,000,000 | 2,293,400 | 2,843,400 | -156,600 | +550,000 |
| Public housing operating fund | 3,242,000 | 3,384,868 | 3,494,868 | +252,868 | +110,000 |
| Subtotal | 6,242,000 | 5,678,268 | 6,338,268 | +96,268 | +660,000 |
| Operation Safe Home (rescission) | | | -11,000 | -11,000 | -11,000 |
| Drug elimination grants for low-income housing | 310,000 | | | -310,000 | |
| Revitalization of severely distressed public housing (HOPE VI) | 575,000 | 573,735 | 573,735 | -1,265 | |
| Native American housing block grants | 650,000 | 648,570 | 648,570 | -1,430 | |
| Indian housing loan guarantee fund program account | 6,000 | 5,987 | 5,987 | -13 | |
| (Limitation on guaranteed loans) | (71,956) | (234,283) | (234,283) | (+162,327) | |
| Native Hawaiian housing loan guarantee fund | | | 1,000 | +1,000 | +1,000 |
| (Limitation on guaranteed loans) | | | (40,000) | (+40,000) | (+40,000) |
| Total, Public and Indian Housing, fiscal year 2002 (net) ¹ | 19,776,607 | 22,623,952 | 21,997,535 | +2,220,928 | -626,417 |
| COMMUNITY PLANNING AND DEVELOPMENT | | | | | |
| Housing opportunities for persons with AIDS | 258,000 | 277,432 | 277,432 | +19,432 | |
| Rural housing and economic development | 25,000 | | 25,000 | | +25,000 |

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Empowerment zones / enterprise communities | 75,000 | 150,000 | 45,000 | - 30,000 | - 105,000 |
| Rural empowerment zones | 15,000 | ..... | ..... | - 15,000 | ..... |
| Miscellaneous appropriations (P.L. 106-554) | 110,000 | ..... | ..... | - 110,000 | ..... |
| Total | 200,000 | 150,000 | 45,000 | - 155,000 | - 105,000 |
| Community development fund | 5,057,550 | 4,801,993 | 5,000,000 | - 57,550 | +198,007 |
| Miscellaneous appropriations (P.L. 106-554) | 66,128 | ..... | ..... | - 66,128 | ..... |
| Section 108 loan guarantees: | | | | | |
| (Limitation on guaranteed loans) | (1,261,000) | (608,696) | (608,696) | (- 652,304) | ..... |
| Credit subsidy | 29,000 | 14,000 | 14,000 | - 15,000 | ..... |
| Administrative expenses | 1,000 | 1,000 | 1,000 | ..... | ..... |
| Brownfields redevelopment | 25,000 | 25,000 | 25,000 | ..... | ..... |
| HOME investment partnerships program | 1,800,000 | 1,796,040 | 1,846,040 | +46,040 | +50,000 |
| Homeless assistance grants | 1,025,000 | 1,022,745 | 1,122,525 | +97,525 | +99,780 |
| Shelter Plus Care Renewals | 100,000 | 99,780 | ..... | - 100,000 | - 99,780 |
| Total, Community planning and development | 8,586,678 | 8,187,990 | 8,355,997 | - 230,681 | +168,007 |
| HOUSING PROGRAMS | | | | | |
| Housing for special populations | 996,000 | 1,001,009 | 1,024,151 | +28,151 | +23,142 |
| Housing for the elderly | (779,000) | (783,286) | (783,286) | (+4,286) | ..... |
| Housing for the disabled | (217,000) | (217,723) | (240,865) | (+23,865) | (+23,142) |
| Manufactured housing fees trust fund ..... | ..... | 17,254 | 13,566 | +13,566 | - 3,688 |
| Offsetting collections ..... | ..... | - 17,254 | - 13,566 | - 13,566 | +3,688 |
| Savings from canceling S. 1029 ..... | ..... | ..... | - 8,000 | - 8,000 | - 8,000 |
| FEDERAL HOUSING ADMINISTRATION | | | | | |
| FHA—Mutual mortgage insurance program account: | | | | | |
| (Limitation on guaranteed loans) | (160,000,000) | (160,000,000) | (160,000,000) | ..... | ..... |
| (Limitation on direct loans) | (250,000) | (250,000) | (250,000) | ..... | ..... |
| Administrative expenses | 330,888 | 336,700 | 336,700 | +5,812 | ..... |
| Negative subsidy ² | - 2,246,000 | - 2,323,000 | - 2,323,000 | - 77,000 | ..... |
| Administrative contract expenses | 160,000 | 160,000 | 160,000 | ..... | ..... |
| Additional contract expenses | 4,000 | 1,000 | 1,000 | - 3,000 | ..... |
| Streamlined down payment requirements | 7,000 | ..... | ..... | - 7,000 | ..... |

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

838

VA AND HOUSING AND URBAN DEVELOPMENT, 2002

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| FHA—General and special risk program account: | | | | | |
| (Limitation on guaranteed loans) | (21,000,000) | (21,000,000) | (21,000,000) | ..... | ..... |
| (Limitation on direct loans) | (50,000) | (50,000) | (50,000) | ..... | ..... |
| Administrative expenses | 211,455 | 216,100 | 216,100 | +4,645 | ..... |
| Negative subsidy | -100,000 | -225,000 | -225,000 | -125,000 | ..... |
| Subsidy | 101,000 | 15,000 | 15,000 | -86,000 | ..... |
| Guaranteed loans credit subsidy (emergency funding) (P.L. 106-554) | 40,000 | ..... | ..... | -40,000 | ..... |
| Non-overhead administrative expenses | 144,000 | 144,000 | 144,000 | ..... | ..... |
| Additional contract expenses | 7,000 | 4,000 | 4,000 | -3,000 | ..... |
| Total, Federal Housing Administration | -1,340,657 | -1,671,200 | -1,671,200 | -330,543 | ..... |
| GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA) | | | | | |
| Guarantees of mortgage-backed securities loan guarantee program account: | | | | | |
| (Limitation on guaranteed loans) | (200,000,000) | (200,000,000) | (200,000,000) | ..... | ..... |
| Administrative expenses | 9,383 | 9,383 | 9,383 | ..... | ..... |
| Offsetting receipts | -347,000 | -382,000 | -382,000 | -35,000 | ..... |
| POLICY DEVELOPMENT AND RESEARCH | | | | | |
| Research and technology | 53,500 | 43,404 | 50,250 | -3,250 | +6,846 |
| FAIR HOUSING AND EQUAL OPPORTUNITY | | | | | |
| Fair housing activities | 46,000 | 45,899 | 45,899 | -101 | ..... |
| OFFICE OF LEAD HAZARD CONTROL | | | | | |
| Lead hazard reduction | 100,000 | 109,758 | 109,758 | +9,758 | ..... |
| MILLENNIAL HOUSING COMMISSION | | | | | |
| Gifts and donations ..... | ..... | 1,500 | ..... | ..... | -1,500 |
| MANAGEMENT AND ADMINISTRATION | | | | | |
| Salaries and expenses | 543,267 | 556,067 | 556,067 | +12,800 | ..... |
| Transfer from: | | | | | |
| Limitation on FHA corporate funds | (518,000) | (530,457) | (530,457) | (+12,457) | ..... |
| GNMA | (9,383) | (9,383) | (9,383) | ..... | ..... |
| Community Development Loan Guarantees Program | (1,000) | (1,000) | (1,000) | ..... | ..... |
| Native American Housing Block Grants | (150) | (150) | (150) | ..... | ..... |

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Indian Housing Loan Guarantee Fund Program | (200) | (200) | (200) | ..... | ..... |
| Native Hawaiian Housing Loan Guarantee Fund Program ..... | ..... | ..... | (35) | (+35) | (+35) |
| Total, Salaries and expenses | (1,072,000) | (1,097,257) | (1,097,292) | (+25,292) | (+35) |
| Office of Inspector General | 52,657 | 61,555 | 66,555 | +13,898 | +5,000 |
| (By transfer, limitation on FHA corporate funds) | (22,343) | (22,343) | (22,343) | ..... | ..... |
| (By transfer from Drug Elimination Grants) | (10,000) | ..... | ..... | (- 10,000) | ..... |
| (By transfer from Public Housing Oper Subsidy) ..... | ..... | (10,000) | (5,000) | (+5,000) | (- 5,000) |
| Total, Office of Inspector General | (85,000) | (93,898) | (93,898) | (+8,898) | ..... |
| Consolidated fee fund (rescission) ..... | ..... | - 6,700 | - 6,700 | - 6,700 | ..... |
| Office of Federal Housing Enterprise Oversight | 22,000 | 27,000 | 27,000 | +5,000 | ..... |
| Offsetting receipts | - 22,000 | - 27,000 | - 27,000 | - 5,000 | ..... |
| Total, title II, Department of Housing and Urban Development (net) | 28,476,435 | 30,580,617 | 34,347,695 | +5,871,260 | +3,767,078 |
| Current year, fiscal year 2002 (net) ¹ | (28,476,435) | (30,580,617) | (30,147,695) | (+1,671,260) | (- 432,922) |
| Appropriations | (26,223,735) | (30,587,317) | (27,165,395) | (+941,660) | (- 3,421,922) |
| Rescissions | (- 1,947,300) | (- 6,700) | (- 1,217,700) | (+729,600) | (- 1,211,000) |
| Advance appropriations, fiscal year 2002 | (4,200,000) | ..... | (4,200,000) | ..... | (+4,200,000) |
| Advance appropriation, fiscal year 2003 ¹ ..... | ..... | ..... | (4,200,000) | (+4,200,000) | (+4,200,000) |
| (Limitation on direct loans) | (300,000) | (300,000) | (300,000) | ..... | ..... |
| (Limitation on guaranteed loans) | (382,332,956) | (381,842,979) | (381,882,979) | (- 449,977) | (+40,000) |
| (Limitation on corporate funds) | (551,076) | (563,533) | (563,568) | (+12,492) | (+35) |
| TITLE III | | | | | |
| INDEPENDENT AGENCIES | | | | | |
| AMERICAN BATTLE MONUMENTS COMMISSION | | | | | |
| Salaries and expenses | 28,000 | 28,466 | 35,466 | +7,466 | +7,000 |
| CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD | | | | | |
| Salaries and expenses | 7,500 | 7,621 | 7,850 | +350 | +229 |

VA AND HOUSING AND URBAN DEVELOPMENT, 2002

839

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|---|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| DEPARTMENT OF THE TREASURY | | | | | |
| COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS | | | | | |
| Community development financial institutions fund program account | 118,000 | 67,948 | 80,000 | - 38,000 | +12,052 |
| CONSUMER PRODUCT SAFETY COMMISSION | | | | | |
| Salaries and expenses | 52,500 | 54,200 | 55,200 | +2,700 | +1,000 |
| CORPORATION FOR NATIONAL AND COMMUNITY SERVICE | | | | | |
| National and community service programs operating expenses | 458,500 | 411,480 | 401,980 | - 56,520 | - 9,500 |
| Rescission | - 30,000 | ..... | ..... | +30,000 | ..... |
| Office of Inspector General | 5,000 | 5,000 | 5,000 | ..... | ..... |
| Total | 433,500 | 416,480 | 406,980 | - 26,520 | - 9,500 |
| UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS | | | | | |
| Salaries and expenses | 12,445 | 13,221 | 13,221 | +776 | ..... |
| DEPARTMENT OF DEFENSE—CIVIL | | | | | |
| CEMETERIAL EXPENSES, ARMY | | | | | |
| Salaries and expenses | 17,949 | 18,437 | 22,537 | +4,588 | +4,100 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | |
| NATIONAL INSTITUTE OF HEALTH | | | | | |
| National Institute of Environmental Health Sciences | 63,000 | 70,228 | 70,228 | +7,228 | ..... |
| CENTERS FOR DISEASE CONTROL AND PREVENTION | | | | | |
| AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY | | | | | |
| Toxic substances and environmental public health | 75,000 | 78,235 | 78,235 | +3,235 | ..... |
| Total, Department of Health and Human Services | 138,000 | 148,463 | 148,463 | +10,463 | ..... |
| ENVIRONMENTAL PROTECTION AGENCY | | | | | |
| Science and Technology | 696,000 | 640,538 | 698,089 | +2,089 | +57,551 |
| Miscellaneous appropriations (P.L. 106-554) | 1,000 | ..... | ..... | - 1,000 | ..... |
| Transfer from Hazardous Substance Superfund | 36,500 | 36,891 | 36,891 | +391 | ..... |

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Subtotal, Science and Technology | 733,500 | 677,429 | 734,980 | +1,480 | +57,551 |
| Environmental Programs and Management | 2,087,990 | 1,972,960 | 2,054,511 | -33,479 | +81,551 |
| Office of Inspector General | 34,094 | 34,019 | 34,019 | -75 | ..... |
| Transfer from Hazardous Substance Superfund | 11,500 | 11,867 | 11,867 | +367 | ..... |
| Subtotal, OIG | 45,594 | 45,886 | 45,886 | +292 | ..... |
| Buildings and facilities | 23,931 | 25,318 | 25,318 | +1,387 | ..... |
| Hazardous Substance Superfund | 1,170,000 | 1,268,135 | 1,170,000 | ..... | -98,135 |
| Delay of obligation | 100,000 | ..... | 100,000 | ..... | +100,000 |
| Transfer to Office of Inspector General | -11,500 | -11,867 | -11,867 | -367 | ..... |
| Transfer to Science and Technology | -36,500 | -36,891 | -36,891 | -391 | ..... |
| Subtotal, Hazardous Substance Superfund | 1,222,000 | 1,219,377 | 1,221,242 | -758 | +1,865 |
| Leaking Underground Storage Tank Program | 72,096 | 71,937 | 73,000 | +904 | +1,063 |
| Oil spill response | 15,000 | 14,967 | 15,000 | ..... | +33 |
| State and Tribal Assistance Grants | 2,620,740 | 2,232,943 | 2,658,900 | +38,160 | +425,957 |
| Categorical grants | 1,008,000 | 1,055,782 | 1,074,376 | +66,376 | +18,594 |
| Subtotal, STAG | 3,628,740 | 3,288,725 | 3,733,276 | +104,536 | +444,551 |
| Total, EPA | 7,828,851 | 7,316,599 | 7,903,213 | +74,362 | +586,614 |
| EXECUTIVE OFFICE OF THE PRESIDENT | | | | | |
| Office of Science and Technology Policy | 5,201 | 5,267 | 5,267 | +66 | ..... |
| Council on Environmental Quality and Office of Environmental Quality | 2,900 | 2,974 | 2,974 | +74 | ..... |
| Total | 8,101 | 8,241 | 8,241 | +140 | ..... |
| FEDERAL DEPOSIT INSURANCE CORPORATION | | | | | |
| Office of Inspector General (transfer) | (33,660) | (33,660) | (33,660) | ..... | ..... |
| FEDERAL EMERGENCY MANAGEMENT AGENCY | | | | | |
| Disaster relief | 300,000 | 1,369,399 | 664,000 | +364,000 | -705,399 |
| (Transfer out) | (-2,900) | (-2,900) | (-2,900) | ..... | ..... |

VA AND HOUSING AND URBAN DEVELOPMENT, 2002

841

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| Contingent emergency appropriations | 1,300,000 | ..... | 1,500,000 | +200,000 | +1,500,000 |
| Subtotal | 1,600,000 | 1,369,399 | 2,164,000 | +564,000 | +794,601 |
| Disaster assistance direct loan program account: | | | | | |
| State share loan | 1,678 | 405 | 405 | -1,273 | ..... |
| (Limitation on direct loans) | (25,000) | (25,000) | (25,000) | ..... | ..... |
| Administrative expenses | 427 | 543 | 543 | +116 | ..... |
| Salaries and expenses | 187,000 | 203,801 | 203,801 | +16,801 | ..... |
| Defense function | 28,000 | 30,000 | 30,000 | +2,000 | ..... |
| Subtotal | 215,000 | 233,801 | 233,801 | +18,801 | ..... |
| Office of Inspector General | 10,000 | 10,303 | 10,303 | +303 | ..... |
| Emergency management planning and assistance | 249,652 | 334,623 | 384,623 | +134,971 | +50,000 |
| Defense function | 20,000 | 20,000 | 20,000 | ..... | ..... |
| Miscellaneous appropriations (P.L. 106-554) | 100,000 | ..... | ..... | -100,000 | ..... |
| Subtotal | 369,652 | 354,623 | 404,623 | +34,971 | +50,000 |
| (By transfer) | (2,900) | (2,900) | (2,900) | ..... | ..... |
| Radiological emergency preparedness fund ..... | ..... | -1,000 | -1,000 | -1,000 | ..... |
| Emergency food and shelter program | 140,000 | 139,692 | 140,000 | ..... | +308 |
| National Flood Insurance Fund: | | | | | |
| (Limitation on administrative expenses): | | | | | |
| Salaries and expenses ³ | 25,736 | 28,798 | 28,798 | +3,062 | ..... |
| Flood mitigation ³ | 77,307 | 76,381 | 76,381 | -926 | ..... |
| (Transfer out) | (-20,000) | (-20,000) | (-20,000) | ..... | ..... |
| National Flood Migration Fund (by transfer) | (20,000) | (20,000) | (20,000) | ..... | ..... |
| Emergency Response Fund (P.L. 107-38) | 2,000,000 | ..... | ..... | -2,000,000 | ..... |
| Total, Federal Emergency Management Agency | 4,439,800 | 2,212,945 | 3,057,854 | -1,381,946 | +844,909 |
| Appropriations | (1,139,800) | (2,212,945) | (1,557,854) | (+418,054) | (-655,091) |
| Contingent emergency appropriations | (3,300,000) | ..... | (1,500,000) | (-1,800,000) | (+1,500,000) |
| GENERAL SERVICES ADMINISTRATION | | | | | |
| Federal Consumer Information Center Fund | 7,122 | 7,276 | 7,276 | +154 | ..... |

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | | | | | |
| Human space flight | 5,462,900 | 7,296,000 | 6,912,400 | +1,449,500 | - 383,600 |
| Science, aeronautics and technology | 6,190,700 | 7,191,700 | 7,857,100 | +1,666,400 | +665,400 |
| Mission support | 2,608,700 | ..... | ..... | - 2,608,700 | ..... |
| Office of Inspector General | 23,000 | 23,700 | 23,700 | +700 | ..... |
| Total, NASA | 14,285,300 | 14,511,400 | 14,793,200 | +507,900 | +281,800 |
| NATIONAL CREDIT UNION ADMINISTRATION | | | | | |
| Central liquidity facility: | | | | | |
| (Limitation on direct loans) | (1,500,000) | (1,500,000) | (1,500,000) | ..... | ..... |
| (Limitation on administrative expenses, corporate funds) | (296) | (309) | (309) | (+13) | ..... |
| Revolving loan program | 1,000 | 1,000 | 1,000 | ..... | ..... |
| NATIONAL SCIENCE FOUNDATION | | | | | |
| Research and related activities | 3,287,000 | 3,263,981 | 3,530,270 | +243,270 | +266,289 |
| Defense function | 63,000 | 63,000 | 68,070 | +5,070 | +5,070 |
| Subtotal | 3,350,000 | 3,326,981 | 3,598,340 | +248,340 | +271,359 |
| Major research equipment and facilities construction | 121,600 | 96,332 | 138,800 | +17,200 | +42,468 |
| Education and human resources | 787,352 | 872,407 | 875,000 | +87,648 | +2,593 |
| Salaries and expenses | 160,890 | 170,040 | 170,040 | +9,150 | ..... |
| Office of Inspector General | 6,280 | 6,760 | 6,760 | +480 | ..... |
| Total, NSF | 4,426,122 | 4,472,520 | 4,788,940 | +362,818 | +316,420 |
| NEIGHBORHOOD REINVESTMENT CORPORATION | | | | | |
| Payment to the Neighborhood Reinvestment Corporation | 90,000 | 95,000 | 105,000 | +15,000 | +10,000 |
| SELECTIVE SERVICE SYSTEM | | | | | |
| Salaries and expenses | 24,480 | 25,003 | 25,003 | +523 | ..... |
| Total, title III, Independent agencies | 31,918,670 | 29,404,820 | 31,459,444 | - 459,226 | +2,054,624 |
| Appropriations | (28,618,670) | (29,404,820) | (29,959,444) | (+1,340,774) | (+554,624) |
| Rescissions | (- 30,000) | ..... | ..... | (+30,000) | ..... |
| Contingent emergency appropriations | (3,300,000) | ..... | (1,500,000) | (- 1,800,000) | (+1,500,000) |

VA AND HOUSING AND URBAN DEVELOPMENT, 2002

843

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS
ACT, 2002, PUBLIC LAW 107-73—Continued**

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Increase (+) or decrease (-) | |
|--|------------------------------|-------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| | | | | Appropriated versus enacted | Appropriated versus request |
| (Limitation on direct loans) | (1,525,000) | (1,525,000) | (1,525,000) | ..... | ..... |
| (Limitation on corporate funds) | (296) | (309) | (309) | (+13) | ..... |
| OTHER PROVISIONS | | | | | |
| Filipino veterans provision | 3,000 | ..... | ..... | - 3,000 | ..... |
| Net total appropriations | 108,346,441 | 110,671,650 | 116,942,537 | +8,596,096 | +6,270,887 |
| Other adjustments affecting the bill: | | | | | |
| RB provision | - 30,000 | ..... | ..... | +30,000 | ..... |
| Vet. Millennium Health Care Act offsetting receipt | - 169,000 | ..... | ..... | +169,000 | ..... |
| FSLIC resolution fund (mandatory) | - 4,000 | - 4,000 | - 4,000 | ..... | ..... |
| Across the board cut (0.22%) | - 188,000 | ..... | ..... | +188,000 | ..... |
| EPA: State & Tribal Assistance Grants (P.L.107-20) | 20,584 | ..... | ..... | - 20,584 | ..... |
| Total, adjustments | - 370,416 | - 4,000 | - 4,000 | +366,416 | ..... |
| Net grand total | 107,976,025 | 110,667,650 | 116,938,537 | +8,962,512 | +6,270,887 |
| Current year, fiscal year 2002 (net) ¹ | (107,976,025) | (110,667,650) | (112,738,537) | (+4,762,512) | (+2,070,887) |
| Appropriations | (102,453,325) | (110,674,350) | (108,256,237) | (+5,802,912) | (- 2,418,113) |
| Rescissions | (- 1,977,300) | (- 6,700) | (- 1,217,700) | (+759,600) | (- 1,211,000) |
| Contingent emergency appropriations | (3,300,000) | ..... | (1,500,000) | (- 1,800,000) | (+1,500,000) |
| Advance appropriations, fiscal year 2002 | (4,200,000) | ..... | (4,200,000) | ..... | (+4,200,000) |
| Advance appropriation, fiscal year 2003 ¹ ..... | ..... | ..... | (4,200,000) | (+4,200,000) | (+4,200,000) |
| (By transfer) | (85,560) | (66,560) | (61,560) | (- 24,000) | (- 5,000) |
| (Limitation on guaranteed loans) | (382,332,956) | (381,842,979) | (381,882,979) | (- 449,977) | (+40,000) |
| (Limitation on corporate funds) | (551,372) | (563,842) | (563,877) | (+12,505) | (+35) |
| (Limitation on direct loans) | (1,828,029) | (1,828,604) | (1,828,604) | (+575) | ..... |

¹ VAHUD 2001 (P.L. 106-377) provided \$4.2 million in advance appropriations for HUD fiscal year 2002. This amount was included in the fiscal year 2002 appropriated totals. In addition, VAHUD 2002 (P.L. 107-73) provided \$4.2 million in advance appropriations for HUD fiscal year 2003. This amount was *not* included in the appropriated totals.

² Not included in FY 2001 CSBA tables.

³ FY 2001 funding scored as non-add.

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| DIVISION B—FISCAL YEAR 2002 SUPPLEMENTAL APPROPRIATIONS CHAPTER 1 DEPARTMENT OF AGRICULTURE | | | | |
| Office of the Secretary | 45,188 | 80,919 | +35,731 | AG |
| Agricultural Research Service: | | | | |
| Salaries and expenses | | 40,000 | +40,000 | AG |
| Buildings and facilities | | 73,000 | +73,000 | AG |
| Animal and Plant Health Inspection Service: | | | | |
| Salaries and expenses | | 105,000 | +105,000 | AG |
| Buildings and facilities | | 14,081 | +14,081 | AG |
| Food and Safety Inspection Service | | 15,000 | +15,000 | AG |
| Food and Nutrition Service: Special supplemental nutrition program for women, infants, and children (WIC) | | 39,000 | +39,000 | AG |
| Total, Department of Agriculture | 45,188 | 367,000 | +321,812 | |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| Food and Drug Administration: Salaries and expenses ¹ | | 151,100 | +151,100 | AG |
| INDEPENDENT AGENCY | | | | |
| Commodity Futures Trading Commission | 6,495 | 16,900 | +10,405 | AG |
| Total, chapter 1 | 51,683 | 535,000 | +483,317 | |
| CHAPTER 2 DEPARTMENT OF JUSTICE GENERAL ADMINISTRATION | | | | |
| USA Patriot Act activities | | 5,000 | +5,000 | CJ |
| Administrative review and appeals | 3,500 | 3,500 | | CJ |
| LEGAL ACTIVITIES | | | | |
| Salaries and expenses, General legal activities | 12,500 | 12,500 | | CJ |
| Salaries and expenses, United States Attorneys | 74,600 | 56,370 | - 18,230 | CJ |
| United States Marshals Service: | | | | |
| Salaries and expenses | 11,100 | 10,200 | - 900 | CJ |
| Construction | | 9,125 | +9,125 | CJ |

EMERGENCY SUPPLEMENTAL, 2002

845

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

846

EMERGENCY SUPPLEMENTAL, 2002

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| FEDERAL BUREAU OF INVESTIGATION | | | | |
| Salaries and expenses | 538,500 | 745,000 | +206,500 | CJ |
| IMMIGRATION AND NATURALIZATION SERVICE | | | | |
| Salaries and expenses, Enforcement and Border Affairs | 399,400 | 449,800 | +50,400 | CJ |
| Construction | | 99,600 | +99,600 | CJ |
| OFFICE OF JUSTICE PROGRAMS | | | | |
| Justice assistance ² | | 400,000 | +400,000 | CJ |
| State and local law enforcement assistance | 4,400 | 251,100 | +246,700 | CJ |
| Crime victims fund | 68,100 | 68,100 | | CJ |
| Total, Department of Justice | 1,112,100 | 2,110,295 | +998,195 | |
| DEPARTMENT OF COMMERCE | | | | |
| INTERNATIONAL TRADE ADMINISTRATION | | | | |
| Operations and administration | 1,500 | 1,000 | - 500 | CJ |
| EXPORT ADMINISTRATION | | | | |
| Operations and administration | 1,756 | 1,756 | | CJ |
| ECONOMIC DEVELOPMENT ADMINISTRATION | | | | |
| Salaries and expenses | 335 | | - 335 | CJ |
| NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION | | | | |
| Public telecommunications facilities, planning and construction | 8,250 | 8,250 | | CJ |
| UNITED STATES PATENT AND TRADEMARK OFFICE | | | | |
| Salaries and expenses | 3,360 | 1,500 | - 1,860 | CJ |
| NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY | | | | |
| Scientific and technical research and services | 400 | 5,000 | +4,600 | CJ |
| Construction of research facilities | 1,225 | 1,225 | | CJ |
| NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION | | | | |
| Operations, research, and facilities | 2,750 | 2,750 | | CJ |
| DEPARTMENTAL MANAGEMENT | | | | |
| Salaries and expenses | 7,276 | 4,776 | - 2,500 | CJ |

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| Total, Department of Commerce | 26,852 | 26,257 | - 595 | |
| THE JUDICIARY | | | | |
| SUPREME COURT OF THE UNITED STATES | | | | |
| Care of the Building and Grounds | 10,000 | 30,000 | +20,000 | CJ |
| COURT OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES | | | | |
| Salaries and expenses | | 5,000 | +5,000 | CJ |
| Court security | 21,500 | 57,521 | +36,021 | CJ |
| Administrative Office of the United States Courts: Salaries and expenses | | 2,879 | +2,879 | CJ |
| Total, the Judiciary | 31,500 | 95,400 | +63,900 | |
| DEPARTMENT OF STATE AND RELATED AGENCY | | | | |
| RELATED AGENCY | | | | |
| BROADCASTING BOARD OF GOVERNORS | | | | |
| International broadcasting operations | | 9,200 | +9,200 | CJ |
| Broadcasting capital improvements | | 10,000 | +10,000 | CJ |
| RELATED AGENCIES | | | | |
| EQUAL EMPLOYMENT OPPORTUNITY COMMISSION | | | | |
| Salaries and expenses | 1,301 | 1,301 | | CJ |
| SECURITIES AND EXCHANGE COMMISSION | | | | |
| Salaries and expenses | 20,705 | 20,705 | | CJ |
| SMALL BUSINESS ADMINISTRATION | | | | |
| Business loans program account, guaranteed loans | | 75,000 | +75,000 | CJ |
| Disaster loans program account | 150,000 | 75,000 | - 75,000 | CJ |
| Total, Small Business Administration | 150,000 | 150,000 | | |
| Total, chapter 2 | 1,342,458 | 2,423,158 | +1,080,700 | |

EMERGENCY SUPPLEMENTAL, 2002

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| CHAPTER 3 | | | | |
| DEPARTMENT OF DEFENSE—MILITARY | | | | |
| OPERATION AND MAINTENANCE | | | | |
| Defense Emergency Response Fund | 7,020,969 | 3,395,600 | -3,625,369 | DE |
| Transfer to Department of State: Nonproliferation, Anti-Terrorism, Demining and Related Programs | | (30,000) | (+30,000) | DE |
| PROCUREMENT | | | | |
| Other Procurement, Air Force | 303,000 | | -303,000 | DE |
| Total, chapter 3 | 7,323,969 | 3,395,600 | -3,928,369 | |
| CHAPTER 4 | | | | |
| DISTRICT OF COLUMBIA | | | | |
| FEDERAL FUNDS | | | | |
| Federal Payment to the District of Columbia for: | | | | |
| Emergency Response and Planning | 25,000 | | -25,000 | DC |
| Protective clothing and breathing apparatus | | 7,144 | +7,144 | DC |
| Specialized hazardous materials equipment | | 1,032 | +1,032 | DC |
| Chemical and biological weapons preparedness | | 10,355 | +10,355 | DC |
| Pharmaceuticals for responders | | 2,100 | +2,100 | DC |
| Response and communications capability | | 14,960 | +14,960 | DC |
| Search, rescue and other emergency equipment and support | | 8,850 | +8,850 | DC |
| Equipment, supplies and vehicles for the Office of the Chief Medical Examiner | | 1,780 | +1,780 | DC |
| Hospital containment facilities for the Department of Health | | 8,000 | +8,000 | DC |
| The Office of the Chief Technology Officer | | 45,494 | +45,494 | DC |
| Emergency traffic management | | 20,700 | +20,700 | DC |
| Training and planning | | 9,949 | +9,949 | DC |
| Increased facility security | | 25,536 | +25,536 | DC |
| Federal Payment to the Washington Metropolitan Area Transit Authority | | 39,100 | +39,100 | DC |
| Federal Payment to the Metropolitan Washington Council of Governments | | 5,000 | +5,000 | DC |
| Total, chapter 4 | 25,000 | 200,000 | +175,000 | |

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| CHAPTER 5 | | | | |
| DEPARTMENT OF DEFENSE—CIVIL | | | | |
| DEPARTMENT OF THE ARMY | | | | |
| CORPS OF ENGINEERS—CIVIL | | | | |
| Operation and Maintenance, General | 139,000 | 139,000 | ..... | EW |
| DEPARTMENT OF THE INTERIOR | | | | |
| BUREAU OF RECLAMATION | | | | |
| Water and related resources | 30,259 | 30,259 | ..... | EW |
| DEPARTMENT OF ENERGY | | | | |
| ATOMIC ENERGY DEFENSE ACTIVITIES | | | | |
| NATIONAL NUCLEAR SECURITY ADMINISTRATION | | | | |
| Weapons activities | 106,000 | 131,000 | +25,000 | EW |
| Defense nuclear nonproliferation ..... | ..... | 226,000 | +226,000 | EW |
| ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES | | | | |
| Defense environmental restoration and waste management | 8,200 | 8,200 | ..... | EW |
| Other defense activities | 3,500 | 3,500 | ..... | EW |
| Total, Department of Energy | 117,700 | 368,700 | +251,000 | |
| INDEPENDENT AGENCY | | | | |
| Nuclear Regulatory Commission ..... | ..... | 36,000 | +36,000 | EW |
| Total, chapter 5 | 286,959 | 573,959 | +287,000 | |
| CHAPTER 6 | | | | |
| BILATERAL ECONOMIC ASSISTANCE | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | |
| UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT | | | | |
| Operating expenses (transfer) | (50,000) | ..... | (– 50,000) | FA |
| International disaster assistance ..... | ..... | 50,000 | +50,000 | FA |

EMERGENCY SUPPLEMENTAL, 2002

849

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| CHAPTER 7 | | | | |
| DEPARTMENT OF THE INTERIOR | | | | |
| NATIONAL PARK SERVICE | | | | |
| Operation of the National Park System ³ | 6,098 | 10,098 | +4,000 | IN |
| United States Park Police | 25,295 | 25,295 | ..... | IN |
| Construction | 21,624 | 21,624 | ..... | IN |
| DEPARTMENTAL OFFICES | | | | |
| Departmental Management: Salaries and expenses | 2,205 | 2,205 | ..... | IN |
| Total, Department of the Interior | 55,222 | 59,222 | +4,000 | |
| OTHER RELATED AGENCIES | | | | |
| SMITHSONIAN INSTITUTION | | | | |
| Salaries and expenses | 21,707 | 21,707 | ..... | IN |
| NATIONAL GALLERY OF ART | | | | |
| Salaries and expenses | 2,148 | 2,148 | ..... | IN |
| JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS | | | | |
| Operations and Maintenance | 4,310 | 4,310 | ..... | IN |
| NATIONAL CAPITAL PLANNING COMMISSION | | | | |
| Salaries and expenses | 758 | 758 | ..... | IN |
| Total, chapter 7 | 84,145 | 88,145 | +4,000 | |
| CHAPTER 8 | | | | |
| DEPARTMENT OF LABOR | | | | |
| EMPLOYMENT AND TRAINING ADMINISTRATION | | | | |
| Training and employment services | 2,000,000 | 32,500 | -1,967,500 | LH |
| State unemployment insurance and employment service operations | 4,100 | 4,100 | ..... | LH |
| Workers compensation programs ..... | ..... | 175,000 | +175,000 | LH |
| PENSION AND WELFARE BENEFITS ADMINISTRATION | | | | |
| Salaries and expenses | 1,600 | 1,600 | ..... | LH |

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION | | | | |
| Salaries and expenses | 1,000 | 1,000 | ..... | LH |
| DEPARTMENTAL MANAGEMENT | | | | |
| Salaries and expenses | 5,880 | 5,880 | ..... | LH |
| Total, Department of Labor | 2,012,580 | 220,080 | -1,792,500 | |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| CENTERS FOR DISEASE CONTROL AND PREVENTION | | | | |
| Disease control, research, and training | | 12,000 | +12,000 | LH |
| OFFICE OF THE SECRETARY | | | | |
| Public Health and Social Services Emergency Fund ¹ | 1,595,000 | 2,644,314 | +1,049,314 | LH |
| Total, Department of Health and Human Services | 1,595,000 | 2,656,314 | +1,061,314 | |
| DEPARTMENT OF EDUCATION | | | | |
| SCHOOL IMPROVEMENT PROGRAMS | | | | |
| Project SERV | 10,000 | 10,000 | ..... | LH |
| RELATED AGENCIES | | | | |
| NATIONAL LABOR RELATIONS BOARD | | | | |
| Salaries and expenses | 180 | 180 | ..... | LH |
| SOCIAL SECURITY ADMINISTRATION | | | | |
| Limitation on administration expenses | 7,500 | 7,500 | ..... | LH |
| Total, chapter 8 | 3,625,260 | 2,894,074 | -731,186 | |
| CHAPTER 9 | | | | |
| LEGISLATIVE BRANCH | | | | |
| JOINT ITEMS | | | | |
| Legislative Branch Emergency Response Fund | 256,081 | | -256,081 | LB |
| SENATE | | | | |
| Sergeant at Arms and Doorkeeper of the Senate | | 34,500 | +34,500 | LB |

EMERGENCY SUPPLEMENTAL, 2002

851

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| HOUSE OF REPRESENTATIVES | | | | |
| Salaries and expenses | | 41,712 | +41,712 | LB |
| CAPITOL POLICE BOARD | | | | |
| General expenses | | 31,000 | +31,000 | LB |
| CAPITOL GUIDE SERVICE AND SPECIAL SERVICES | | | | |
| Expenses | | 350 | +350 | LB |
| ARCHITECT OF THE CAPITOL | | | | |
| Capitol Buildings | | 106,304 | +106,304 | LB |
| LIBRARY OF CONGRESS | | | | |
| Salaries and expenses | | 29,615 | +29,615 | LB |
| GOVERNMENT PRINTING OFFICE | | | | |
| GPO revolving fund | | 4,000 | +4,000 | LB |
| GENERAL ACCOUNTING OFFICE | | | | |
| Salaries and expenses | | 7,600 | +7,600 | LB |
| UNITED STATES CAPITOL HISTORICAL SOCIETY | | | | |
| Grant | | 1,000 | +1,000 | LB |
| Total, chapter 9 | 256,081 | 256,081 | ..... |  |
| CHAPTER 10 | | | | |
| MILITARY CONSTRUCTION | | | | |
| Defense Emergency Response Fund | 25,000 | ..... | - 25,000 | MC |
| Military Construction, Army ..... | ..... | 20,700 | +20,700 | MC |
| Military Construction, Navy ..... | ..... | 2,000 | +2,000 | MC |
| Military Construction, Air Force ..... | ..... | 46,700 | +46,700 | MC |
| Military construction, Defense-wide ..... | ..... | 35,000 | +35,000 | MC |
| Total, chapter 10 | 25,000 | 104,400 | +79,400 | |

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| CHAPTER 11 | | | | |
| DEPARTMENT OF TRANSPORTATION | | | | |
| OFFICE OF THE SECRETARY | | | | |
| Salaries and expenses | 1,500 | ..... | - 1,500 | TR |
| Transportation security administration ..... | ..... | 94,800 | +94,800 | TR |
| Payments to Air Carriers (Airport and Airway Trust Fund) ..... | ..... | 50,000 | +50,000 | TR |
| COAST GUARD | | | | |
| Operating Expenses | 203,000 | 209,150 | +6,150 | TR |
| FEDERAL AVIATION ADMINISTRATION | | | | |
| Operations (Airport and Airway Trust Fund) | 300,000 | 200,000 | - 100,000 | TR |
| Facilities and equipment (Airport and Airway Trust Fund) | 108,500 | 108,500 | ..... | TR |
| Research, engineering, and development (Airport and Airway Trust Fund) ..... | ..... | 50,000 | +50,000 | TR |
| Grants-in-aid for airports (Airport and Airway Trust Fund) ..... | ..... | 175,000 | +175,000 | TR |
| FEDERAL HIGHWAY ADMINISTRATION | | | | |
| Miscellaneous appropriations (Highway Trust Fund) | 10,000 | 100,000 | +90,000 | TR |
| Federal-aid highways (Highway Trust Fund): Emergency relief program | 75,000 | 75,000 | ..... | TR |
| FEDERAL RAILROAD ADMINISTRATION | | | | |
| Safety and operations | 6,000 | 6,000 | ..... | TR |
| Capital grants to the National Railroad Passenger Corporation ..... | ..... | 100,000 | +100,000 | TR |
| FEDERAL TRANSIT ADMINISTRATION | | | | |
| Formula grants | 23,500 | 23,500 | ..... | TR |
| Capital investment grants ..... | ..... | 100,000 | +100,000 | TR |
| RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION | | | | |
| Research and special programs | 6,000 | 2,500 | - 3,500 | TR |
| OFFICE OF INSPECTOR GENERAL | | | | |
| Salaries and expenses ..... | ..... | 1,300 | +1,300 | TR |
| Total, Department of Transportation | 733,500 | 1,295,750 | +562,250 | |

EMERGENCY SUPPLEMENTAL, 2002

853

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|--|-------------------------------------|-----------------------------------|------------|------------------------|
| RELATED AGENCY | | | | |
| NATIONAL TRANSPORTATION SAFETY BOARD | | | | |
| Salaries and expenses | 836 | 650 | - 186 | TR |
| Total, chapter 11 | 734,336 | 1,296,400 | +562,064 | |
| CHAPTER 12 | | | | |
| DEPARTMENT OF THE TREASURY | | | | |
| DEPARTMENTAL OFFICES | | | | |
| Salaries and expenses | 9,400 | | - 9,400 | TY |
| Treasury Inspector General for Tax Administration | 2,032 | 2,032 | | TY |
| Financial Crimes Enforcement Network | 1,700 | 1,700 | | TY |
| FEDERAL LAW ENFORCEMENT TRAINING CENTER | | | | |
| Salaries and expenses | 13,846 | 23,000 | +9,154 | TY |
| Acquisition, construction, improvements and related expenses | | 8,500 | +8,500 | TY |
| FINANCIAL MANAGEMENT SERVICE | | | | |
| Salaries and expenses | 600 | | - 600 | TY |
| BUREAU OF ALCOHOL, TOBACCO AND FIREARMS | | | | |
| Salaries and expenses | 31,431 | 31,431 | | TY |
| UNITED STATES CUSTOMS SERVICE | | | | |
| Salaries and expenses | 107,500 | 392,603 | +285,103 | TY |
| Operation, Maintenance and Procurement, Air and Marine Interdiction Programs | 6,700 | 6,700 | | TY |
| INTERNAL REVENUE SERVICE | | | | |
| Processing, Assistance, and Management | 16,658 | 12,990 | - 3,668 | TY |
| Tax Law Enforcement | 4,544 | 4,544 | | TY |
| Information Systems | 15,991 | 15,991 | | TY |
| UNITED STATES SECRET SERVICE | | | | |
| Salaries and expenses | 104,769 | 104,769 | | TY |
| Total, Department of the Treasury | 315,171 | 604,260 | +289,089 | |

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|-------------------|------------------------|
| POSTAL SERVICE | | | | |
| Payment to the Postal Service Fund | | 500,000 | +500,000 | TY |
| EXECUTIVE OFFICE OF THE PRESIDENT | | | | |
| Office of Administration | 50,040 | 50,040 | | TY |
| INDEPENDENT AGENCIES | | | | |
| GENERAL SERVICES ADMINISTRATION | | | | |
| REAL PROPERTY ACTIVITIES | | | | |
| Federal Buildings Fund | 200,500 | 126,512 | - 73,988 | TY |
| NATIONAL ARCHIVES AND RECORDS ADMINISTRATION | | | | |
| Operating Expenses | 4,818 | 1,600 | - 3,218 | TY |
| Repairs and Restoration | 2,180 | 1,000 | - 1,180 | TY |
| Total, chapter 12 | 572,709 | 1,283,412 | +710,703 | |
| CHAPTER 13 | | | | |
| DEPARTMENT OF VETERANS AFFAIRS | | | | |
| DEPARTMENTAL ADMINISTRATION | | | | |
| General operating expenses | | 2,000 | +2,000 | VA |
| Construction, Major Projects | 2,000 | | - 2,000 | VA |
| Total, Department of Veterans Affairs | 2,000 | 2,000 | | |
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | |
| COMMUNITY PLANNING AND DEVELOPMENT | | | | |
| Community development fund | | 2,000,000 | +2,000,000 | VA |
| MANAGEMENT AND ADMINISTRATION | | | | |
| Office of Inspector General | 1,000 | 1,000 | | VA |
| Total, Department of Housing and Urban Development | 1,000 | 2,001,000 | +2,000,000 | |

EMERGENCY SUPPLEMENTAL, 2002

EMERGENCY SUPPLEMENTAL ACT, 2002, PUBLIC LAW 107-117—Continued

[Amounts in thousands of dollars]

856

EMERGENCY SUPPLEMENTAL, 2002

| | Budget request, fiscal year 2002 | Appropriated, fiscal year 2002 | Difference | Sub- commit- tee |
|---|-------------------------------------|-----------------------------------|------------|------------------------|
| INDEPENDENT AGENCIES | | | | |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| NATIONAL INSTITUTES OF HEALTH | | | | |
| National Institute of Environmental Health Sciences | | 10,500 | +10,500 | VA |
| ENVIRONMENTAL PROTECTION AGENCY | | | | |
| Science and Technology | 40,040 | 90,308 | +50,268 | VA |
| Environmental Programs and Management | 25,170 | 39,000 | +13,830 | VA |
| Hazardous Substance Superfund | 5,790 | 41,292 | +35,502 | VA |
| State and Tribal Assistance Grants | 5,000 | 5,000 | ..... | VA |
| Total, Environmental Protection Agency | 76,000 | 175,600 | +99,600 | |
| FEDERAL EMERGENCY MANAGEMENT AGENCY | | | | |
| Disaster relief | 4,900,000 | 4,356,871 | - 543,129 | VA |
| Salaries and expenses | 20,000 | 25,000 | +5,000 | VA |
| Emergency Management Planning and Assistance ² | 580,000 | 220,000 | - 360,000 | VA |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | | | | |
| Human space flight | 64,500 | 76,000 | +11,500 | VA |
| Science, Aeronautics and Technology | 28,600 | 32,500 | +3,900 | VA |
| Total, NASA | 93,100 | 108,500 | +15,400 | |
| NATIONAL SCIENCE FOUNDATION | | | | |
| Research and Related Activities | 300 | 300 | ..... | VA |
| Total, chapter 13 | 5,672,400 | 6,899,771 | +1,227,371 | |
| Total appropriations | 20,000,000 | 20,000,000 | ..... |  |
| Other appropriations affecting the bill: | | | | |
| Defense Cooperation Account | 1,000 | ..... | - 1,000 | DE |
| Grand total | 20,001,000 | 20,000,000 | - 1,000 | |

¹FDA appropriation of \$104.35 million was originally requested by the President as part of the HHS Public health and social services emergency fund account.

²Amounts for counterterrorism assistance to State and local governments were requested by the President as part of FEMA.

³National Park Service relocation costs were originally requested by the President as part of the GSA Federal buildings fund account.

TABLE 2. APPROPRIATIONS RECAP BY ACT

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget requests considered | Approved by Congress | Compared with enacted | Compared with budget request |
|---|------------------------------|-------------------------------|-------------------------|--------------------------|---------------------------------|
| REGULAR ANNUAL ACTS, 2002 | | | | | |
| Agriculture, Rural Development, Food and Drug Administration (net), P.L. 107-76 | 76,461,941 | 73,645,492 | 75,344,827 | - 1,117,114 | +1,699,335 |
| Commerce-Justice-State-Judiciary (net), P.L. 107-77 | 38,262,731 | 38,563,458 | 39,278,452 | +1,015,721 | +714,994 |
| Defense (net), P.L. 107-117 | 298,515,154 | 319,397,116 | 317,473,747 | +18,958,593 | - 1,923,369 |
| District of Columbia, P.L. 107-96 | 464,125 | 358,607 | 408,000 | - 56,125 | +49,393 |
| Energy and Water Development (net), P.L. 107-66 | 24,502,583 | 23,010,229 | 25,093,000 | +590,417 | +2,082,771 |
| Foreign Operations, P.L. 107-115 | 14,988,168 | 15,212,631 | 15,390,780 | +402,612 | +178,149 |
| Interior, Fiscal year 2002 (net), P.L. 107-63 | 18,860,972 | 18,072,635 | 19,065,220 | +204,248 | +992,585 |
| Fiscal year 2003 | 36,000 | ..... | 36,000 | ..... | +36,000 |
| Net total | 18,896,972 | 18,072,635 | 19,101,220 | +204,248 | +1,028,585 |
| Labor, Health and Human Services, and Education, Fiscal year 2002 (net), P.L. 107-116 | 296,184,042 | 339,255,505 | 327,575,564 | +31,391,522 | - 11,679,941 |
| Fiscal year 2003 | 68,001,751 | 60,353,937 | 79,228,238 | +11,226,487 | +18,874,301 |
| Fiscal year 2004 | 365,000 | ..... | 380,000 | +15,000 | +380,000 |
| Net total | 364,550,793 | 399,609,442 | 407,183,802 | +42,633,009 | +7,574,360 |
| Legislative, P.L. 107-68 | 2,729,409 | 2,961,870 | 2,974,142 | +244,733 | +12,272 |
| Military Construction (net), P.L. 107-64 | 8,936,533 | 9,971,312 | 10,500,000 | +1,563,467 | +528,688 |
| Transportation (net), P.L. 107-87 | 18,674,141 | 17,096,605 | 17,504,970 | - 1,169,171 | +408,365 |
| Advance appropriations, Fiscal year 2002 | 20,000 | 20,000 | 20,000 | ..... | ..... |
| Net subtotal | 18,694,141 | 17,116,605 | 17,524,970 | - 1,169,171 | +408,365 |
| Obligational limits | (39,501,600) | (41,854,801) | (42,062,800) | (+2,561,200) | (+207,999) |
| Net total | (58,195,741) | (58,971,406) | (59,587,770) | (+1,392,029) | (+616,364) |
| Treasury-General Government, Fiscal year 2002, P.L. 107-67 | 30,438,921 | 31,745,858 | 32,133,957 | +1,695,036 | +388,099 |
| Advance appropriations, Fiscal year 2002 | 66,952 | 343,493 | 343,493 | +276,541 | ..... |
| Subtotal | 30,505,873 | 32,089,351 | 32,477,450 | +1,971,577 | +388,099 |

APPROPRIATIONS RECAP BY ACT

TABLE 2. APPROPRIATIONS RECAP BY ACT—Continued

[Amounts in thousands of dollars]

| | Enacted, fiscal year 2001 | Budget requests considered | Approved by Congress | Compared with enacted | Compared with budget request |
|---|------------------------------|-------------------------------|-------------------------|--------------------------|---------------------------------|
| Fiscal year 2003 | | | 47,619 | +47,619 | +47,619 |
| Total | 30,505,873 | 32,089,351 | 32,525,069 | +2,019,196 | +435,718 |
| VA-HUD-Independent Agencies, Fiscal year 2002 (net), P.L. 107-66 | 103,776,025 | 110,667,650 | 108,538,537 | +4,762,512 | -2,129,113 |
| Advance appropriations, Fiscal year 2002 | 4,200,000 | | 4,200,000 | | +4,200,000 |
| Net subtotal | 107,976,025 | 110,667,650 | 112,738,537 | +4,762,512 | +2,070,887 |
| Fiscal year 2003 | | | 4,200,000 | +4,200,000 | +4,200,000 |
| Net total | 107,976,025 | 110,667,650 | 116,938,537 | +13,725,024 | +8,341,774 |
| Emergency Supplemental Appropriations, P.L. 107-117 | | 20,001,000 | 20,000,000 | +20,000,000 | -1,000 |
| Net total, Regular annual acts | 1,005,484,448 | 1,080,677,398 | 1,099,736,546 | +94,252,098 | +19,059,148 |
| SUPPLEMENTAL ACTS, 2001 | | | | | |
| Supplemental Appropriations Act, Fiscal year 2001 (net), P.L. 107-20 | | 7,480,187 | 7,480,186 | +7,480,186 | -1 |
| 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, P.L. 107-38 | | 20,000,000 | 20,000,000 | +20,000,000 | |
| Net total, Supplemental acts | | 27,480,187 | 27,480,186 | +27,480,186 | -1 |
| Net grand total | 1,005,484,448 | 1,108,157,585 | 1,127,216,732 | +121,732,284 | +19,059,147 |
| Fiscal year 2001 (net) | | (27,480,187) | (27,480,186) | (+27,480,186) | (-1) |
| Fiscal year 2002 (net) | (932,794,745) | (1,019,959,968) | (1,011,281,196) | (+78,486,451) | (-8,678,772) |
| Advance appropriations, Fiscal year 2002 | (4,286,952) | (363,493) | (4,563,493) | (+276,541) | (+4,200,000) |
| Fiscal year 2003 | (68,037,751) | (60,353,937) | (83,511,857) | (+15,474,106) | (+23,157,920) |
| Fiscal year 2004 | (365,000) | | (380,000) | (+15,000) | (+380,000) |

TABLE 3. RECAP OF MANDATORY AND DISCRETIONARY SCORING BY ACT

[Amounts in thousands of dollars]

| | Fiscal year 2001 enacted | House | | | Senate | | | Final | |
|---|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | Request | Reported | Passed | Request | Reported | Passed | Request | Passed |
| REGULAR ANNUAL APPROPRIATIONS ACTS | | | | | | | | | |
| AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002 (H.R. 2330, S. 1191—P.L. 107-76) | | | | | | | | | |
| Mandatory appropriations | 58,346,241 | 58,884,706 | 58,884,706 | 58,884,827 | 58,884,706 | 57,984,706 | 59,884,706 | 58,884,706 | 59,884,827 |
| General purpose discretionary | 18,693,700 | 15,408,786 | 15,669,000 | 15,668,400 | 15,408,786 | 16,136,673 | 16,136,143 | 15,408,786 | 16,018,000 |
| Total | 77,039,941 | 74,293,492 | 74,553,706 | 74,553,227 | 74,293,492 | 74,121,379 | 76,020,849 | 74,293,492 | 75,902,827 |
| DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002 (H.R. 2500, S. 1215—P.L. 107-77) | | | | | | | | | |
| Mandatory appropriations | 577,765 | 626,742 | 619,801 | 619,801 | 626,742 | 627,242 | 627,242 | 626,742 | 627,452 |
| Conservation | 0 | 284,000 | 440,000 | 440,000 | 284,000 | 251,000 | 255,000 | 284,000 | 439,179 |
| General purpose discretionary | 1 37,684,966 | 37,657,716 | 38,101,000 | 38,101,000 | 37,657,716 | 38,376,000 | 38,385,954 | 37,657,716 | 38,216,821 |
| Total | 38,262,731 | 38,568,458 | 39,160,801 | 39,160,801 | 38,568,458 | 39,254,242 | 39,268,196 | 38,568,458 | 39,283,452 |
| DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2002 (H.R. 3338—P.L. 107-117) | | | | | | | | | |
| Mandatory appropriations | 216,000 | 267,000 | 267,000 | 267,000 | 267,000 | 267,000 | 267,000 | 267,000 | 267,000 |
| General purpose discretionary | 298,299,154 | 319,130,116 | 317,207,089 | 317,207,089 | 319,130,116 | 317,206,483 | 317,206,483 | 319,130,116 | 317,206,747 |
| Total | 298,515,154 | 319,397,116 | 317,474,089 | 317,474,089 | 319,397,116 | 317,473,483 | 317,473,483 | 319,397,116 | 317,473,747 |
| DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2002 (H.R. 2944—P.L. 107-96) | | | | | | | | | |
| General purpose discretionary | 464,125 | 358,607 | 402,058 | 398,058 | 358,607 | 391,942 | 391,942 | 358,607 | 408,000 |

RECAP OF MANDATORY AND DISCRETIONARY BY ACT

TABLE 3. RECAP OF MANDATORY AND DISCRETIONARY SCORING BY ACT—Continued

[Amounts in thousands of dollars]

| | Fiscal year 2001 enacted | House | | | Senate | | | Final | |
|--|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | Request | Reported | Passed | Request | Reported | Passed | Request | Passed |
| ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2002 (H.R. 2311, S. 1171—P.L. 107-66) | | | | | | | | | |
| General purpose discretionary | 24,022,583 | 22,517,002 | 23,704,000 | 23,704,000 | 22,518,002 | 23,705,000 | 24,958,837 | 22,518,002 | 24,596,000 |
| FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2002 (H.R. 2506—P.L. 107-115) | | | | | | | | | |
| Mandatory appropriations | 44,489 | 44,880 | 44,880 | 44,880 | 44,880 | 44,880 | 44,880 | 44,880 | 44,880 |
| General purpose discretionary | 14,943,679 | 15,167,751 | 15,167,293 | 15,167,293 | 15,167,751 | 15,524,000 | 15,524,000 | 15,167,751 | 15,345,900 |
| Total | 14,988,168 | 15,212,631 | 15,212,173 | 15,212,173 | 15,212,631 | 15,568,880 | 15,568,880 | 15,212,631 | 15,390,780 |
| DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002 (H.R. 2217—P.L. 107-63) | | | | | | | | | |
| Mandatory appropriations | 62,125 | 63,220 | 63,220 | 63,220 | 63,220 | 63,220 | 63,220 | 63,220 | 63,220 |
| Conservation | | 1,255,743 | 1,320,000 | 1,320,000 | 1,255,743 | 1,320,000 | 1,320,000 | 1,255,743 | 1,320,000 |
| General purpose discretionary | 19,005,847 | 16,871,672 | 17,620,635 | 17,620,635 | 16,871,672 | 17,150,314 | 17,150,815 | 16,871,672 | 17,800,000 |
| Total | 19,067,972 | 18,190,635 | 19,003,855 | 19,003,855 | 18,190,635 | 18,533,534 | 18,534,035 | 18,190,635 | 19,183,220 |
| DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2002 (H.R. 3061, S. 1536—P.L. 107-116) | | | | | | | | | |
| Mandatory appropriations | 248,576,626 | 272,554,200 | 272,494,315 | 272,494,315 | 272,554,200 | 272,570,915 | 272,570,915 | 272,554,200 | 272,556,315 |
| General purpose discretionary | 109,351,854 | 135,053,056 | 123,371,000 | 123,371,000 | 135,053,056 | 123,371,000 | 123,371,000 | 135,053,056 | 123,371,000 |
| Total | 357,928,480 | 407,607,256 | 395,865,315 | 395,865,315 | 407,607,256 | 395,941,915 | 395,941,915 | 407,607,256 | 395,927,315 |
| LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002 (H.R. 2647, S. 1172—P.L. 107-68) | | | | | | | | | |
| Mandatory appropriations | 97,855 | 81,000 | 81,000 | 81,000 | 99,000 | 99,000 | 99,000 | 99,000 | 99,145 |

TABLE 3. RECAP OF MANDATORY AND DISCRETIONARY SCORING BY ACT—Continued

[Amounts in thousands of dollars]

| | Fiscal year 2001 enacted | House | | | Senate | | | Final | |
|--|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | Request | Reported | Passed | Request | Reported | Passed | Request | Passed |
| General purpose discretionary | 2,728,554 | 2,295,644 | 2,240,000 | 2,240,000 | 2,961,870 | 1,944,008 | 2,875,114 | 2,961,870 | 2,973,997 |
| Total | 2,826,409 | 2,376,644 | 2,321,000 | 2,321,000 | 3,060,870 | 2,043,008 | 2,974,114 | 3,060,870 | 3,073,142 |
| MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2002 (H.R. 2904—P.L. 107-64) | | | | | | | | | |
| General purpose discretionary | 2,936,533 | 9,971,312 | 10,500,000 | 10,500,000 | 9,971,312 | 10,500,000 | 10,500,000 | 9,971,312 | 10,500,000 |
| DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002 (H.R. 2299, S. 1178—P.L. 107-87) | | | | | | | | | |
| Mandatory appropriations | 778,000 | 876,346 | 876,346 | 876,346 | 876,346 | 876,346 | 876,346 | 876,346 | 876,346 |
| General purpose discretionary | 16,520,591 | 14,891,059 | 14,892,575 | 14,892,240 | 14,891,059 | 15,574,747 | 15,574,747 | 14,891,059 | 15,299,424 |
| Mass Transit Category | 1,254,400 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 |
| Mass Transit Category (obligational limit) ³ | (5,016,600) | (5,397,000) | (5,397,800) | (5,397,800) | (5,397,000) | (5,397,800) | (53,978,000) | (5,397,800) | (5,397,800) |
| Highway Transit Category (obligational limit) ³ | (30,216,000) | (32,202,001) | (32,310,000) | (32,310,000) | (32,202,001) | (32,524,999) | (32,524,999) | (32,202,001) | (32,410,000) |
| Total, Discretionary | 17,774,991 | 16,240,259 | 16,241,775 | 16,241,440 | 16,240,259 | 16,923,947 | 16,923,947 | 16,240,259 | 16,648,624 |
| Total | 18,552,991 | 17,116,605 | 17,118,121 | 17,117,786 | 17,116,605 | 17,800,293 | 17,800,293 | 17,116,605 | 17,524,970 |
| TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002 (H.R. 2590, S. 1398—P.L. 107-67) | | | | | | | | | |
| Mandatory appropriations | 14,679,607 | 15,690,450 | 15,690,450 | 15,690,450 | 15,690,450 | 15,690,450 | 15,690,450 | 15,690,450 | 15,690,450 |
| General purpose discretionary | 16,099,750 | 16,680,901 | 17,201,000 | 17,021,700 | 16,680,901 | 17,118,000 | 17,118,000 | 16,680,901 | 17,069,000 |
| Total | 30,779,357 | 32,371,351 | 32,891,450 | 32,712,150 | 32,371,351 | 32,808,450 | 32,808,450 | 32,371,351 | 32,759,450 |
| DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002 (H.R. 2620, S. 1216—P.L. 107-73) | | | | | | | | | |
| Mandatory appropriations | 25,518,279 | 31,504,766 | 27,183,766 | 27,183,766 | 31,504,766 | 27,304,766 | 27,304,766 | 31,504,766 | 27,304,766 |

TABLE 3. RECAP OF MANDATORY AND DISCRETIONARY SCORING BY ACT—Continued

[Amounts in thousands of dollars]

| | Fiscal year 2001 enacted | House | | | Senate | | | Final | |
|-------------------------------------|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | Request | Reported | Passed | Request | Reported | Passed | Request | Passed |
| General purpose discretionary | 482,457,746 | 83,362,884 | 85,432,787 | 85,433,787 | 83,362,884 | 84,052,542 | 86,042,542 | 83,362,884 | 85,433,771 |
| Total | 107,976,025 | 114,867,650 | 112,616,553 | 112,617,553 | 114,867,650 | 111,357,308 | 113,347,308 | 114,867,650 | 112,738,537 |
| SUPPLEMENTAL APPROPRIATIONS ACTS | | | | | | | | | |
| EMERGENCY SUPPLEMENTAL, 2002 | | | | | | | | | |
| DIVISION B | | | | | | | | | |
| (H.R. 3338—P.L. 107-117) | | | | | | | | | |
| General purpose discretionary | | 20,001,000 | 20,001,000 | 20,001,000 | 20,001,000 | 34,965,000 | 20,000,000 | 20,001,000 | 20,000,000 |
| GRAND TOTAL FISCAL YEAR 2002 | | | | | | | | | |
| Mandatory appropriations | 348,896,987 | 380,593,310 | 376,205,484 | 376,205,605 | 380,611,310 | 375,528,525 | 377,428,525 | 380,611,310 | 377,414,401 |
| General purpose discretionary | 649,209,082 | 709,367,506 | 701,509,437 | 701,326,202 | 710,034,732 | 716,015,709 | 705,235,577 | 710,034,732 | 704,238,660 |
| Conservation | | 1,539,743 | 1,760,000 | 1,760,000 | 1,539,743 | 1,571,000 | 1,575,000 | 1,539,743 | 1,759,179 |
| Mass Transit Category | 1,254,400 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 | 1,349,200 |
| Total | 999,360,469 | 1,092,849,759 | 1,080,824,121 | 1,080,641,007 | 1,093,534,985 | 1,094,464,434 | 1,085,588,302 | 1,093,534,985 | 1,084,761,440 |

¹ Table 1 includes 210,740 Emergency Response Fund (P.L. 107-38).² Table 1 excludes -3,902,000 carryover from supplemental (H.R. 4425).³ The Mass Transit Category and Highway Transit Category obligational limitations are shown for reference purposes only. Budget scorekeeping provides that the outlays from these categories belong to the Appropriations Committee. The budget authority, in the form of contract authority, belongs to the authorizing committee.⁴ Table 1 includes 2,000,000 Emergency Response Fund (P.L. 107-38).

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|--------------|--------------|----------------------|-------------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| DEPARTMENT OF AGRICULTURE | | | | | |
| Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (P.L. 107-76) | 75,609,073 | 72,700,104 | 74,509,092 | - 1,099,981 | +1,808,988 |
| Rescission | - 114,800 | - 5,300 | - 3,300 | +111,500 | +2,000 |
| Department of the Interior and Related Agencies Appropriations Act, 2002 (P.L. 107-63) | 4,435,391 | 3,732,125 | 4,130,416 | - 304,975 | +398,291 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 45,188 | 367,000 | +367,000 | +321,812 |
| Net total | 79,929,664 | 76,472,117 | 79,003,208 | - 926,456 | +2,531,091 |
| DEPARTMENT OF COMMERCE | | | | | |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 5,152,764 | 5,089,468 | 5,430,406 | +277,642 | +340,938 |
| Rescission | - 114,800 | - 125,000 | - 5,200 | +109,600 | +119,800 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 26,852 | 26,257 | +26,257 | - 595 |
| Net total | 5,037,964 | 4,991,320 | 5,451,463 | +413,499 | +460,143 |
| DEPARTMENT OF DEFENSE—MILITARY | | | | | |
| Department of Defense Appropriations Act, 2002 (P.L. 107-117) | 298,697,503 | 319,182,340 | 317,782,793 | +19,085,290 | - 1,399,547 |
| Rescissions | - 546,980 | ..... | - 531,475 | +15,505 | - 531,475 |
| Military Construction Appropriations Act, 2002 (P.L. 107-64) | 9,121,898 | 9,971,312 | 10,690,193 | +1,568,295 | +718,881 |
| Rescissions | - 185,400 | ..... | - 190,193 | - 4,793 | - 190,193 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 7,348,969 | 3,500,000 | +3,500,000 | - 3,848,969 |
| Net total | 307,087,021 | 336,502,621 | 331,251,318 | +24,164,297 | - 5,251,303 |
| DEPARTMENT OF DEFENSE—CIVIL | | | | | |
| Energy and Water Development Appropriations Act, 2002 (P.L. 107-66) | 4,686,565 | 3,900,000 | 4,511,096 | - 175,469 | +611,096 |
| Rescission ..... | ..... | ..... | - 25,000 | - 25,000 | - 25,000 |
| Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (P.L. 107-116) | 69,832 | 71,440 | 71,440 | +1,608 | ..... |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 17,949 | 18,437 | 22,537 | +4,588 | +4,100 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 139,000 | 139,000 | +139,000 | ..... |
| Net total | 4,774,346 | 4,128,877 | 4,719,073 | - 55,273 | +590,196 |

APPROPRIATIONS BY AGENCY

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY—Continued

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|------------------|--------------|----------------------|--------------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| DEPARTMENT OF EDUCATION | | | | | |
| Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (P.L. 107-116) | 30,056,311 | 47,022,546 | 36,402,295 | +6,345,984 | − 10,620,251 |
| Supplemental appropriations, 2002 (P.L. 107-117) | | 10,000 | 10,000 | +10,000 | ..... |
| Appropriated during prior Congressional sessions: 106th Congress, 2d session | 12,447,763 | 12,447,763 | 14,581,300 | +2,133,537 | +2,133,537 |
| Total | 42,504,074 | 59,480,309 | 50,993,595 | +8,489,521 | − 8,486,714 |
| DEPARTMENT OF ENERGY | | | | | |
| Energy and Water Development Appropriations Act, 2002 (P.L. 107-66) | 19,009,889 | 18,106,554 | 19,501,126 | +491,237 | +1,394,572 |
| Rescissions | − 172,000 | ..... | ..... | +172,000 | ..... |
| Department of the Interior and Related Agencies Appropriations Act, 2002 (P.L. 107-63) | 1,485,644 | 1,504,680 | 1,772,470 | +286,826 | +267,790 |
| Rescission | − 1,000 | − 2,000 | − 2,000 | − 1,000 | ..... |
| Deferral | − 67,000 | ..... | − 40,000 | +27,000 | − 40,000 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 117,700 | 368,700 | +368,700 | +251,000 |
| Net subtotal | 20,255,533 | 19,726,934 | 21,600,296 | +1,344,763 | +1,873,362 |
| Appropriated during prior Congressional sessions: 106th Congress, 2d session | 36,000 | (¹) | 36,000 | ..... | +36,000 |
| Net total | 20,291,533 | 19,726,934 | 21,636,296 | +1,344,763 | +1,909,362 |
| ENVIRONMENTAL PROTECTION AGENCY | | | | | |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 7,828,851 | 7,316,599 | 7,903,213 | +74,362 | +586,614 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 76,000 | 175,600 | +175,600 | +99,600 |
| Total | 7,828,851 | 7,392,599 | 8,078,813 | +249,962 | +686,214 |
| EXECUTIVE OFFICE OF THE PRESIDENT | | | | | |
| Treasury and General Government Appropriations Act, 2002 (P.L. 107-67) | 700,273 | 731,725 | 747,531 | +47,258 | +15,806 |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 8,101 | 8,241 | 8,241 | +140 | ..... |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 50,040 | 50,040 | +50,040 | ..... |
| Total | 708,374 | 790,006 | 805,812 | +97,438 | +15,806 |

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY—Continued

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|--------------|--------------|----------------------|-----------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| FEDERAL EMERGENCY MANAGEMENT AGENCY | | | | | |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 4,439,800 | 2,212,945 | 3,057,854 | - 1,381,946 | +844,909 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 5,500,000 | 4,601,871 | +4,601,871 | - 898,129 |
| Total | 4,439,800 | 7,712,945 | 7,659,725 | +3,219,925 | - 53,220 |
| FOREIGN ASSISTANCE | | | | | |
| Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (P.L. 107-115) | 15,041,168 | 15,237,631 | 15,390,780 | +349,612 | +153,149 |
| Rescissions | - 20,000 | - 25,000 | ..... | +20,000 | +25,000 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | ..... | 50,000 | +50,000 | +50,000 |
| Net total | 15,021,168 | 15,212,631 | 15,440,780 | +419,612 | +228,149 |
| GENERAL GOVERNMENT—INDEPENDENT AGENCIES | | | | | |
| Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (P.L. 107-76) | 67,850 | 70,400 | 70,700 | +2,850 | +300 |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 1,637,815 | 1,710,703 | 1,711,462 | +73,647 | +759 |
| Rescission ..... | ..... | ..... | - 50,000 | - 50,000 | - 50,000 |
| Department of Defense Appropriations Act, 2002 (P.L. 107-117) | 364,631 | 364,776 | 372,429 | +7,798 | +7,653 |
| District of Columbia Appropriations Act, 2002 (P.L. 107-96) | 464,125 | 358,607 | 408,000 | - 56,125 | +49,393 |
| Energy and Water Development Appropriations Act, 2002 (P.L. 107-66) | 171,474 | 181,721 | 184,517 | +13,043 | +2,796 |
| Department of the Interior and Related Agencies Appropriations Act, 2002 (P.L. 107-63) | 987,537 | 963,897 | 986,441 | - 1,096 | +22,544 |
| Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (P.L. 107-116) | 1,090,857 | 1,061,753 | 1,113,150 | +22,293 | +51,397 |
| Department of Transportation and Related Agencies Appropriations Act, 2002 (P.L. 107-87) | 69,887 | 69,495 | 73,015 | +3,128 | +3,520 |
| Rescission | - 150 | ..... | ..... | +150 | ..... |
| Treasury and General Government Appropriations Act, 2002 (P.L. 107-67) | 502,381 | 496,969 | 482,749 | - 19,632 | - 14,220 |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-66) | 679,425 | 640,991 | 649,720 | - 29,705 | +8,729 |
| Rescission | - 30,000 | ..... | ..... | +30,000 | ..... |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 90,438 | 826,459 | +826,459 | +736,021 |
| Net subtotal | 6,005,832 | 6,009,750 | 6,828,642 | +822,810 | +818,892 |

APPROPRIATIONS BY AGENCY

865

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY—Continued

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|----------------------|----------------------|----------------------|------------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| Appropriated during prior Congressional sessions: 106th Congress, 1st session | 340,000 | 350,000 | 350,000 | +10,000 | ..... |
| 106th Congress, 2d session | 64,436 | 67,093 | 67,093 | +2,657 | ..... |
| Net total | 6,410,268 | 6,426,843 | 7,245,735 | +835,467 | +818,892 |
| GENERAL SERVICES ADMINISTRATION | | | | | |
| Treasury and General Government Appropriations Act, 2002 (P.L. 107-67) | 657,968 | ² 198,076 | ² 195,681 | -462,287 | -2,395 |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 7,122 | 7,276 | 7,276 | +154 | ..... |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 200,500 | 126,512 | +126,512 | -73,988 |
| Appropriated during prior Congressional sessions: 106th Congress, 2d session ..... | ..... | ² 276,400 | ² 276,400 | +276,400 | ..... |
| Total | 665,090 | 682,252 | 605,869 | -59,221 | -76,383 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | |
| Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (P.L. 107-116) | 225,902,732 | 250,635,248 | 251,724,867 | +25,822,135 | +1,089,619 |
| Rescission | -21,000 | ..... | -21,000 | ..... | -21,000 |
| Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (P.L. 107-76) | 1,097,454 | 1,210,904 | 1,217,951 | +120,497 | +7,047 |
| Department of the Interior and Related Agencies Appropriations Act, 2002 (P.L. 107-63) | 2,628,766 | 2,706,809 | 2,759,101 | +130,335 | +52,292 |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 138,000 | 148,463 | 148,463 | +10,463 | ..... |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 1,595,000 | 2,817,914 | +2,817,914 | +1,222,914 |
| Net subtotal | 229,745,952 | 256,296,424 | 258,647,296 | +28,901,344 | +2,350,872 |
| Appropriated during prior Congressional sessions: 106th Congress, 2d session | 36,479,675 | 43,443,451 | 40,373,451 | +3,893,776 | -3,070,000 |
| Net total | 266,225,627 | 299,739,875 | 299,020,747 | +32,795,120 | -719,128 |
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | | |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 26,223,735 | 30,587,317 | 27,165,395 | +941,660 | -3,421,922 |
| Rescissions | -1,947,300 | -6,700 | -1,217,700 | +729,600 | -1,211,000 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 1,000 | 2,001,000 | +2,001,000 | +2,000,000 |
| Net subtotal | 24,276,435 | 30,581,617 | 27,948,695 | +3,672,260 | -2,632,922 |

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY—Continued

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|------------------|--------------|----------------------|-------------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| Appropriated during prior Congressional sessions: 106th Congress, 2d session | 4,200,000 | (¹) | 4,200,000 | ..... | +4,200,000 |
| Net total | 28,476,435 | 30,581,617 | 32,148,695 | +3,672,260 | +1,567,078 |
| DEPARTMENT OF THE INTERIOR | | | | | |
| Department of the Interior and Related Agencies Appropriations Act, 2002 (P.L. 107-63) | 9,416,982 | 9,197,124 | 9,490,792 | +73,810 | +293,668 |
| Rescission | - 30,000 | - 30,000 | - 55,000 | - 25,000 | - 25,000 |
| Energy and Water Development Appropriations Act, 2002 (P.L. 107-66) | 816,637 | 819,727 | 914,261 | +97,624 | +94,534 |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 49,890 | ..... | ..... | - 49,890 | ..... |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 85,481 | 89,481 | +89,481 | +4,000 |
| Net total | 10,253,509 | 10,072,332 | 10,439,534 | +186,025 | +367,202 |
| THE JUDICIARY | | | | | |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 4,254,781 | 4,872,713 | 4,611,755 | +356,974 | - 260,958 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 31,500 | 95,400 | +95,400 | +63,900 |
| Total | 4,254,781 | 4,904,213 | 4,707,155 | +452,374 | - 197,058 |
| DEPARTMENT OF JUSTICE | | | | | |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 21,049,475 | 21,107,774 | 21,661,850 | +612,375 | +554,076 |
| Rescissions | - 8,000 | ..... | - 40,000 | - 32,000 | - 40,000 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 1,112,100 | 2,110,295 | +2,110,295 | +998,195 |
| Net total | 21,041,475 | 22,219,874 | 23,732,145 | +2,690,670 | +1,512,271 |
| DEPARTMENT OF LABOR | | | | | |
| Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (P.L. 107-116) | 11,234,779 | 13,510,866 | 11,703,160 | +468,381 | - 1,807,706 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 2,012,580 | 220,080 | +220,080 | - 1,792,500 |
| Appropriated during prior Congressional sessions: 106th Congress, 2d session | 2,463,000 | 2,463,000 | 2,463,000 | ..... | ..... |
| Total | 13,697,779 | 17,986,446 | 14,386,240 | +688,461 | - 3,600,206 |

APPROPRIATIONS BY AGENCY

867

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY—Continued

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|--------------|--------------|----------------------|----------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| LEGISLATIVE BRANCH | | | | | |
| Legislative Branch Appropriations Act, 2002 (P.L. 107-68) | 2,729,527 | 2,961,870 | 2,971,142 | +241,615 | +9,272 |
| Supplemental appropriations, 2002 (P.L. 107-117) | | 256,081 | 256,081 | +256,081 | ..... |
| Total | 2,729,527 | 3,217,951 | 3,227,223 | +497,696 | +9,272 |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | | | | | |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 14,285,300 | 14,511,400 | 14,793,200 | +507,900 | +281,800 |
| Supplemental appropriations, 2002 (P.L. 107-117) | | 93,100 | 108,500 | +108,500 | +15,400 |
| Total | 14,285,300 | 14,604,500 | 14,901,700 | +616,400 | +297,200 |
| NATIONAL SCIENCE FOUNDATION | | | | | |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 4,426,122 | 4,472,520 | 4,788,940 | +362,818 | +316,420 |
| Supplemental appropriations, 2002 (P.L. 107-117) | | 300 | 300 | +300 | ..... |
| Total | 4,426,122 | 4,472,820 | 4,789,240 | +363,118 | +316,420 |
| OFFICE OF PERSONNEL MANAGEMENT | | | | | |
| Treasury and General Government Appropriations Act, 2002 (P.L. 107-67) | 14,608,948 | 15,633,378 | 15,634,078 | +1,025,130 | +700 |
| SMALL BUSINESS ADMINISTRATION | | | | | |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 857,601 | 542,000 | 738,514 | - 119,087 | +196,514 |
| Rescission | | | - 5,500 | - 5,500 | - 5,500 |
| Supplemental appropriations, 2002 (P.L. 107-117) | | 150,000 | 150,000 | +150,000 | ..... |
| Net total | 857,601 | 692,000 | 883,014 | +25,413 | +191,014 |
| SOCIAL SECURITY ADMINISTRATION | | | | | |
| Departments of Labor, Health and Human Services, and Education, and related agencies Appropriations Act, 2002 (P.L. 107-116) | 28,273,592 | 27,053,652 | 27,060,652 | - 1,212,940 | +7,000 |

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY—Continued

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|--------------|--------------|----------------------|------------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 7,500 | 7,500 | +7,500 | ..... |
| Appropriated during prior Congressional sessions: 106th Congress, 2d session | 10,014,000 | 10,584,000 | 10,584,000 | +570,000 | ..... |
| Total | 38,287,592 | 37,645,152 | 37,652,152 | - 635,440 | +7,000 |
| DEPARTMENT OF STATE | | | | | |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 6,600,836 | 7,506,530 | 7,361,559 | +760,723 | - 144,971 |
| DEPARTMENT OF TRANSPORTATION | | | | | |
| Department of Transportation and Related Agencies Appropriations Act, 2002 (P.L. 107-87) | 19,290,612 | 17,405,110 | 17,870,579 | - 1,420,033 | +465,469 |
| Rescissions | - 677,452 | - 331,000 | - 383,624 | +293,828 | - 52,624 |
| Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002 (P.L. 107-77) | 219,114 | 103,032 | 224,732 | +5,618 | +121,700 |
| Rescission | - 7,644 | ..... | - 4,400 | +3,244 | - 4,400 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 733,500 | 1,295,750 | +1,295,750 | +562,250 |
| Net subtotal | 18,824,630 | 17,910,642 | 19,003,037 | +178,407 | +1,092,395 |
| Appropriated during prior Congressional sessions: 106th Congress, 1st session | 20,000 | 20,000 | 20,000 | ..... | ..... |
| Net total | 18,844,630 | 17,930,642 | 19,023,037 | +178,407 | +1,092,395 |
| DEPARTMENT OF TREASURY | | | | | |
| Treasury and General Government Appropriations Act, 2002 (P.L. 107-67) | 14,056,200 | 14,631,710 | 15,041,918 | +985,718 | +410,208 |
| Rescissions | - 18,000 | ..... | ..... | +18,000 | ..... |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-66) | 118,000 | 67,948 | 80,000 | - 38,000 | +12,052 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 315,171 | 604,260 | +604,260 | +289,089 |
| Net total | 14,156,200 | 15,014,829 | 15,726,178 | +1,569,978 | +711,349 |
| DEPARTMENT OF VETERANS AFFAIRS | | | | | |
| Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002 (P.L. 107-73) | 47,951,336 | 50,686,213 | 51,135,398 | +3,184,062 | +449,185 |
| Supplemental appropriations, 2002 (P.L. 107-117) ..... | ..... | 2,000 | 2,000 | +2,000 | ..... |
| Total | 47,951,336 | 50,688,213 | 51,137,398 | +3,186,062 | +449,185 |

APPROPRIATIONS BY AGENCY

869

TABLE 4. APPROPRIATIONS FOR FISCAL YEAR 2002 BY AGENCY—Continued

[Amounts in thousands of dollars]

| | Fiscal year— | | Appropriated | Appropriated versus— | |
|--|--------------|---------------|---------------|----------------------|------------|
| | 2001 enacted | 2002 request | | Enacted | Request |
| ADJUSTMENTS | | | | | |
| Combined budget adjustments (net) | -2,536,232 | -2,818,151 | -3,429,342 | -893,110 | -611,191 |
| Grand total: | | | | | |
| Regular annual appropriation acts | 939,292,503 | 1,003,303,119 | 997,284,930 | +57,992,427 | -6,018,189 |
| Rescissions | -3,894,526 | -525,000 | -2,534,392 | +1,360,134 | -2,009,392 |
| Deferral | -67,000 | ..... | -40,000 | +27,000 | -40,000 |
| Supplemental appropriations act ..... | ..... | 20,000,000 | 20,000,000 | +20,000,000 | ..... |
| Budget adjustments (net) | -2,536,232 | -2,818,151 | -3,429,342 | -893,110 | -611,191 |
| Appropriated during prior Congressional sessions for fiscal year 2002 | 66,064,874 | 69,651,707 | 72,951,244 | +6,886,370 | +3,299,537 |
| Net total funding available for fiscal year 2002 | 998,859,619 | 1,089,611,675 | 1,084,232,440 | +85,372,821 | -5,379,235 |
| Less requests and appropriations made during prior Congressional sessions for fiscal year 2002 | -66,064,874 | -69,651,707 | -72,951,244 | -6,886,370 | -3,299,537 |
| Net total for fiscal year 2002 provided by 107th Congress, 1st session | 932,794,745 | 1,019,959,968 | 1,011,281,196 | +78,486,451 | -8,678,772 |

¹ Requested for fiscal year 2002.² Table 1 total included advance appropriation for fiscal year 2002.

TABLE 5. APPROPRIATIONS ARRANGED BY AGENCY AND FISCAL YEAR

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|-----------------------------------|----------------|--------------|-------------|
| DEPARTMENT OF AGRICULTURE | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 76,432,229 | 78,639,508 | +2,207,279 |
| Rescission | - 5,300 | - 3,300 | +2,000 |
| Supplemental Appropriations | 45,188 | 367,000 | +321,812 |
| Net total, fiscal year 2002 | 76,472,117 | 79,003,208 | +2,531,091 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 55,000 | 112,400 | +57,400 |
| Rescissions ..... | ..... | - 89,500 | - 89,500 |
| Offsets ..... | ..... | - 3,000 | - 3,000 |
| Net total, fiscal year 2001 | 55,000 | 19,900 | - 35,100 |
| Net total for session | 76,527,117 | 79,023,108 | +2,495,991 |
| DEPARTMENT OF COMMERCE | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 5,089,468 | 5,430,406 | +340,938 |
| Rescissions | - 125,000 | - 5,200 | +119,800 |
| Supplemental Appropriations | 26,852 | 26,257 | - 595 |
| Net total, fiscal year 2002 | 4,991,320 | 5,451,463 | +460,143 |
| FISCAL YEAR 2001 | | | |
| Supplemental act ..... | ..... | 8,000 | +8,000 |
| Rescissions ..... | ..... | - 122,800 | - 122,800 |
| Net total, fiscal year 2001 ..... | ..... | - 114,800 | - 114,800 |
| Net total for session | 4,991,320 | 5,336,663 | +345,343 |
| DEPARTMENT OF DEFENSE—MILITARY | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 329,153,652 | 328,472,986 | - 680,666 |
| Rescissions ..... | ..... | - 721,668 | - 721,668 |
| Supplemental Appropriations | 7,348,969 | 3,500,000 | - 3,848,969 |
| Net total, fiscal year 2002 | 336,502,621 | 331,251,318 | - 5,251,303 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 6,116,200 | 6,618,480 | +502,280 |
| Rescissions | - 505,000 | - 1,081,655 | - 576,655 |
| Offsets | - 61,000 | ..... | +61,000 |
| Net total, fiscal year 2001 | 5,550,200 | 5,536,825 | - 13,375 |
| Net total for session | 342,052,821 | 336,788,143 | - 5,264,678 |
| DEPARTMENT OF DEFENSE—CIVIL | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 3,989,877 | 4,605,073 | +615,196 |

872 APPROPRIATIONS ARRANGED BY AGENCY AND FISCAL YEAR

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|--|------------------|--------------|--------------|
| Rescission | | - 25,000 | - 25,000 |
| Supplemental Appropriations | 139,000 | 139,000 | |
| Net total, fiscal year 2002 | 4,128,877 | 4,719,073 | +590,196 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 50,000 | 145,500 | +95,500 |
| Net total for session | 4,178,877 | 4,864,573 | +685,696 |
| DEPARTMENT OF EDUCATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 47,022,546 | 36,402,295 | - 10,620,251 |
| Supplemental Appropriations | 10,000 | 10,000 | |
| Appropriated during 106th Congress, 2d session | 12,447,763 | 14,581,300 | +2,133,537 |
| Total, fiscal year 2002 | 59,480,309 | 50,993,595 | - 8,486,714 |
| FISCAL YEAR 2003 | | | |
| Regular annual act | | 15,011,301 | +15,011,301 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | | 161,000 | +161,000 |
| Total for session | 59,480,309 | 66,165,896 | +6,685,587 |
| DEPARTMENT OF ENERGY | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 19,611,234 | 21,273,596 | +1,662,362 |
| Rescissions | - 2,000 | - 2,000 | |
| Deferral | | - 40,000 | - 40,000 |
| Supplemental Appropriations | 117,700 | 368,700 | +251,000 |
| Net subtotal | 19,726,934 | 21,600,296 | +1,873,362 |
| Appropriated during 106th Congress, 2d session | (¹) | 36,000 | +36,000 |
| Net total, fiscal year 2002 | 19,726,934 | 21,636,296 | +1,909,362 |
| FISCAL YEAR 2003 | | | |
| Regular annual act | (¹) | 36,000 | +36,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 320,000 | 320,753 | +753 |
| Net total for session | 20,046,934 | 21,993,049 | +1,946,115 |
| ENVIRONMENTAL PROTECTION AGENCY | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 7,316,599 | 7,903,213 | +586,614 |
| Supplemental Appropriations | 76,000 | 175,600 | +99,600 |
| Total, fiscal year 2002 | 7,392,599 | 8,078,813 | +686,214 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | | 20,584 | +20,584 |
| Total for session | 7,392,599 | 8,099,397 | +706,798 |
| EXECUTIVE OFFICE OF THE PRESIDENT | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 739,966 | 755,772 | +15,806 |
| Supplemental Appropriations | 50,040 | 50,040 | |

APPROPRIATIONS ARRANGED BY AGENCY AND FISCAL YEAR

873

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|---|----------------------|----------------------|------------|
| Total for session | 790,006 | 805,812 | +15,806 |
| FEDERAL EMERGENCY MANAGEMENT ADMINISTRATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 2,212,945 | 3,057,854 | +844,909 |
| Supplemental Appropriations | 5,500,000 | 4,601,871 | - 898,129 |
| Total for session | 7,712,945 | 7,659,725 | - 53,220 |
| FOREIGN ASSISTANCE | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 15,237,631 | 15,390,780 | +153,149 |
| Rescissions | - 25,000 | ..... | +25,000 |
| Supplemental Appropriations ..... | ..... | 50,000 | +50,000 |
| Total, fiscal year 2002 | 15,212,631 | 15,440,780 | +228,149 |
| FISCAL YEAR 2001 | | | |
| Supplemental act ..... | ..... | 100,000 | +100,000 |
| Rescissions | - 20,000 | - 20,000 | ..... |
| Net total, fiscal year 2001 | - 20,000 | 80,000 | +100,000 |
| Net total for session | 15,192,631 | 15,520,780 | +328,149 |
| GENERAL GOVERNMENT—INDEPENDENT AGENCIES | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 5,919,312 | 6,052,183 | +132,871 |
| Rescission ..... | ..... | - 50,000 | - 50,000 |
| Supplemental Appropriations | 90,438 | 826,459 | +736,021 |
| Net subtotal | 6,009,750 | 6,828,642 | +818,892 |
| Appropriated during 106th Congress, 1st session | 350,000 | 350,000 | ..... |
| 106th Congress, 2d session | 67,093 | 67,093 | ..... |
| Net total, fiscal year 2002 | 6,426,843 | 7,245,735 | +818,892 |
| FISCAL YEAR 2003 | | | |
| Regular annual act ..... | ..... | 47,619 | +47,619 |
| FISCAL YEAR 2004 | | | |
| Regular annual act ..... | ..... | 380,000 | +380,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental act ..... | ..... | 4,450 | +4,450 |
| Net total for session | 6,426,843 | 7,677,804 | +1,250,961 |
| GENERAL SERVICES ADMINISTRATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | ² 205,352 | ² 202,957 | - 2,395 |
| Supplemental Appropriations | 200,500 | 126,512 | - 73,988 |
| Appropriated during 106th Congress, 2d session | ² 276,400 | ² 276,400 | ..... |
| Total for session | 682,252 | 605,869 | - 76,383 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 254,701,424 | 255,850,382 | +1,148,958 |
| Rescission ..... | ..... | - 21,000 | - 21,000 |

APPROPRIATIONS ARRANGED BY AGENCY AND FISCAL YEAR

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|--|------------------|--------------|------------|
| Supplemental Appropriations | 1,595,000 | 2,817,914 | +1,222,914 |
| Net subtotal | 256,296,424 | 258,647,296 | +2,350,872 |
| Appropriated during 106th Congress, 2d session | 43,443,451 | 40,373,451 | -3,070,000 |
| Net total for session | 299,739,875 | 299,020,747 | -719,128 |
| FISCAL YEAR 2003 | | | |
| Regular annual act | 49,455,937 | 50,855,937 | +1,400,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 150,000 | 306,500 | +156,500 |
| Net total for session | 349,345,812 | 350,183,184 | +837,372 |
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 30,587,317 | 27,165,395 | -3,421,922 |
| Rescissions | -6,700 | -1,217,700 | -1,211,000 |
| Supplemental Appropriations | 1,000 | 2,001,000 | +2,000,000 |
| Net subtotal | 30,581,617 | 27,948,695 | -2,632,922 |
| Appropriated during 106th Congress, 2d session | | 4,200,000 | +4,200,000 |
| Net total, fiscal year 2002 | 30,581,617 | 32,148,695 | +1,567,078 |
| FISCAL YEAR 2003 | | | |
| Regular annual act | (¹) | 4,200,000 | +4,200,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 40,000 | | -40,000 |
| Rescission | | -114,300 | -114,300 |
| Net total, fiscal year 2001 | 40,000 | -114,300 | -154,300 |
| Net total for session | 30,621,617 | 36,234,395 | +5,612,778 |
| DEPARTMENT OF THE INTERIOR | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 10,016,851 | 10,405,053 | +388,202 |
| Rescission | -30,000 | -55,000 | -25,000 |
| Supplemental Appropriations | 85,481 | 89,481 | +4,000 |
| Net total, fiscal year 2002 | 10,072,332 | 10,439,534 | +367,202 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 50,000 | 72,400 | +22,400 |
| Net total for session | 10,122,332 | 10,511,934 | +389,602 |
| THE JUDICIARY | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 4,872,713 | 4,611,755 | -260,958 |
| Supplemental Appropriations | 31,500 | 95,400 | +63,900 |
| Total for session | 4,904,213 | 4,707,155 | -197,058 |
| DEPARTMENT OF JUSTICE | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 21,107,774 | 21,661,850 | +554,076 |
| Rescission | | -40,000 | -40,000 |

APPROPRIATIONS ARRANGED BY AGENCY AND FISCAL YEAR

875

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|--|----------------|--------------|-------------|
| Supplemental Appropriations | 1,112,100 | 2,110,295 | +998,195 |
| Net total, fiscal year 2002 | 22,219,874 | 23,732,145 | +1,512,271 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | | 20,000 | +20,000 |
| Net total for session | 22,219,874 | 23,752,145 | +1,532,271 |
| DEPARTMENT OF LABOR | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 13,510,866 | 11,703,160 | - 1,807,706 |
| Supplemental Appropriations | 2,012,580 | 220,080 | - 1,792,500 |
| Appropriated during 106th Congress, 2d session | 2,463,000 | 2,463,000 | ..... |
| Total, fiscal year 2002 | 17,986,446 | 14,386,240 | - 3,600,206 |
| FISCAL YEAR 2003 | | | |
| Regular annual act | | 2,463,000 | +2,463,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | | 25,000 | +25,000 |
| Rescission | | - 242,500 | - 242,500 |
| Net total, fiscal year 2001 | | - 217,500 | - 217,500 |
| Net total for session | 17,986,446 | 16,631,740 | - 1,354,706 |
| LEGISLATIVE BRANCH | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 2,961,870 | 2,971,142 | +9,272 |
| Supplemental Appropriations | 256,081 | 256,081 | ..... |
| Total, fiscal year 2002 | 3,217,951 | 3,227,223 | +9,272 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 80,197 | 79,487 | - 710 |
| Total for session | 3,298,148 | 3,306,710 | +8,562 |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 14,511,400 | 14,793,200 | +281,800 |
| Supplemental Appropriations | 93,100 | 108,500 | +15,400 |
| Total for session | 14,604,500 | 14,901,700 | +297,200 |
| NATIONAL SCIENCE FOUNDATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 4,472,520 | 4,788,940 | +316,420 |
| Supplemental Appropriations | 300 | 300 | ..... |
| Total for session | 4,472,820 | 4,789,240 | +316,420 |
| OFFICE OF PERSONNEL MANAGEMENT | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 15,633,378 | 15,634,078 | +700 |

APPROPRIATIONS ARRANGED BY AGENCY AND FISCAL YEAR

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|---|----------------|--------------|------------|
| SMALL BUSINESS ADMINISTRATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 542,000 | 738,514 | +196,514 |
| Rescission | | - 5,500 | - 5,500 |
| Supplemental Appropriations | 150,000 | 150,000 | |
| Net total, fiscal year 2002 | 692,000 | 883,014 | +191,014 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | | 52,000 | +52,000 |
| Rescissions | | - 52,000 | - 52,000 |
| Net total for session | 692,000 | 883,014 | +191,014 |
| SOCIAL SECURITY ADMINISTRATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 27,053,652 | 27,060,652 | +7,000 |
| Supplemental Appropriations | 7,500 | 7,500 | |
| Appropriated during 106th Congress, 2d session | 10,584,000 | 10,584,000 | |
| Total, fiscal year 2002 | 37,645,152 | 37,652,152 | +7,000 |
| FISCAL YEAR 2003 | | | |
| Regular annual act | 10,898,000 | 10,898,000 | |
| Total for session | 48,543,152 | 48,550,152 | +7,000 |
| DEPARTMENT OF STATE | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 7,506,530 | 7,361,559 | - 144,971 |
| DEPARTMENT OF TRANSPORTATION | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 17,508,142 | 18,095,311 | +587,169 |
| Rescissions | - 331,000 | - 388,024 | - 57,024 |
| Supplemental Appropriations | 733,500 | 1,295,750 | +562,250 |
| Net subtotal | 17,910,642 | 19,003,037 | +1,092,395 |
| Appropriated during 106th Congress, 1st session | 20,000 | 20,000 | |
| Net total, fiscal year 2002 | 17,930,642 | 19,023,037 | +1,092,395 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 92,000 | 123,600 | +31,600 |
| Rescissions | | - 58,358 | - 58,358 |
| Net total, fiscal year 2001 | 92,000 | 65,242 | - 26,758 |
| Net total for session | 18,022,642 | 19,088,279 | +1,065,637 |
| DEPARTMENT OF THE TREASURY | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | 14,699,658 | 15,121,918 | +422,260 |
| Supplemental Appropriations | 315,171 | 604,260 | +289,089 |
| Total, fiscal year 2002 | 15,014,829 | 15,726,178 | +711,349 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 176,377 | 175,732 | - 645 |
| Rescissions | | - 18,000 | - 18,000 |

APPROPRIATIONS ARRANGED BY AGENCY AND FISCAL YEAR

877

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|---|----------------|---------------|-------------|
| Net total, fiscal year 2001 | 176,377 | 157,732 | - 18,645 |
| Net total for session | 15,191,206 | 15,883,910 | +692,704 |
| DEPARTMENT OF VETERANS AFFAIRS | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual act | 50,686,213 | 51,135,398 | +449,185 |
| Supplemental Appropriations | 2,000 | 2,000 | ..... |
| Total, fiscal year 2002 | 50,688,213 | 51,137,398 | +449,185 |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 936,413 | 936,413 | ..... |
| Total for session | 51,624,626 | 52,073,811 | +449,185 |
| GOVERNMENT—WIDE | | | |
| FISCAL YEAR 2001 | | | |
| Supplemental act | 20,000,000 | 20,000,000 | ..... |
| ADJUSTMENTS | | | |
| FISCAL YEAR 2002 | | | |
| Regular annual acts | - 2,818,151 | - 3,429,342 | - 611,191 |
| Grand total: | | | |
| Appropriations, fiscal year 2002: | | | |
| Appropriations | 1,092,954,826 | 1,090,236,174 | - 2,718,652 |
| Rescissions | - 525,000 | - 2,534,392 | - 2,009,392 |
| Deferral ..... | ..... | - 40,000 | - 40,000 |
| Budget adjustments | - 2,818,151 | - 3,429,342 | - 611,191 |
| Net subtotal | 1,089,611,675 | 1,084,232,440 | - 5,379,235 |
| Less estimates and appropriations made during prior Congressional sessions for fiscal year 2002 | - 69,651,707 | - 72,951,244 | - 3,299,537 |
| Net total, fiscal year 2002 | 1,019,959,968 | 1,011,281,196 | - 8,678,772 |
| Appropriations, fiscal year 2001: | | | |
| Appropriations | 28,005,187 | 29,279,299 | +1,274,112 |
| Rescissions | - 525,000 | - 1,799,113 | - 1,274,113 |
| Net total, fiscal year 2001 | 27,480,187 | 27,480,186 | - 1 |
| Appropriations, fiscal year 2003 | 60,353,937 | 83,511,857 | +23,157,920 |
| Appropriations, fiscal year 2004 ..... | ..... | 380,000 | +380,000 |
| Net total for session | 1,107,794,092 | 1,122,653,239 | +14,859,147 |
| Consisting of: | | | |
| Regular annual and supplemental appropriation acts | 1,111,662,243 | 1,130,456,086 | +18,793,843 |
| Rescissions and deferral | - 1,050,000 | - 4,373,505 | - 3,323,505 |
| Budget adjustments | - 2,818,151 | - 3,429,342 | - 611,191 |
| Net total | 1,107,794,092 | 1,122,653,239 | +14,859,147 |

¹ Requested for fiscal year 2002.

² Table 1 total included advance appropriation for fiscal year 2002.

TABLE 6. ACTIONS ON APPROPRIATIONS FOR FISCAL YEARS 2001 AND 2002, 107TH CONGRESS, 1ST SESSION

[Amounts in thousands of dollars]

| | House | | | | Senate | | | Congress | | |
|--|----------------------------|-----------------------|------------------------|-------------------------------|----------------------------|----------------------|-------------------------------|----------------------------|----------------------|-------------------------------|
| | Budget requests considered | Reported by Committee | Approved by full House | Compared with budget requests | Budget requests considered | Latest action | Compared with budget requests | Budget requests considered | Approved by Congress | Compared with budget requests |
| BILLS FOR FISCAL YEAR 2002 | | | | | | | | | | |
| Agriculture, Rural Development, Food and Drug Administration (H.R. 2330, S. 1191, P.L. 107-76) | 76,678,577 | 73,976,108 | 74,359,843 | -2,318,734 | 73,976,108 | 75,796,973 | +1,820,865 | 73,976,108 | 75,794,443 | +1,818,335 |
| Commerce-Justice-State-Judiciary (H.R. 2500, S. 1215, P.L. 107-77) | 40,807,220 | 41,456,015 | 41,456,015 | +648,795 | 40,807,220 | 41,528,131 | +720,911 | 40,807,220 | 41,635,178 | +827,958 |
| Defense (H.R. 3338, P.L. 107-117) | 319,547,116 | 317,624,089 | 317,624,089 | -1,923,027 | 319,547,116 | 317,623,483 | -1,923,633 | 319,547,116 | 317,623,747 | -1,923,369 |
| District of Columbia (H.R. 2944, P.L. 107-96) | 358,607 | 398,058 | 398,058 | +39,451 | 358,607 | 391,942 | +33,335 | 358,607 | 408,000 | +49,393 |
| Energy and Water Development (H.R. 2311, S. 1171, P.L. 107-66) | 23,008,002 | 24,195,000 | 24,195,000 | +1,186,998 | 23,008,002 | 25,448,837 | +2,440,835 | 23,008,002 | 25,086,000 | +2,077,998 |
| Foreign Operations (H.R. 2506, P.L. 107-115) | 15,212,631 | 15,212,173 | 15,212,173 | -458 | 15,212,631 | 15,568,880 | +356,249 | 15,212,631 | 15,390,780 | +178,149 |
| Interior (H.R. 2217, P. L. 107-63) | 18,072,635 | 18,863,855 | 18,863,855 | +791,220 | 18,072,635 | 18,664,035 | +591,400 | 18,072,635 | 19,078,220 | +1,005,585 |
| Labor, HHS, and Education (H.R. 3061, S. 1536, P.L. 107-116) | 399,709,442 | 406,818,551 | 406,818,551 | +7,109,109 | 399,709,442 | 407,565,901 | +7,856,459 | 399,709,442 | 407,662,802 | +7,953,360 |
| Legislative (S. 1172, H.R. 2647, P. L. 107-68) | 2,295,644 | 2,239,000 | 2,239,000 | -56,644 | 2,046,883 | 1,943,008 | -103,875 | 2,961,870 | 2,971,142 | +9,272 |
| Military Construction (H.R. 2904, P.L. 107-64) | 9,971,312 | 10,500,000 | 10,500,000 | +528,688 | 9,971,312 | 10,500,000 | +528,688 | 9,971,312 | 10,500,000 | +528,688 |
| Transportation (H.R. 2299, S. 1178, P.L. 107-87) | 17,163,605 | 17,160,121 | 17,159,786 | -3,819 | 17,163,605 | 17,885,293 | +721,688 | 17,163,605 | 17,579,970 | +416,365 |
| Treasury-General Government (H.R. 2590, S. 1398, P.L. 107-67) | 32,035,351 | 32,475,069 | 32,464,769 | +429,418 | 32,035,351 | 32,363,450 | +328,099 | 32,035,351 | 32,493,069 | +457,718 |
| VA-HUD-Independent Agencies (H.R. 2620, S. 1216, P.L. 107-73) | 110,671,650 | 112,741,553 | 112,742,553 | +2,070,903 | 110,671,650 | 113,351,308 | +2,679,658 | 110,671,650 | 112,742,537 | +2,070,887 |
| Division B, Supplemental appropriations (H.R. 3338, P.L. 107-117) | 20,000,000 | 20,000,000 | 20,000,000 | ..... | 20,000,000 | 20,000,000 | ..... | 20,000,000 | 20,000,000 | ..... |
| Total | 1,065,531,792 | 1,073,659,592 | 1,074,033,692 | +8,501,900 | 1,062,580,562 | 1,078,631,241 | +16,050,679 | 1,063,495,549 | 1,078,965,888 | +15,470,339 |

ACTIONS ON APPROPRIATIONS

**TABLE 6. ACTIONS ON APPROPRIATIONS FOR FISCAL YEARS 2001 AND 2002, 107TH CONGRESS,
1ST SESSION—Continued**

[Amounts in thousands of dollars]

| | House | | | | Senate | | | Congress | | |
|--|----------------------------|-----------------------|------------------------|-------------------------------|----------------------------|---------------|-------------------------------|----------------------------|----------------------|-------------------------------|
| | Budget requests considered | Reported by Committee | Approved by full House | Compared with budget requests | Budget requests considered | Latest action | Compared with budget requests | Budget requests considered | Approved by Congress | Compared with budget requests |
| SUPPLEMENTAL APPROPRIATIONS FOR 2001 | | | | | | | | | | |
| Supplemental (H.R. 2216, S. 1077, P.L. 107-20) | 7,480,187 | 7,101,699 | 7,460,699 | - 19,488 | 7,480,187 | 7,479,980 | - 207 | 7,480,187 | 7,459,602 | - 20,585 |
| Emergency Supplemental, Disaster and Anti-Terrorism (H.R. 2888, P.L. 107-38) | 20,000,000 | ..... | 20,000,000 | ..... | 20,000,000 | 20,000,000 | ..... | 20,000,000 | 20,000,000 | ..... |
| Total | 27,480,187 | 7,101,699 | 27,460,699 | - 19,488 | 27,480,187 | 27,479,980 | - 207 | 27,480,187 | 27,459,602 | - 20,585 |
| CUMULATIVE TOTALS FOR THE SESSION TO DATE | | | | | | | | | | |
| House | 1,093,011,979 | 1,080,761,291 | 1,101,494,391 | +8,482,412 | ..... | ..... | ..... | ..... | ..... | ..... |
| Senate ..... | ..... | ..... | ..... | ..... | 1,090,060,749 | 1,106,111,221 | +16,050,472 | ..... | ..... | ..... |
| Enacted ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 1,090,975,736 | 1,106,425,490 | +15,449,754 |

NOTE.—Prepared by the House Committee on Appropriations

TABLE 7. REGULAR ANNUAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS BILLS COMPARISON OF ADMINISTRATION BUDGET REQUESTS AND APPROPRIATIONS ENACTED

[Amounts in thousands of dollars]

| Calendar Year | Congress and session | Administration Budget Requests | Appropriations Enacted | Difference |
|---------------|----------------------|--------------------------------|------------------------|--------------|
| 1945 | 79th Cong., 1st sess | 62,453,311 | 61,042,345 | - 1,410,966 |
| 1946 | 79th Cong., 2d sess | 30,051,110 | 28,459,502 | - 1,591,608 |
| 1947 | 80th Cong., 1st sess | 33,367,508 | 30,130,762 | - 3,236,746 |
| 1948 | 80th Cong., 2d sess | 35,409,551 | 32,699,847 | - 2,709,704 |
| 1949 | 81st Cong., 1st sess | 39,545,529 | 37,825,026 | - 1,720,503 |
| 1950 | 81st Cong., 2d sess | 54,316,658 | 52,427,927 | - 1,888,731 |
| 1951 | 82d Cong., 1st sess | 96,340,781 | 91,059,713 | - 5,281,068 |
| 1952 | 82d Cong., 2d sess | 83,964,877 | 75,355,434 | - 8,609,443 |
| 1953 | 83d Cong., 1st sess | 66,568,694 | 54,539,342 | - 12,029,352 |
| 1954 | 83d Cong., 2d sess | 50,257,491 | 47,642,131 | - 2,615,360 |
| 1955 | 84th Cong., 1st sess | 55,044,334 | 53,124,821 | - 1,919,513 |
| 1956 | 84th Cong., 2d sess | 60,892,420 | 60,647,918 | - 244,502 |
| 1957 | 85th Cong., 1st sess | 64,638,111 | 59,589,732 | - 5,048,379 |
| 1958 | 85th Cong., 2d sess | 73,272,860 | 72,653,476 | - 619,384 |
| 1959 | 86th Cong., 1st sess | 74,859,472 | 72,977,958 | - 1,881,514 |
| 1960 | 86th Cong., 2d sess | 73,845,974 | 73,634,336 | - 211,638 |
| 1961 | 87th Cong., 1st sess | 91,597,448 | 86,606,487 | - 4,990,961 |
| 1962 | 87th Cong., 2d sess | 96,803,292 | 92,260,155 | - 4,543,137 |
| 1963 | 88th Cong., 1st sess | 98,904,155 | 92,432,923 | - 6,471,232 |
| 1964 | 88th Cong., 2d sess | 98,297,359 | 94,162,919 | - 4,134,440 |
| 1965 | 89th Cong., 1st sess | 109,448,075 | 107,037,567 | - 2,410,508 |
| 1966 | 89th Cong., 2d sess | 131,164,927 | 130,281,568 | - 883,359 |
| 1967 | 90th Cong., 1st sess | 147,804,558 | 141,872,347 | - 5,932,211 |
| 1968 | 90th Cong., 2d sess | 147,908,613 | 133,339,869 | - 14,568,744 |
| 1969 | 91st Cong., 1st sess | 142,701,346 | 134,431,463 | - 8,269,883 |
| 1970 | 91st Cong., 2d sess | 147,765,358 | 144,273,529 | - 3,491,829 |
| 1971 | 92d Cong., 1st sess | 167,874,625 | 165,225,662 | - 2,648,963 |
| 1972 | 92d Cong., 2d sess | 185,431,805 | 178,960,107 | - 6,471,698 |
| 1973 | 93d Cong., 1st sess | 177,959,504 | 174,901,434 | - 3,058,070 |
| 1974 | 93d Cong., 2d sess | 213,667,190 | 204,012,312 | - 9,654,878 |
| 1975 | 94th Cong., 1st sess | 267,224,774 | 259,852,322 | - 7,372,452 |
| 1976 | 94th Cong., 2d sess | 282,142,432 | 282,536,695 | +394,263 |
| 1977 | 95th Cong., 1st sess | 364,867,240 | 354,025,781 | - 10,841,459 |
| 1978 | 95th Cong., 2d sess | 348,506,125 | 337,859,467 | - 10,646,658 |
| 1979 | 96th Cong., 1st sess | 388,311,676 | 379,244,865 | - 9,066,811 |
| 1980 | 96th Cong., 2d sess | 446,690,303 | 441,290,587 | - 5,399,716 |
| 1981 | 97th Cong., 1st sess | 541,827,828 | 544,457,424 | +2,629,596 |
| 1982 | 97th Cong., 2d sess | 507,740,133 | 514,832,375 | +7,092,242 |
| 1983 | 98th Cong., 1st sess | 542,956,052 | 551,620,505 | +8,664,453 |
| 1984 | 98th Cong., 2d sess | 576,343,259 | 559,151,836 | - 17,191,423 |
| 1985 | 99th Cong., 1st sess | 588,698,504 | 583,446,885 | - 5,251,619 |

882 COMPARISON OF ADMIN. BUDGET REQUESTS & APPROS. ENACTED

[Amounts in thousands of dollars]

| Calendar Year | Congress and session | Administration Budget Requests | Appropriations Enacted | Difference |
|---------------|----------------------------|--------------------------------------|---------------------------|---------------|
| 1986 | 99th Cong., 2d sess | 590,345,199 | 577,279,102 | - 13,066,097 |
| 1987 | 100th Cong., 1st sess ... | 618,268,049 | 614,526,518 | - 3,741,531 |
| 1988 | 100th Cong., 2d sess | 621,250,664 | 625,967,373 | +4,716,709 |
| 1989 | 101st Cong., 1st sess | 652,138,432 | 666,211,681 | +14,073,249 |
| 1990 | 101st Cong., 2d sess | 704,510,962 | 697,257,740 | - 7,253,222 |
| 1991 | 102d Cong., 1st sess | 756,428,167 | 747,550,990 | - 8,877,177 |
| | | ¹ 898,000 | ² 898,000 | 0 |
| 1992 | 102d Cong., 2d sess. | 776,072,233 | 763,514,508 | - 12,557,725 |
| | | ¹ 920,400 | ² 978,800 | +58,400 |
| 1993 | 103d Cong., 1st sess. ... | 818,126,396 | 787,249,098 | - 30,877,298 |
| | | ¹ 1,363,900 | ² 1,363,900 | 0 |
| 1994 | 103d Cong., 2d sess. | 786,217,794 | 781,098,779 | - 5,119,015 |
| | | ¹ 2,652,000 | ² 2,652,000 | 0 |
| 1995 | 104th Cong., 1st sess. ... | 804,207,430 | 754,916,496 | -49,290,934 |
| | | ¹ 6,177,000 | ² 6,180,600 | +3,600 |
| 1996 | 104th Cong., 2d sess. ... | 801,214,439 | 792,838,952 | - 8,375,487 |
| | | ¹ 564,400 | ² 564,400 | 0 |
| 1997 | 105th Cong., 1st sess. ... | 799,196,397 | 787,443,002 | - 11,753,395 |
| | | ¹ 171,000 | ² 171,000 | 0 |
| 1998 | 105th Cong., 2d sess. ... | 859,790,825 | 845,477,763 | - 14,313,062 |
| | | ¹ 18,526,000 | ² 18,526,000 | 0 |
| 1999 | 106th Cong., 1st sess. ... | 916,654,274 | 881,068,125 | - 35,586,149 |
| | | ¹ 39,486,600 | ² 39,486,600 | 0 |
| 2000 | 106th Cong., 2d sess. ... | ³ 992,475,515 | 984,822,077 | - 7,653,438 |
| | | ¹ 22,370,200 | ² 22,441,500 | +71,300 |
| 2001 | 107th Cong., 1st sess. ... | 1,090,975,736 | 1,064,225,490 | - 26,750,246 |
| | | ¹ 41,500,000 | ² 42,200,000 | +700,000 |
| Totals | | 20,355,337,774 | 19,963,375,048 | - 391,962,726 |
| | | ¹ 134,629,500 | ² 135,462,800 | +833,300 |

NOTE.—Amounts based on OMB report of Status of Contingent Emergency Appropriations, dated October 25, 2002.

¹ Contingent emergencies made available. Budget requests were not included in Table 6 (Horseblanket) totals.

² Contingent emergencies appropriated by Congress.

³ Excludes contingent emergency request for \$55,000,000 that was included in Table 6 totals.

TABLE 8. APPROPRIATIONS REQUEST COMPARED TO FINAL ACTION

[Amounts in thousands of dollars]

| Fiscal Year | Administration Budget Requests | Appropriations Enacted | Difference |
|---------------------------|--------------------------------|--------------------------|---------------|
| 1981 | 431,629,081 | 428,425,182 | - 3,203,899 |
| 1982 | 459,559,716 | 462,247,584 | +2,687,868 |
| 1983 | 497,865,616 | 510,760,914 | +12,895,298 |
| 1984 | 532,776,761 | 536,583,859 | +3,807,098 |
| 1985 | 582,964,601 | ¹ 571,740,239 | - 11,224,362 |
| 1986 | ² 586,300,516 | ³ 574,868,010 | - 11,432,506 |
| 1987 | 595,071,473 | ⁴ 578,938,926 | - 16,132,547 |
| 1988 | 607,213,694 | ⁵ 606,443,182 | - 770,512 |
| 1989 | 622,590,661 | 629,059,582 | +6,468,921 |
| 1990 | 653,457,663 | 666,163,800 | +12,706,137 |
| 1991 ⁶ | 720,178,246 | 712,696,380 | - 7,481,866 |
| 1992 ^{6 7} | 736,231,270 | 714,191,105 | - 22,040,165 |
| | ⁸ 1,448,200 | ⁹ 1,506,600 | +58,400 |
| 1993 | 802,107,042 | 787,539,379 | - 14,567,663 |
| | ⁸ 1,369,100 | ⁹ 1,369,100 | 0 |
| 1994 | 802,347,017 | 785,501,659 | - 16,845,358 |
| | ⁸ 945,000 | ⁹ 945,000 | 0 |
| 1995 | 785,581,128 | 756,731,117 | - 28,850,011 |
| | ⁸ 7,881,800 | ⁹ 7,881,800 | 0 |
| 1996 | 796,795,861 | 769,050,056 | - 27,745,805 |
| | ⁸ 367,200 | ⁹ 370,800 | +3,600 |
| 1997 | 803,311,931 | 795,163,899 | - 8,148,032 |
| | ⁸ 564,400 | ⁹ 564,400 | 0 |
| 1998 | 800,448,835 | 786,826,993 | - 13,621,842 |
| | ⁸ 3,394,900 | ⁹ 3,394,900 | 0 |
| 1999 | 862,850,910 | 848,105,484 | - 14,745,426 |
| | ⁸ 25,151,300 | ⁹ 25,151,300 | 0 |
| 2000 | 908,907,750 | 864,727,942 | - 44,179,808 |
| | ⁸ 42,681,400 | ⁹ 42,681,400 | 0 |
| 2001 | ¹⁰ 936,332,937 | 905,471,444 | - 30,861,493 |
| | ⁸ 29,326,200 | ⁹ 29,397,500 | +71,300 |
| 2002 | 1,063,495,549 | 1,056,765,888 | - 6,729,661 |
| | ⁸ 21,500,000 | ⁹ 22,200,000 | +700,000 |
| Totals | 15,588,018,258 | 15,348,002,624 | - 240,015,634 |
| | ⁸ 134,629,500 | ⁹ 135,462,800 | +833,300 |

NOTE.—Amounts based on OMB report of Status of Contingent Emergency Appropriations, dated October 25, 2002.

¹ Includes - \$5.375 billion rescission for Synfuels.

² Includes +\$4 billion for CCC pursuant to Budget request of 12/23/85.

³ Includes +\$3.976 billion enacted for CCC and - \$6.9 billion rescission for Synfuels.

⁴ Includes Defense rescission of - \$5,323,877,000.

⁵ Includes Defense rescission of - \$3,531,030,000.

⁶ Excludes Desert Shield/Desert Storm contributed funds.

⁷ Includes rescission of U.S. Desert Shield/Desert Storm funds.

⁸ Contingent emergencies made available. Budget requests were not included in Table 6 (Horseblanket) totals.

⁹ Contingent emergencies appropriated by Congress.

¹⁰ Excludes contingent emergency request for \$55,000,000 that was included in Table 6 totals.

**TABLE 9. RESCISSIONS AND DEFERRALS CONSIDERED,
ARRANGED BY AGENCY AND FISCAL YEAR**

[Amounts in thousands of dollars]

| | Amount proposed | Amount approved | Difference |
|---|-----------------|-----------------|------------|
| RESCISSIONS | | | |
| DEPARTMENT OF AGRICULTURE | | | |
| FISCAL YEAR 2002 | | | |
| Agricultural, Rural Development, Food and Drug Administration Appropriations Act, 2002 (P.L. 107-76): | | | |
| Domestic Food Programs: Food and Nutrition Service: Community assistance program | - 5,300 | - 3,300 | +2,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| Farm Service Agency: Agricultural Conservation Program | | - 45,000 | - 45,000 |
| General provisions: Food stamp program (Sec. 2106) | | - 39,500 | - 39,500 |
| Forest Service: Capital improvement and maintenance | | - 5,000 | - 5,000 |
| Total, fiscal year 2001 | | - 89,500 | - 89,500 |
| Total, Department of Agriculture | - 5,300 | - 92,800 | - 87,500 |
| DEPARTMENT OF COMMERCE | | | |
| FISCAL YEAR 2002 | | | |
| Commerce, Justice, and State, the Judiciary Appropriations Act, 2002 (P.L. 107-77): | | | |
| Departmental Management: | | | |
| Emergency oil and gas guaranteed loan program account | - 115,000 | - 5,200 | +109,800 |
| Emergency steel guaranteed loan program account | - 10,000 | | +10,000 |
| Total, fiscal year 2002 | - 125,000 | - 5,200 | +119,800 |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| National Oceanic and Atmospheric Administration: Coastal and Ocean activities | | - 8,000 | - 8,000 |
| Departmental Management: Emergency Oil and Gas guaranteed loan program | | - 114,800 | - 114,800 |
| Total, fiscal year 2001 | | - 122,800 | - 122,800 |
| Total, Department of Commerce | - 125,000 | - 128,000 | - 3,000 |
| DEPARTMENT OF DEFENSE—MILITARY | | | |
| FISCAL YEAR 2002 | | | |
| Defense Appropriations Act, 2002 (P.L. 107-117): | | | |
| General provision (Sec. 8054): | | | |
| Former Soviet Union Threat Reduction, 2000/2002 | | - 32,000 | - 32,000 |
| Procurement: | | | |
| Other Procurement, Navy, 2000/2002 | | - 15,300 | - 15,300 |
| Aircraft Procurement, Air Force, 2000/2002 | | - 8,500 | - 8,500 |
| Other Procurement, Air Force, 2000/2002 | | - 20,000 | - 20,000 |
| Aircraft Procurement, Army, 2001/2003 | | - 16,000 | - 16,000 |
| Procurement of Ammunition, Army, 2001/2003 | | - 27,400 | - 27,400 |
| Other Procurement, Army, 2001/2003 | | - 28,745 | - 28,745 |
| Aircraft Procurement, Navy, 2001/2003 | | - 8,600 | - 8,600 |
| Weapons Procurement, Navy, 2001/2003 | | - 20,000 | - 20,000 |
| Other Procurement, Navy, 2001/2003 | | - 7,600 | - 7,600 |
| Procurement, Marine Corps, 2001/2003 | | - 1,000 | - 1,000 |

RESCISSIONS AND DEFERRALS

[Amounts in thousands of dollars]

| | Amount proposed | Amount approved | Difference |
|---|-----------------|-----------------|-------------|
| Aircraft Procurement, Air Force, 2001/2003 | | - 63,283 | - 63,283 |
| Missile Procurement, Air Force, 2001/2003 | | - 58,450 | - 58,450 |
| Procurement of Ammunition, Air Force, 2001/2003 | | - 5,800 | - 5,800 |
| Other Procurement, Air Force, 2001/2003 | | - 10,200 | - 10,200 |
| Procurement, Defense-Wide, 2001/2003 | | - 113,434 | - 113,434 |
| Research, Development, Test and Evaluation: | | | |
| RDT&E, Army, 2001/2002 | | - 6,300 | - 6,300 |
| RDT&E, Navy, 2001/2002 | | - 18,800 | - 18,800 |
| RDT&E, Air Force, 2001/2002 | | - 69,283 | - 69,283 |
| RDT&E, Defense-Wide, 2001/2002 | | - 780 | - 780 |
| Subtotal | | - 531,475 | - 531,475 |
| Military Construction Act, 2002 (P.L. 107-64): | | | |
| Military construction, Army | | - 36,400 | - 36,400 |
| Military construction, Navy | | - 19,588 | - 19,588 |
| Military construction, Air Force | | - 4,000 | - 4,000 |
| Military construction, Defense-wide | | - 69,280 | - 69,280 |
| Military construction, Naval Reserve | | - 925 | - 925 |
| Foreign Currency Fluctuations, Construction, Defense (Sec. 130) | | - 60,000 | - 60,000 |
| Subtotal | | - 190,193 | - 190,193 |
| Total, fiscal year 2002 | | - 721,668 | - 721,668 |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| General provisions: | | | |
| Aircraft Procurement, Navy (P.L. 106-259) | - 235,000 | | +235,000 |
| Aircraft Procurement, Air Force (P.L. 106-259) | - 270,000 | | +270,000 |
| General provision (Sec. 1204): | | | |
| Procurement, Marine Corps, 2000/2002 | | - 3,000 | - 3,000 |
| Overseas Contingency Operations Transfer Fund, 2001 | | - 200,000 | - 200,000 |
| Foreign Currency Fluctuations, Defense | | - 68,400 | - 68,400 |
| Aircraft Procurement, Navy, 2001/2003 | | - 199,000 | - 199,000 |
| Shipbuilding and Conversion, Navy, 2001/2005 | | - 75,000 | - 75,000 |
| Procurement, Marine Corps, 2001/2003 | | - 5,000 | - 5,000 |
| Aircraft Procurement, Air Force, 2001/2003 | | - 327,500 | - 327,500 |
| Other Procurement, Air Force, 2001/2003 | | - 65,000 | - 65,000 |
| Procurement, Defense-Wide, 2001/2003 | | - 85,000 | - 85,000 |
| Research, Development, Test and Evaluation, Defense-Wide, 2001/2002 | | - 7,000 | - 7,000 |
| Subtotal | - 505,000 | - 1,034,900 | - 529,900 |
| General provision (Sec. 1403): | | | |
| Military construction, Army | | - 12,856 | - 12,856 |
| Military construction, Navy | | - 6,213 | - 6,213 |
| Military construction, Air Force | | - 4,935 | - 4,935 |
| Military construction, Defense-Wide | | - 14,376 | - 14,376 |
| Family housing, Army | | - 4,000 | - 4,000 |
| Family housing, Air Force | | - 4,375 | - 4,375 |
| Subtotal | - 1,010,000 | - 46,755 | +963,245 |
| Total, fiscal year 2001 | - 505,000 | - 1,081,655 | - 576,655 |
| Total, Department of Defense—Military | - 505,000 | - 1,803,323 | - 1,298,323 |
| DEPARTMENT OF DEFENSE—CIVIL | | | |
| FISCAL YEAR 2002 | | | |
| Energy and Water Development Appropriations Act, 2002 (P.L. 107-66): | | | |
| Corps of Engineers—Civil: Flood control and coastal emergencies | | - 25,000 | - 25,000 |

RESCISSIONS AND DEFERRALS

887

[Amounts in thousands of dollars]

| | Amount proposed | Amount approved | Difference |
|--|-----------------|-----------------|-------------|
| DEPARTMENT OF ENERGY | | | |
| FISCAL YEAR 2002 | | | |
| Department of the Interior Appropriations Act, 2002 (P.L. 107-63): | | | |
| Alternative fuels production | - 2,000 | - 2,000 | ..... |
| FOREIGN ASSISTANCE | | | |
| FISCAL YEAR 2002 | | | |
| Foreign Operations Appropriations Act, 2002 (P.L. 107-115): | | | |
| Agency for International Development: Child survival and disease programs fund | - 20,000 | ..... | +20,000 |
| Economic Support Fund | - 5,000 | ..... | +5,000 |
| Total, fiscal year 2002 | - 25,000 | ..... | +25,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| Agency for International Development: Child survival and disease programs fund ..... | ..... | - 10,000 | - 10,000 |
| Economic Support Fund | - 20,000 | - 10,000 | +10,000 |
| Total, fiscal year 2001 | - 20,000 | - 20,000 | ..... |
| Total, Foreign Assistance | - 45,000 | - 20,000 | +25,000 |
| GENERAL GOVERNMENT—INDEPENDENT AGENCIES | | | |
| FISCAL YEAR 2002 | | | |
| Commerce, Justice, and State, the Judiciary Appropriations Act, 2002 (P.L. 107-77): | | | |
| Securities and Exchange Commission ..... | ..... | - 50,000 | - 50,000 |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| FISCAL YEAR 2002 | | | |
| Departments of Labor, Health and Human Services, Education and Related Agencies Appropriations Act, 2002 (P.L. 107-116): | | | |
| Administration for Children and Families: Children and families services program (permanent appropriations) ..... | ..... | - 21,000 | - 21,000 |
| DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | |
| FISCAL YEAR 2002 | | | |
| Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations, 2002 (P.L. 107-73): | | | |
| Public and Indian Housing: | | | |
| Section 8 (unobligated balances) ..... | ..... | - 1,200,000 | - 1,200,000 |
| Operation Safe Home ..... | ..... | - 11,000 | - 11,000 |
| Management and Administration: Consolidated fee fund | - 6,700 | - 6,700 | ..... |
| Total, fiscal year 2002 | - 6,700 | - 1,217,700 | - 1,211,000 |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| Public and Indian Housing: Housing certificate fund ..... | ..... | - 114,300 | - 114,300 |
| Total, Department of Housing and Urban Development | - 13,400 | - 1,332,000 | - 1,318,600 |
| DEPARTMENT OF THE INTERIOR | | | |
| FISCAL YEAR 2002 | | | |
| Department of the Interior Appropriations Act, 2002 (P.L. 107-63): | | | |
| United States Fish and Wildlife Service: State wildlife grants fund ..... | ..... | - 25,000 | - 25,000 |
| National Park Service: Land and water conservation fund (contract authority) | - 30,000 | - 30,000 | ..... |
| Total, Department of the Interior | - 30,000 | - 55,000 | - 25,000 |

RESCISSIONS AND DEFERRALS

[Amounts in thousands of dollars]

| | Amount proposed | Amount approved | Difference |
|--|-----------------|-----------------|------------|
| DEPARTMENT OF JUSTICE | | | |
| FISCAL YEAR 2002 | | | |
| Commerce, Justice, and State, the Judiciary Appropriations Act, 2002 (P.L. 107-77): | | | |
| Legal activities: Assets forfeiture fund | | - 40,000 | - 40,000 |
| DEPARTMENT OF LABOR | | | |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| Employment and Training Administration: Training and employment services | | - 242,500 | - 242,500 |
| SMALL BUSINESS ADMINISTRATION | | | |
| FISCAL YEAR 2002 | | | |
| Commerce, Justice, and State, the Judiciary Appropriations Act, 2002 (P.L. 107-77): | | | |
| Business loans program account: Guaranteed loans subsidy | | - 5,500 | - 5,500 |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| Salaries and expenses | | - 30,000 | - 30,000 |
| Business Loans Program Account | | - 22,000 | - 22,000 |
| Total, fiscal year 2001 | | - 52,000 | - 52,000 |
| Total, Small Business Administration | | - 57,500 | - 57,500 |
| DEPARTMENT OF TRANSPORTATION | | | |
| FISCAL YEAR 2002 | | | |
| Department of Transportation Appropriations Act, 2002 (P.L. 107-87): | | | |
| Federal Aviation Administration: | | | |
| Facilities and equipment (Airport and Airway Trust Fund) | | - 15,000 | - 15,000 |
| Grants-in-aid for airports (Airport and Airway Trust Fund) (contract authority) | - 331,000 | - 301,720 | +29,280 |
| Federal Highway Administration: | | | |
| State infrastructure banks | | - 5,750 | - 5,750 |
| Value pricing project (Highway Trust Fund) (Sec. 318) | | - 9,231 | - 9,231 |
| TIFIA (Highway Trust Fund) (Sec. 318) | | - 43,742 | - 43,742 |
| Federal Motor Carrier Safety Administration: Motor carrier safety | | - 6,665 | - 6,665 |
| National Highway Traffic Safety Administration: Operations and research (Highway Trust Fund) | | - 1,516 | - 1,516 |
| Commerce, Justice, and State, the Judiciary Appropriations Act, 2002 (P.L. 107-77): | | | |
| Maritime Administration: Ship construction | | - 4,400 | - 4,400 |
| Total, fiscal year 2002 | - 331,000 | - 388,024 | - 57,024 |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| Office of the Secretary: Rental payments | | - 440 | - 440 |
| Coast Guard: Acquisition, construction and improvements | | - 12,000 | - 12,000 |
| Federal Aviation Administration: Grants-in-aid for airports (Airport and Airway Trust Fund) (contract authorization) | | - 30,000 | - 30,000 |
| Federal Highway Administration: Federal-aid highways (Highway Trust Fund) | | - 15,918 | - 15,918 |
| Total, fiscal year 2001 | | - 58,358 | - 58,358 |
| Total, Department of Transportation | - 331,000 | - 446,382 | - 115,382 |

RESCISSIONS AND DEFERRALS

889

[Amounts in thousands of dollars]

| | Amount proposed | Amount approved | Difference |
|--|-----------------|-----------------|-------------|
| DEPARTMENT OF THE TREASURY | | | |
| FISCAL YEAR 2001 | | | |
| Supplemental Appropriations Act, 2001 (P.L. 107-20): | | | |
| Internal Revenue Service (Sec. 21002) | | - 18,000 | - 18,000 |
| Grand total, Rescissions | - 1,050,000 | - 4,333,505 | - 3,283,505 |
| Fiscal year 2001 | - 525,000 | - 1,799,113 | - 1,274,113 |
| Fiscal year 2002 | - 525,000 | - 2,534,392 | - 2,009,392 |
| DEFERRALS | | | |
| DEPARTMENT OF ENERGY | | | |
| FISCAL YEAR 2002 | | | |
| Department of the Interior Appropriations Act, 2002 (P.L. 107-63): | | | |
| Clean coal technology | | - 40,000 | - 40,000 |

TABLE 10. OMB CUMULATIVE REPORTS ON RESCISSIONS AND DEFERRALS

[107th Congress, 1st session—House Document 107–113, September 5, 2001]

CUMULATIVE REPORT ON RESCISSIONS AND DEFERRALS

COMMUNICATION FROM THE DIRECTOR, THE OFFICE OF MANAGEMENT AND BUDGET TRANSMITTING A CUMULATIVE REPORT ON RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY, PURSUANT TO 2 U.S.C. 685(e)

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, August 16, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In accordance with Executive Order 11845, I am transmitting the cumulative report on rescissions and deferrals. This report is required by Section 1014(e) of the Congressional Budget and Impoundment Control Act of 1974. In accordance with the Act, the report is being transmitted concurrently to the Senate and will be published in the *Federal Register*.

Sincerely,

MITCHELL E. DANIELS, Jr.,
Director.

ATTACHMENT A.—*Status of fiscal year 2001 deferrals*

[In millions of dollars]

| | <i>Budgetary Resources</i> |
|---|----------------------------|
| Deferrals proposed by the President | 1,946.7 |
| Routine Executive releases through August 1, 2001 | – 559.2 |
| Overtaken by the Congress ..... | ..... |
| Currently before the Congress | 1,387.5 |

ATTACHMENT B.—STATUS OF FISCAL YEAR 2001 DEFERRALS—AS OF AUGUST 1, 2001

[Amounts in thousands of dollars]

| Agency/Bureau/Account | Deferral Number | Amounts transmitted | | Date of message | Releases (–) | | Congressional action | Cumulative adjustments (+) | Amount deferred as of 8-1-01 |
|--|-----------------|---------------------|-----------------------|-----------------|-----------------------|------------------------|----------------------|----------------------------|------------------------------|
| | | Original request | Subsequent change (+) | | Cumulative OMB/Agency | Congressional required | | | |
| DEPARTMENT OF STATE | | | | | | | | | |
| Other: United States Emergency Refugee and Migration Assistance Fund | D01-1 | 145,310 | ..... | 1-18-01 | 40,033 | ..... | ..... | ..... | 105,277 |
| INTERNATIONAL ASSISTANCE PROGRAMS | | | | | | | | | |
| International Security Assistance: Economic Support Fund | D01-2 | 1,801,382 | ..... | 1-18-01 | 519,149 | ..... | ..... | ..... | 1,282,234 |
| Total, deferrals ..... | ..... | 1,946,692 | ..... | ..... | 559,182 | ..... | ..... | ..... | 1,387,510 |

NOTE.—Detail may not add to totals due to rounding.

CUMULATIVE REPORT ON RESCISSIONS AND DEFERRALS

893

[107th Congress, 2d session—House Document 107–226, June 17, 2002]

CUMULATIVE REPORT ON RESCISSIONS AND DEFERRALS

COMMUNICATION FROM THE DIRECTOR, THE OFFICE OF MANAGEMENT AND BUDGET TRANSMITTING A CUMULATIVE REPORT ON RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY, PURSUANT TO 2 U.S.C. 685(e)

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 10, 2002.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In accordance with Executive Order 11845, I am transmitting the cumulative report on rescissions and deferrals. This report is required by Section 1014(e) of the Congressional Budget and Impoundment Control Act of 1974. In accordance with the Act, the report is being transmitted concurrently to the Senate and will be published in the *Federal Register*.

Sincerely,

MITCHELL E. DANIELS, Jr.,
Director.

ATTACHMENT A.—*Status of fiscal year 2002 deferrals*

[In millions of dollars]

| | <i>Budgetary Resources</i> |
|---|--------------------------------|
| Deferrals proposed by the President | 1,993.6 |
| Routine Executive releases through June 1, 2002 | – 840.8 |
| Executive adjustment through June 1, 2002 | – 1,152.8 |
| Overtaken by the Congress ..... | ..... |
| Currently before the Congress ..... | ..... |

ATTACHMENT B.—STATUS OF FISCAL YEAR 2002 DEFERRALS—AS OF JUNE 1, 2002

[Amounts in thousands of dollars]

| Agency/Bureau/Account | Deferral Number | Amounts transmitted | | Date of message | Releases (–) | | Congressional action | Cumulative adjustments (+) | Amount deferred as of 6-1-02 |
|--|-----------------|---------------------|-----------------------|-----------------|-----------------------|------------------------|----------------------|----------------------------|------------------------------|
| | | Original request | Subsequent change (+) | | Cumulative OMB/Agency | Congressional required | | | |
| DEPARTMENT OF STATE | | | | | | | | | |
| Other: United States Emergency Refugee and Migration Assistance Fund | D02-1 | 68,277 | ..... | 5-3-02 | 20,000 | ..... | ..... | ¹ 48,277 | ..... |
| INTERNATIONAL ASSISTANCE PROGRAMS | | | | | | | | | |
| International Security Assistance: Economic Support Fund | D02-2 | 1,925,277 | ..... | 5-3-02 | 820,821 | ..... | ..... | ¹ 1,104,456 | ..... |
| Total, deferrals ..... | ..... | 1,993,554 | ..... | ..... | 840,821 | ..... | ..... | 1,152,733 | ..... |

¹ On May 31, 2002, OMB reapportioned the two previously reported FY 2002 deferrals (D02-1 and D02-2) removing the deferral designations based on a recent analysis that determined that the funds do not meet the definition for deferrals contained P.L. 93-344. There is no programmatic effect of these actions. Therefore, as of June 1, 2002, no funds are being deferred. Pursuant to P.L. 93-344, until such time as the President transmits a special message to Congress on subsequent rescission proposals or deferrals no cumulative reports are required to be transmitted to the Congress.

**TABLE 11. LIQUIDATION OF CONTRACT AUTHORIZATION
CARRIED IN APPROPRIATIONS ACTS**

[NOTE.—The following table is for informational purposes only showing liquidation of contract authorization provided in this session.]

[Amounts in thousands of dollars]

| | Budget request | Appropriated | Difference |
|--|----------------|--------------|------------|
| DEPARTMENT OF TRANSPORTATION | | | |
| Department of Transportation and related agencies, 2002: | | | |
| Federal Aviation Administration: | | | |
| Grants-in-aid for airports (Airport and Airway Trust Fund) | 1,800,000 | 1,800,000 | ..... |
| Federal Highway Administration: | | | |
| Federal-aid highways (Highway Trust Fund) | 30,000,000 | 30,000,000 | ..... |
| Federal Motor Carrier Safety Administration: | | | |
| National motor carrier safety program (Highway Trust Fund) | 204,837 | 205,896 | +1,059 |
| National Highway Traffic Safety Administration: | | | |
| Operations and research (Highway Trust Fund) | 72,000 | 72,000 | ..... |
| Highway traffic safety grants (Highway Trust Fund) | 223,000 | 223,000 | ..... |
| Federal Transit Administration: | | | |
| Trust fund share of expenses (Highway Trust Fund) | 5,397,800 | 5,397,800 | ..... |
| Total, Liquidation of contract authorization | 37,697,637 | 37,698,696 | +1,059 |

TABLE 12. PERMANENT APPROPRIATIONS—FEDERAL FUNDS

[NOTE.—The text and amounts of these permanent appropriations are taken from the budget for the fiscal year 2002. These are funds that do not require current annual action by the Congress, but rather become available automatically under earlier laws. The amounts shown are for indefinite appropriations unless indicated to be definite. The amounts shown for indefinite appropriations are estimated and are thus subject to revision as better data becomes available during the fiscal year.]

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|---|------------------|------------------|
| Department of Agriculture: | | |
| Office of the Secretary: | | |
| Fund for rural America | 30 | 150 |
| Executive Operations: | | |
| Spending Authority From Offsetting Collections | 330 | 314 |
| Total, Offsetting Collections | -330 | -311 |
| Departmental Administration | | |
| Spending Authority From Offsetting Collections | 21 | 18 |
| Total, Offsetting Collections | -21 | -18 |
| Office of Communications: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | -1 | -1 |
| Office of the Inspector General: | | |
| Spending Authority From Offsetting Collections | 2 | 2 |
| Total, Offsetting Collections | -2 | -2 |
| Office of the General Counsel: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | -1 | -1 |
| Economic Research Service: | | |
| Spending Authority From Offsetting Collections | 4 | 4 |
| Total, Offsetting Collections | -4 | -4 |
| National Agricultural Statistics Service: | | |
| Spending Authority From Offsetting Collections | 11 | 11 |
| Total, Offsetting Collections | -11 | -11 |
| Agricultural Research Service: | 18 | 18 |
| Spending Authority From Offsetting Collections | 60 | 60 |
| Total, Offsetting Collections | -60 | -60 |
| Cooperative State Research, Education, and Extension Service: | | |
| Research and education activities | 148 | 240 |
| Spending Authority From Offsetting Collections | 41 | 41 |
| Total, Offsetting Collections | -41 | -41 |
| Animal and Plant Health Inspection Service | 178 | 145 |
| Spending Authority From Offsetting Collections | 60 | 65 |
| Total, Offsetting Collections | -60 | -65 |
| Food Safety and Inspection Service: | | |
| Spending Authority From Offsetting Collections | 96 | 99 |
| Total, Offsetting Collections | -96 | -99 |
| Grain Inspection, Packers and Stockyards Administration: | | |
| Spending Authority From Offsetting Collections | 43 | 47 |
| Total, Offsetting Collections | -43 | -47 |
| Agricultural Marketing Service | 774 | 717 |
| Spending Authority From Offsetting Collections | 64 | 64 |
| Total, Offsetting Collections | -64 | -64 |
| Risk Management Agency | 2,805 | 3,037 |
| Spending Authority From Offsetting Collections | 1,025 | 1,090 |
| Total, Offsetting Collections | -1,025 | -1,090 |
| Farm Service Agency: | | |
| Agricultural credit insurance fund program account | 834 | 269 |
| Authority To Borrow | 24,199 | 10,382 |
| Spending Authority From Offsetting Collections | 14,031 | 13,317 |
| Total, Offsetting Collections | -14,918 | -14,189 |

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|---|------------------|------------------|
| Natural Resources Conservation Service: | | |
| Spending Authority From Offsetting Collections | 176 | 117 |
| Total, Offsetting Collections | -176 | -117 |
| Rural Development | 112 | ..... |
| Spending Authority From Offsetting Collections | 477 | 482 |
| Total, Offsetting Collections | -477 | -482 |
| Rural Utilities Service | 666 | 310 |
| Authority To Borrow | 1,194 | 1,009 |
| Spending Authority From Offsetting Collections | 2,956 | 2,790 |
| Total, Offsetting Collections | -5,193 | -4,771 |
| Rural Housing Service | 288 | ..... |
| Authority To Borrow | 288 | 139 |
| Spending Authority From Offsetting Collections | 1,937 | 1,757 |
| Total, Offsetting Collections | -3,718 | -3,424 |
| Rural Business—Cooperative Service | 21 | ..... |
| Authority To Borrow | 97 | 13 |
| Spending Authority From Offsetting Collections | 229 | 135 |
| Total, Offsetting Collections | -232 | -136 |
| Foreign Agricultural Service: | | |
| Authority To Borrow | 59 | 81 |
| Spending Authority From Offsetting Collections | 573 | 348 |
| Total, Offsetting Collections | -1,227 | -833 |
| Food and Nutrition Service: | | |
| Food stamp program | 29,708 | 32,059 |
| Spending Authority From Offsetting Collections | 228 | 212 |
| Total, Offsetting Collections | -228 | -212 |
| Forest Service | 456 | 579 |
| Spending Authority From Offsetting Collections | 268 | 256 |
| Total, Offsetting Collections | -268 | -256 |
| Total, Department of Agriculture | 56,313 | 44,127 |
| Department of Commerce: | | |
| Departmental Management ..... | ..... | 34 |
| Spending Authority From Offsetting Collections | 442 | 375 |
| Total, Offsetting Collections | -442 | -375 |
| Economic Development Administration: | | |
| Spending Authority From Offsetting Collections | 34 | 24 |
| Total, Offsetting Collections | -34 | -24 |
| Bureau of the Census | 20 | 20 |
| Spending Authority From Offsetting Collections | 191 | 191 |
| Total, Offsetting Collections | -191 | -191 |
| Economic and Statistical Analysis: | | |
| Spending Authority From Offsetting Collections | 5 | 5 |
| Total, Offsetting Collections | -5 | -5 |
| International Trade Administration: | | |
| Spending Authority From Offsetting Collections | 31 | 31 |
| Total, Offsetting Collections | -31 | -31 |
| Export Administration: | | |
| Spending Authority From Offsetting Collections | 6 | 5 |
| Total, Offsetting Collections | -6 | -5 |
| National Oceanic and Atmospheric Administration | 94 | 98 |
| Authority To Borrow | 98 | 24 |
| Spending Authority From Offsetting Collections | 287 | 246 |
| Total, Offsetting Collections | -287 | -246 |
| U.S. Patent and Trademark Office: | | |
| Spending Authority From Offsetting Collections | 1,039 | 1,139 |
| Total, Offsetting Collections | -1,152 | -1,346 |
| Technology Administration: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | -1 | -1 |
| National Technical Information Service: | | |
| Spending Authority From Offsetting Collections | 40 | 41 |
| Total, Offsetting Collections | -40 | -41 |
| National Institute of Standards and Technology: | | |
| Spending Authority From Offsetting Collections | 142 | 143 |

PERMANENT APPROPRIATIONS—FEDERAL FUNDS

899

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|---|------------------|----------------------|
| Total, Offsetting Collections | - 142 | - 143 |
| National Telecommunications and Information Administration: | | |
| Spending Authority From Offsetting Collections | 21 | 22 |
| Total, Offsetting Collections | - 21 | - 22 |
| Total, Department of Commerce | 99 | - 31 |
| Department of Defense—Military: | | |
| Military Personnel | | 24 |
| Spending Authority From Offsetting Collections | 691 | 799 |
| Total, Offsetting Collections | - 691 | - 799 |
| Operation and Maintenance | 216 | 216 |
| Authority To Borrow | 17 | 17 |
| Spending Authority From Offsetting Collections | 14,972 | 15,524 |
| Total, Offsetting Collections | - 14,822 | - 15,528 |
| Procurement: | | |
| Spending Authority From Offsetting Collections | 1,282 | 1,645 |
| Total, Offsetting Collections | - 1,282 | - 1,645 |
| Research, Development, Test, and Evaluation: | | |
| Spending Authority From Offsetting Collections | 4,081 | 4,129 |
| Total, Offsetting Collections | - 4,081 | - 4,129 |
| Military Construction: | | |
| Spending Authority From Offsetting Collections | 2,388 | 2,365 |
| Total, Offsetting Collections | - 2,388 | - 2,365 |
| Family Housing: | | |
| Authority To Borrow | 64 | 149 |
| Spending Authority From Offsetting Collections | 192 | 156 |
| Total, Offsetting Collections | - 192 | - 156 |
| Revolving and Management Funds: | | |
| Spending Authority From Offsetting Collections | 80,685 | 77,546 |
| Total, Offsetting Collections | - 80,889 | - 77,750 |
| Total, Department of Defense—Military | 243 | 198 |
| Defense Civil Programs: | | |
| Corps of Engineers | 26 | 36 |
| Spending Authority From Offsetting Collections | 4,929 | 4,838 |
| Total, Offsetting Collections | - 4,938 | - 4,842 |
| Military Retirement | 16,089 | 16,653 |
| Forest and Wildlife Conservation, Military Reservations | 2 | 2 |
| Total, Other Defense Civil Programs | 16,108 | 16,687 |
| Department of Education: | | |
| Office of Elementary and Secondary Education: | | |
| Advance Appropriation | | ¹ (8,718) |
| Office of Special Education and Rehabilitative Services | 2,400 | 2,481 |
| Advance Appropriation | | ¹ (5,072) |
| Spending Authority From Offsetting Collections | 2 | 2 |
| Total, Offsetting Collections | - 2 | - 2 |
| Office of Vocational and Adult Education: | | |
| Advance Appropriation | | ¹ (791) |
| Office of Postsecondary Education | 7 | 2 |
| Authority To Borrow | 32 | 30 |
| Spending Authority From Offsetting Collections | 57 | 53 |
| Total, Offsetting Collections | - 59 | - 55 |
| Office of Student Financial Assistance | 5,781 | 5,009 |
| Authority To Borrow | 22,687 | 19,379 |
| Spending Authority From Offsetting Collections | 15,634 | 17,316 |
| Total, Offsetting Collections | - 27,790 | - 23,258 |
| Office of Educational Research and Improvement: | | |
| Spending Authority From Offsetting Collections | 6 | 7 |
| Total, Offsetting Collections | - 6 | - 7 |
| Departmental Management: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | - 1 | - 1 |

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|---|------------------|-------------------|
| Total, Department of Education | 18,749 | 20,957 |
| Department of Energy: | | |
| National Nuclear Security Administration: | | |
| Spending Authority From Offsetting Collections | 1,131 | 1,231 |
| Total, Offsetting Collections | -1,131 | -1,231 |
| Environmental and Other Defense Activities: | | |
| Spending Authority From Offsetting Collections | 50 | ..... |
| Total, Offsetting Collections | -50 | ..... |
| Energy Programs | 3 | 3 |
| Advance Appropriation ..... | ..... | ¹ (36) |
| Spending Authority From Offsetting Collections | 1,554 | 1,558 |
| Total, Offsetting Collections | -1,554 | -1,558 |
| Power Marketing Administration | -29 | 167 |
| Spending Authority From Offsetting Collections | 3,060 | 3,705 |
| Total, Offsetting Collections | -3,220 | -3,970 |
| Departmental Administration: | | |
| Spending Authority From Offsetting Collections | 234 | 224 |
| Total, Offsetting Collections | -234 | -224 |
| Total, Department of Energy | -186 | -95 |
| Environmental Protection Agency | 4 | ..... |
| Spending Authority From Offsetting Collections | 280 | 314 |
| Total, Offsetting Collections | -280 | -314 |
| Total, Environmental Protection Agency | 4 | ..... |
| Executive Office of the President: | | |
| Compensation of the President and the White House Office: | | |
| Spending Authority From Offsetting Collections | 2 | 1 |
| Total, Offsetting Collections | -2 | -1 |
| Executive Residence at the White House | | |
| Spending Authority From Offsetting Collections | 4 | 4 |
| Total, Offsetting Collections | -4 | -4 |
| Council on Environmental Quality and Office of Environmental Quality: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | -1 | -1 |
| Office of Administration: | | |
| Spending Authority From Offsetting Collections | 6 | ..... |
| Total, Offsetting Collections | -6 | ..... |
| Total, Executive Office of the President ..... | ..... | ..... |
| Federal Emergency Management Agency | 45 | ..... |
| Authority To Borrow | 23 | 25 |
| Spending Authority From Offsetting Collections | 1,518 | 1,584 |
| Total, Offsetting Collections | -1,775 | -1,794 |
| Total, Federal Emergency Management Agency | -189 | -185 |
| Foreign Assistance: | | |
| International Security Assistance: | | |
| Foreign military loan liquidating account | 31 | 27 |
| Authority To Borrow | 208 | ..... |
| Spending Authority From Offsetting Collections | 116 | 112 |
| Total, Offsetting Collections | -1,103 | -1,097 |
| Agency for International Development: | | |
| Payment to the Foreign Service retirement and disability fund | 73 | 86 |
| Authority To Borrow | 90 | 131 |
| Spending Authority From Offsetting Collections | 411 | 245 |
| Total, Offsetting Collections | -1,213 | -1,061 |
| Overseas Private Investment Corporation: | | |
| Authority To Borrow | 127 | 105 |
| Spending Authority From Offsetting Collections | 337 | 326 |
| Total, Offsetting Collections | -537 | -577 |
| Peace Corps: | | |
| Spending Authority From Offsetting Collections | 8 | 8 |
| Total, Offsetting Collections | -8 | -8 |

PERMANENT APPROPRIATIONS—FEDERAL FUNDS

901

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|------------------|------------------|
| Inter-American Foundation: | | |
| Spending Authority From Offsetting Collections | 2 | ..... |
| Total, Offsetting Collections | -2 | ..... |
| Military Sales Program: | | |
| Total, Offsetting Collections | -7 | ..... |
| Total, Foreign Assistance | -1,467 | -1,703 |
| General Government—Independent Agencies: | | |
| Broadcasting Board of Governors: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | -1 | -1 |
| Central Intelligence Agency | 216 | 212 |
| Consumer Product Safety Commission: | | |
| Spending Authority From Offsetting Collections | 3 | 3 |
| Total, Offsetting Collections | -3 | -3 |
| Corporation for National and Community Service: | | |
| Spending Authority From Offsetting Collections | 7 | 7 |
| Total, Offsetting Collections | -7 | -7 |
| District of Columbia Courts | 5 | 5 |
| District of Columbia General and Special Payments: | | |
| Spending Authority From Offsetting Collections | 10 | 10 |
| Total, Offsetting Collections | -62 | -78 |
| Equal Employment Opportunity Commission: | | |
| Spending Authority From Offsetting Collections | 3 | 3 |
| Total, Offsetting Collections | -3 | -3 |
| Export-Import Bank of the United States | 919 | ..... |
| Authority To Borrow | 1,411 | ..... |
| Spending Authority From Offsetting Collections | 4,940 | 3,581 |
| Total, Offsetting Collections | -4,940 | -3,581 |
| Denali Commission: | | |
| Spending Authority From Offsetting Collections | 25 | ..... |
| Total, Offsetting Collections | -25 | ..... |
| Farm Credit Administration: | | |
| Spending Authority From Offsetting Collections | 37 | 38 |
| Total, Offsetting Collections | -37 | -38 |
| Farm Credit System Financial Assistance Corporation: | | |
| Spending Authority From Offsetting Collections | 137 | 143 |
| Total, Offsetting Collections | -137 | -143 |
| Farm Credit System Insurance Corporation: | | |
| Spending Authority From Offsetting Collections | 118 | 126 |
| Total, Offsetting Collections | -118 | -126 |
| Federal Communications Commission | 5,599 | 5,648 |
| Authority To Borrow | 12,454 | ..... |
| Spending Authority From Offsetting Collections | 367 | 1,433 |
| Total, Offsetting Collections | -12,586 | -17,315 |
| Bank Insurance: | | |
| Spending Authority From Offsetting Collections | 2,230 | 2,612 |
| Total, Offsetting Collections | -2,256 | -2,735 |
| Savings Association Insurance: | | |
| Spending Authority From Offsetting Collections | 666 | 903 |
| Total, Offsetting Collections | -670 | -907 |
| FSLIC Resolution: | | |
| Spending Authority From Offsetting Collections | 1,798 | 1,236 |
| Total, Offsetting Collections | -1,802 | -1,240 |
| FDIC—Office of Inspector General: | | |
| Spending Authority From Offsetting Collections | 34 | 34 |
| Federal Financial Institutions Examination Council Appraisal | 2 | 2 |
| Federal Housing Finance Board: | | |
| Spending Authority From Offsetting Collections | 23 | 25 |
| Total, Offsetting Collections | -23 | -25 |
| Federal Mediation and Conciliation Service: | | |
| Spending Authority From Offsetting Collections | 2 | 2 |
| Total, Offsetting Collections | -2 | -2 |
| Federal Retirement Thrift Investment Board | 106 | 83 |

PERMANENT APPROPRIATIONS—FEDERAL FUNDS

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|---|------------------|-------------------|
| Federal Trade Commission: | | |
| Spending Authority From Offsetting Collections | 148 | 157 |
| Total, Offsetting Collections | -160 | -208 |
| Merit Systems Protection Board: | | |
| Spending Authority From Offsetting Collections | 2 | 3 |
| Total, Offsetting Collections | -2 | -3 |
| Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation: | | |
| Environmental dispute resolution fund | 1 | 2 |
| National Archives and Records Administration: | | |
| Spending Authority From Offsetting Collections | 101 | 105 |
| Total, Offsetting Collections | -101 | -105 |
| National Capital Planning Commission: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | -1 | -1 |
| National Credit Union Administration: | | |
| Spending Authority From Offsetting Collections | 797 | 956 |
| Total, Offsetting Collections | -797 | -956 |
| National Endowment for the Arts | 1 | 1 |
| Spending Authority From Offsetting Collections | 5 | 1 |
| Total, Offsetting Collections | -5 | -1 |
| National Endowment for the Humanities | 6 | 6 |
| Spending Authority From Offsetting Collections | 2 | 2 |
| Total, Offsetting Collections | -2 | -2 |
| Nuclear Regulatory Commission: | | |
| Spending Authority From Offsetting Collections | 9 | 9 |
| Total, Offsetting Collections | -9 | -9 |
| Postal Service: | | |
| Advance Appropriation | | ¹ (67) |
| Authority To Borrow | 4,840 | 2,519 |
| Spending Authority From Offsetting Collections | 66,431 | 68,195 |
| Total, Offsetting Collections | -66,431 | -68,195 |
| Presidio Trust: | | |
| Spending Authority From Offsetting Collections | 75 | 78 |
| Total, Offsetting Collections | -75 | -78 |
| Oklahoma City National Memorial Trust: | | |
| Spending Authority From Offsetting Collections | 6 | |
| Total, Offsetting Collections | -6 | |
| Railroad Retirement Board | 335 | 341 |
| Securities and Exchange Commission: | | |
| Spending Authority From Offsetting Collections | 424 | 439 |
| Total, Offsetting Collections | -975 | -984 |
| Tennessee Valley Authority: | | |
| Spending Authority From Offsetting Collections | 6,326 | 6,927 |
| Total, Offsetting Collections | -6,876 | -7,209 |
| United States Enrichment Corporation Fund: | | |
| Spending Authority From Offsetting Collections | 64 | 67 |
| Total, Offsetting Collections | -64 | -67 |
| White House Commission on the National Moment of Remembrance | | 1 |
| Total, General Government—Independent Agencies | 12,511 | -8,105 |
| General Services Administration: | | |
| Real Property Activities | 8 | 8 |
| Spending Authority From Offsetting Collections | 6,711 | 7,119 |
| Total, Offsetting Collections | -6,907 | -7,088 |
| Supply and Technology Activities | 13 | 13 |
| Spending Authority From Offsetting Collections | 9,204 | 9,770 |
| Total, Offsetting Collections | -9,204 | -9,770 |
| General Activities: | | |
| Spending Authority From Offsetting Collections | 313 | 323 |
| Total, Offsetting Collections | -313 | -323 |
| Total, General Services Administration | -175 | 52 |
| Department of Health and Human Services: | | |
| Food and Drug Administration | 1 | 1 |

PERMANENT APPROPRIATIONS—FEDERAL FUNDS

903

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|------------------|-----------------------|
| Spending Authority From Offsetting Collections | 200 | 243 |
| Total, Offsetting Collections | -200 | -243 |
| Health Resources and Services Administration | 649 | 60 |
| Spending Authority From Offsetting Collections | 212 | 203 |
| Total, Offsetting Collections | -212 | -203 |
| Indian Health Services | 105 | 105 |
| Spending Authority From Offsetting Collections | 711 | 740 |
| Total, Offsetting Collections | -711 | -740 |
| Centers for Disease Control and Prevention | 14 | 4 |
| Spending Authority From Offsetting Collections | 205 | 240 |
| Total, Offsetting Collections | -205 | -240 |
| National Institutes of Health | 107 | 107 |
| Spending Authority From Offsetting Collections | 1,339 | 1,453 |
| Total, Offsetting Collections | -1,339 | -1,453 |
| Substance Abuse and Mental Health Services Administration: | | |
| Spending Authority From Offsetting Collections | 40 | 69 |
| Total, Offsetting Collections | -40 | -69 |
| Agency for Healthcare Research and Quality: | | |
| Spending Authority From Offsetting Collections | 177 | 318 |
| Total, Offsetting Collections | -177 | -318 |
| Health Care Financing Administration | 182,949 | 210,424 |
| Advance Appropriation | (30,589) | ¹ (36,207) |
| Spending Authority From Offsetting Collections | 3,603 | 2,483 |
| Total, Offsetting Collections | -3,603 | -2,483 |
| Administration for Children and Families | 28,860 | 29,057 |
| Advance Appropriation | (2,188) | ¹ (4,136) |
| Spending Authority From Offsetting Collections | 450 | 484 |
| Total, Offsetting Collections | -450 | -484 |
| Departmental Management: | | |
| Spending Authority From Offsetting Collections | 124 | 139 |
| Total, Offsetting Collections | -124 | -139 |
| Program Support Center | 220 | 242 |
| Spending Authority From Offsetting Collections | 416 | 431 |
| Total, Offsetting Collections | -416 | -431 |
| Office of the Inspector General: | | |
| Spending Authority From Offsetting Collections | 19 | 17 |
| Total, Offsetting Collections | -19 | -17 |
| Total, Department of Health and Human Services | 212,905 | 240,000 |
| Department of Housing and Urban Development: | | |
| Public and Indian Housing Programs: | | |
| Advance Appropriation | | ¹ (4,200) |
| Authority To Borrow | 40 | 40 |
| Spending Authority From Offsetting Collections | 73 | 90 |
| Total, Offsetting Collections | -73 | -90 |
| Community Planning and Development: | | |
| Spending Authority From Offsetting Collections | 63 | 59 |
| Total, Offsetting Collections | -67 | -63 |
| Housing Programs | 5,252 | 1,991 |
| Authority To Borrow | 699 | 999 |
| Spending Authority From Offsetting Collections | 19,792 | 14,668 |
| Total, Offsetting Collections | -20,396 | -15,334 |
| Government National Mortgage Association: | | |
| Spending Authority From Offsetting Collections | 893 | 559 |
| Total, Offsetting Collections | -893 | -559 |
| Management and Administration: | | |
| Spending Authority From Offsetting Collections | 888 | 935 |
| Total, Offsetting Collections | -888 | -935 |
| Total, Department of Housing and Urban Development | 5,383 | 2,360 |
| Department of the Interior: | | |
| Bureau of Land Management | 108 | 236 |
| Spending Authority From Offsetting Collections | 117 | 116 |
| Total, Offsetting Collections | -117 | -116 |
| Minerals Management Service | 1,101 | 990 |

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|------------------|------------------|
| Spending Authority From Offsetting Collections | 305 | 320 |
| Total, Offsetting Collections | -305 | -320 |
| Office of Surface Mining Reclamation and Enforcement | 103 | 92 |
| Spending Authority From Offsetting Collections | 2 | 1 |
| Total, Offsetting Collections | -2 | -1 |
| Bureau of Reclamation | 69 | 80 |
| Authority To Borrow | 13 | 22 |
| Spending Authority From Offsetting Collections | 704 | 769 |
| Total, Offsetting Collections | -708 | -773 |
| United States Geological Survey: | | |
| Spending Authority From Offsetting Collections | 393 | 397 |
| Total, Offsetting Collections | -393 | -397 |
| United States Fish and Wildlife Service | 330 | 336 |
| Spending Authority From Offsetting Collections | 110 | 108 |
| Total, Offsetting Collections | -110 | -108 |
| National Park Service | 228 | 235 |
| Contract Authority | 30 | 30 |
| Spending Authority From Offsetting Collections | 133 | 133 |
| Total, Offsetting Collections | -133 | -133 |
| Bureau of Indian Affairs | 80 | 80 |
| Spending Authority From Offsetting Collections | 183 | 220 |
| Total, Offsetting Collections | -183 | -220 |
| Departmental Management | 2 | ..... |
| Spending Authority From Offsetting Collections | 571 | 727 |
| Total, Offsetting Collections | -571 | -727 |
| Insular Affairs | 266 | 291 |
| Authority To Borrow | 14 | 3 |
| Spending Authority From Offsetting Collections | 4 | 1 |
| Total, Offsetting Collections | -5 | -3 |
| Office of the Solicitor: | | |
| Spending Authority From Offsetting Collections | 5 | 5 |
| Total, Offsetting Collections | -5 | -5 |
| Office of Inspector General: | | |
| Spending Authority From Offsetting Collections | 3 | 2 |
| Total, Offsetting Collections | -3 | -2 |
| Office of Special Trustee for American Indians | 57 | 69 |
| Natural Resources Damage Assessment and Restoration | 56 | 34 |
| National Indian Gaming Commission | 8 | 8 |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | -1 | -1 |
| Total, Department of the Interior | 2,460 | 2,500 |
| Judicial Branch: | | |
| Supreme Court of the United States | 2 | 2 |
| United States Court of Appeals for the Federal Circuit | 2 | 2 |
| United States Court of International Trade | 2 | 2 |
| Courts of Appeals, District Courts, and other Judicial Service | 556 | 618 |
| Spending Authority From Offsetting Collections | 333 | 226 |
| Total, Offsetting Collections | -333 | -226 |
| Administrative Office of the United States Courts: | | |
| Spending Authority From Offsetting Collections | 47 | 49 |
| Total, Offsetting Collections | -47 | -49 |
| Judicial Retirement Funds | 36 | 37 |
| Total, Judicial Branch | 598 | 661 |
| Department of Justice: | | |
| General Administration: | | |
| Spending Authority From Offsetting Collections | 906 | 903 |
| Total, Offsetting Collections | -906 | -903 |
| Legal Activities and U.S. Marshals | 513 | 503 |
| Spending Authority From Offsetting Collections | 825 | 843 |
| Total, Offsetting Collections | -864 | -911 |
| Radiation Exposure Compensation ..... | ..... | 162 |
| Federal Bureau of Investigation: | | |
| Spending Authority From Offsetting Collections | 580 | 598 |

PERMANENT APPROPRIATIONS—FEDERAL FUNDS

905

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|---|------------------|----------------------|
| Total, Offsetting Collections | - 580 | - 598 |
| Drug Enforcement Administration | 92 | 67 |
| Spending Authority From Offsetting Collections | 238 | 245 |
| Total, Offsetting Collections | - 238 | - 245 |
| Immigration and Naturalization Service | 1,755 | 1,886 |
| Spending Authority From Offsetting Collections | 1,803 | 2,039 |
| Total, Offsetting Collections | - 1,803 | - 2,039 |
| Federal Prison System: | | |
| Spending Authority From Offsetting Collections | 647 | 682 |
| Total, Offsetting Collections | - 647 | - 682 |
| Office of Justice Programs | 550 | 1,616 |
| Spending Authority From Offsetting Collections | 581 | 553 |
| Total, Offsetting Collections | - 581 | - 553 |
| Total, Department of Justice | 2,871 | 4,166 |
| Department of Labor: | | |
| Employment and Training Administration | 537 | 629 |
| Advance Appropriation | | ¹ (2,463) |
| Spending Authority From Offsetting Collections | 3,267 | 3,340 |
| Total, Offsetting Collections | - 3,267 | - 3,340 |
| Pension and welfare benefit administration: | | |
| Spending Authority From Offsetting Collections | 10 | 10 |
| Total, Offsetting Collections | - 10 | - 10 |
| Pension Benefit Guaranty Corporation: | | |
| Spending Authority From Offsetting Collections | 2,536 | 2,903 |
| Total, Offsetting Collections | - 2,536 | - 2,903 |
| Employment Standards Administration | 484 | 877 |
| Spending Authority From Offsetting Collections | 2,083 | 2,201 |
| Total, Offsetting Collections | - 2,083 | - 2,201 |
| Occupational Safety and Health Administration: | | |
| Spending Authority From Offsetting Collections | 4 | 4 |
| Total, Offsetting Collections | - 4 | - 4 |
| Mine Safety and Health Administration: | | |
| Spending Authority From Offsetting Collections | 2 | 2 |
| Total, Offsetting Collections | - 2 | - 2 |
| Bureau of Labor Statistics: | | |
| Spending Authority From Offsetting Collections | 79 | 81 |
| Total, Offsetting Collections | - 79 | - 81 |
| Departmental Management: | | |
| Spending Authority From Offsetting Collections | 372 | 381 |
| Total, Offsetting Collections | - 372 | - 381 |
| Total, Department of Labor | 1,021 | 1,506 |
| Legislative Branch: | | |
| Senate: | | |
| Compensation of members, Senate | 19 | 20 |
| House of Representatives: | | |
| Compensation of members and related administrative expenses | 85 | 85 |
| Architect of the Capitol: | | |
| Capitol power plant: | | |
| Spending Authority From Offsetting Collections | 28 | 27 |
| Total, Offsetting Collections | - 28 | - 27 |
| Library of Congress: | | |
| Payments to copyright owners | 230 | 239 |
| Spending Authority From Offsetting Collections | 119 | 148 |
| Total, Offsetting Collections | - 119 | - 148 |
| Government Printing Office: | | |
| Government Printing Office revolving fund: | | |
| Spending Authority From Offsetting Collections | 792 | 790 |
| Total, Offsetting Collections | - 792 | - 790 |
| General Accounting Office: | | |
| Spending Authority From Offsetting Collections | 2 | 3 |
| Total, Offsetting Collections | - 2 | - 3 |

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|------------------|-----------------------|
| Legislative Branch Boards and Commissions: | | |
| Medicare Payment Advisory Commission: | | |
| Spending Authority From Offsetting Collections | 8 | 8 |
| Total, Offsetting Collections | -8 | -8 |
| Total, Legislative Branch | 334 | 344 |
| National Aeronautics and Space Administration: | | |
| Spending Authority From Offsetting Collections | 839 | 881 |
| Total, Offsetting Collections | -839 | -881 |
| Total, National Aeronautics and Space Administration | | |
| National Science Foundation | 121 | 144 |
| Spending Authority From Offsetting Collections | 120 | 120 |
| Total, Offsetting Collections | -120 | -120 |
| Total, National Science Foundation | 121 | 144 |
| Office of Personnel Management | 27,408 | 28,600 |
| Spending Authority From Offsetting Collections | 473 | 496 |
| Total, Offsetting Collections | -473 | -496 |
| Total, Office of Personnel Management | 27,408 | 28,600 |
| Small Business Administration | 35 | |
| Authority To Borrow | 686 | 270 |
| Spending Authority From Offsetting Collections | 4,510 | 4,060 |
| Total, Offsetting Collections | -4,510 | -4,060 |
| Total, Small Business Administration | 721 | 270 |
| Social Security Administration: | | |
| Social Security Administration | 33,587 | 32,969 |
| Advance Appropriation | (10,014) | ¹ (10,584) |
| Spending Authority From Offsetting Collections | 3,622 | 3,721 |
| Total, Offsetting Collections | -3,622 | -3,721 |
| Total, Social Security Administration | 33,587 | 32,969 |
| Department of State: | | |
| Administration of Foreign Affairs | 166 | 172 |
| Spending Authority From Offsetting Collections | 2,258 | 2,332 |
| Total, Offsetting Collections | -2,252 | -2,327 |
| International Commissions: | | |
| Spending Authority From Offsetting Collections | 20 | 10 |
| Total, Offsetting Collections | -20 | -10 |
| Other | 1 | 1 |
| Spending Authority From Offsetting Collections | 6 | 18 |
| Total, Offsetting Collections | -6 | -18 |
| Total, Department of State | 173 | 178 |
| Department of Transportation: | | |
| Office of the Secretary | 50 | 40 |
| Spending Authority From Offsetting Collections | 490 | 497 |
| Total, Offsetting Collections | -494 | -501 |
| Coast Guard | 778 | 876 |
| Spending Authority From Offsetting Collections | 309 | 320 |
| Total, Offsetting Collections | -309 | -320 |
| Federal Aviation Administration | -14 | |
| Spending Authority From Offsetting Collections | 4,741 | 6,126 |
| Total, Offsetting Collections | -4,741 | -6,126 |
| Federal Highway Administration | 1,837 | 2,123 |
| Spending Authority From Offsetting Collections | 184 | 131 |
| Total, Offsetting Collections | -184 | -131 |
| National Highway Traffic Safety Administration: | | |
| Spending Authority From Offsetting Collections | 25 | 25 |
| Total, Offsetting Collections | -25 | -25 |
| Federal Railroad Administration | 146 | 95 |

PERMANENT APPROPRIATIONS—FEDERAL FUNDS

907

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|------------------|------------------|
| Spending Authority From Offsetting Collections | 12 | 21 |
| Total, Offsetting Collections | - 515 | - 34 |
| Federal Transit Administration: | | |
| Spending Authority From Offsetting Collections | 5,023 | 5,412 |
| Total, Offsetting Collections | - 5,023 | - 5,412 |
| Saint Lawrence Seaway Development Corporation: | | |
| Spending Authority From Offsetting Collections | 14 | 14 |
| Total, Offsetting Collections | - 14 | - 14 |
| Research and Special Programs Administration | 14 | 14 |
| Spending Authority From Offsetting Collections | 267 | 271 |
| Total, Offsetting Collections | - 267 | - 271 |
| Office of Inspector General: | | |
| Spending Authority From Offsetting Collections | 4 | 6 |
| Total, Offsetting Collections | - 4 | - 6 |
| Surface Transportation Board: | | |
| Spending Authority From Offsetting Collections | 1 | 1 |
| Total, Offsetting Collections | - 1 | - 1 |
| Maritime Administration | 21 | ..... |
| Authority To Borrow | 80 | 48 |
| Spending Authority From Offsetting Collections | 554 | 458 |
| Total, Offsetting Collections | - 554 | - 458 |
| Total, Department of Transportation | 2,405 | 3,179 |
| Department of the Treasury: | | |
| Departmental Offices | 282 | 282 |
| Authority To Borrow | 12 | 9 |
| Spending Authority From Offsetting Collections | 1,770 | 1,750 |
| Total, Offsetting Collections | - 1,768 | - 1,750 |
| Federal Law Enforcement Training Center: | | |
| Spending Authority From Offsetting Collections | 27 | 27 |
| Total, Offsetting Collections | - 27 | - 27 |
| Financial Management Service | 7,249 | 6,274 |
| Spending Authority From Offsetting Collections | 137 | 128 |
| Total, Offsetting Collections | - 137 | - 128 |
| Federal Financing Bank: | | |
| Authority To Borrow | 17 | 15 |
| Spending Authority From Offsetting Collections | 3,353 | 3,461 |
| Total, Offsetting Collections | - 3,353 | - 3,461 |
| Bureau of Alcohol, Tobacco and Firearms | 315 | 246 |
| Spending Authority From Offsetting Collections | 50 | 47 |
| Total, Offsetting Collections | - 50 | - 47 |
| United States Customs Service | 396 | 621 |
| Spending Authority From Offsetting Collections | 453 | 461 |
| Total, Offsetting Collections | - 453 | - 461 |
| Bureau of Engraving and Printing: | | |
| Spending Authority From Offsetting Collections | 417 | 450 |
| Total, Offsetting Collections | - 417 | - 450 |
| United States Mint: | | |
| Spending Authority From Offsetting Collections | 1,152 | 1,218 |
| Total, Offsetting Collections | - 1,152 | - 1,218 |
| Bureau of the Public Debt | 163 | 138 |
| Spending Authority From Offsetting Collections | 9 | 9 |
| Total, Offsetting Collections | - 8 | - 9 |
| Internal Revenue Service | 29,575 | 30,806 |
| Spending Authority From Offsetting Collections | 103 | 103 |
| Total, Offsetting Collections | - 103 | - 103 |
| United States Secret Service | 200 | 200 |
| Spending Authority From Offsetting Collections | 12 | 4 |
| Total, Offsetting Collections | - 12 | - 4 |
| Office of Thrift Supervision: | | |
| Spending Authority From Offsetting Collections | 158 | 160 |
| Total, Offsetting Collections | - 158 | - 160 |
| Interest on the Public Debt | 357,907 | 350,951 |
| Total, Department of the Treasury | 396,119 | 389,542 |

PERMANENT APPROPRIATIONS—FEDERAL FUNDS

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|------------------|---------------------|
| Department of Veterans Affairs: | | |
| Veterans Health Administration | | 121 |
| Spending Authority From Offsetting Collections | 567 | 605 |
| Total, Offsetting Collections | - 567 | - 605 |
| Veterans Benefits Administration | 25,707 | 27,293 |
| Authority To Borrow | 1,524 | 1,701 |
| Spending Authority From Offsetting Collections | 5,567 | 5,926 |
| Total, Offsetting Collections | - 6,713 | - 7,431 |
| Construction: | | |
| Spending Authority From Offsetting Collections | 3 | 3 |
| Total, Offsetting Collections | - 3 | - 3 |
| Departmental Administration: | | |
| Spending Authority From Offsetting Collections | 1,280 | 1,396 |
| Total, Offsetting Collections | - 1,280 | - 1,396 |
| Total, Department of Veterans Affairs | 26,085 | 27,610 |
| Total, Federal Funds | 814,201 | 805,931 |
| Advance Appropriations | 42,791 | ¹ 72,274 |
| Total | 856,992 | 878,205 |

¹ Advance appropriations are *not included* in the totals for Permanents and *are counted* in the recap tables as Advances for the fiscal year.

TABLE 13. PERMANENT APPROPRIATIONS—TRUST FUNDS

[NOTE.—The text and amounts of these permanent appropriations are taken from the budget for the fiscal year 2002. These are funds that do not require current annual action by the Congress, but rather become available automatically under earlier laws. The amounts shown are for indefinite appropriations unless indicated to be definite. The amounts shown for indefinite appropriations are estimated and are thus subject to revision as better data becomes available during the fiscal year.]

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|---|---------------------|---------------------|
| Department of Agriculture: | | |
| Office of the Secretary | 1 | 1 |
| Agricultural Research Service | 23 | 23 |
| Animal and Plant Health Inspection Service | 13 | 13 |
| Food Safety and Inspection Service | 3 | 3 |
| Agricultural Marketing Service | 155 | 114 |
| Spending Authority From Offsetting Collections | 42 | 42 |
| Total, Offsetting Collections | -42 | -42 |
| Foreign Agricultural Service | 4 | 4 |
| Forest Service | 190 | 186 |
| Total, Department of Agriculture | 389 | 344 |
| Department of Commerce: | | |
| Departmental Management | 1 | 1 |
| Department of Defense—Military | 133 | 199 |
| Spending Authority From Offsetting Collections | 277 | 283 |
| Total, Offsetting Collections | -277 | -283 |
| Total, Department of Defense—Military | 133 | 199 |
| Defense Civil: | | |
| Military Retirement | 34,332 | 35,378 |
| Educational Benefits | 305 | 235 |
| American Battle Monuments Commission | 65 | 12 |
| Corps of Engineers | 333 | 375 |
| Total, Other Defense Civil Programs | 35,035 | 36,000 |
| Environmental Protection Agency: | | |
| Spending Authority From Offsetting Collections | 134 | 126 |
| Total, Offsetting Collections | -134 | -126 |
| Foreign Assistance: | | |
| Agency for International Development | 2 | 2 |
| Peace Corps | 1 | 1 |
| Military Sales Program: | | |
| Contract Authority | 11,800 | 11,620 |
| Total, Foreign Assistance | 11,803 | 11,623 |
| General Government—Independent Agencies: | | |
| Appalachian Regional Commission | 6 | 6 |
| Barry Goldwater Scholarship and Excellence in Education Foundation | 4 | 4 |
| Broadcasting Board of Governors | 1 | 0 |
| Christopher Columbus Fellowship Foundation | 1 | 1 |
| Corporation for National and Community Service | 25 | 20 |
| District of Columbia Courts | 10 | 11 |
| District of Columbia General and Special Payments | 437 | 451 |
| Farm Credit System Financial Assistance Corporation | 6 | 6 |
| Harry S. Truman Scholarship Foundation | 4 | 4 |
| James Madison Memorial Fellowship Foundation | 3 | 3 |
| Japan-United States Friendship Commission | 3 | 3 |
| Morris K. Udall Scholarship and Excellence in National Environmental Policy | 2 | 2 |

PERMANENT APPROPRIATIONS—TRUST FUNDS

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|---------------------|---------------------|
| National Archives and Records Administration | 1 | 1 |
| Spending Authority From Offsetting Collections | 14 | 14 |
| Total, Offsetting Collections | - 14 | - 14 |
| Railroad Retirement Board | 5,501 | 5,609 |
| Authority To Borrow | 3,141 | 3,152 |
| Spending Authority From Offsetting Collections | 30 | 30 |
| Total, Offsetting Collections | - 30 | - 30 |
| United Mine Workers of America Benefit Funds | 349 | 235 |
| Total, General Government—Independent Agencies | 9,494 | 9,508 |
| Department of Health and Human Services: | | |
| Health Resources and Services Administration | 694 | 115 |
| Centers for Disease Control and Prevention: | | |
| Spending Authority From Offsetting Collections | 25 | 26 |
| Total, Offsetting Collections | - 25 | - 26 |
| Health Care Financing Administration | 240,397 | 253,481 |
| Spending Authority From Offsetting Collections | 3,515 | 2,455 |
| Total, Offsetting Collections | - 3,515 | - 2,455 |
| Program Support Center | 71 | 71 |
| Total, Department of Health and Human Services | 241,162 | 253,667 |
| Department of the Interior: | | |
| Bureau of Land Management | 14 | 14 |
| United States Geological Survey | 1 | 1 |
| United States Fish and Wildlife Service | 305 | 356 |
| National Park Service | 18 | 18 |
| Office of Special Trustee for American Indians | 25 | 27 |
| Total, Department of the Interior | 363 | 416 |
| Judicial Branch: | | |
| Federal Judicial Center | 1 | 1 |
| Judicial Retirement Funds | 77 | 75 |
| Total, Judicial Branch | 78 | 76 |
| Department of Justice: | | |
| Spending Authority From Offsetting Collections | 221 | 227 |
| Total, Offsetting Collections | - 221 | - 227 |
| Department of Labor: | | |
| Employment and Training Administration | 25,544 | 28,443 |
| Employment Standards Administration | 708 | 721 |
| Authority to Borrow | 471 | 464 |
| Total, Department of Labor | 26,723 | 29,628 |
| Legislative Branch: | | |
| Botanic Garden | 12 | 2 |
| Library of Congress | 91 | 28 |
| Legislative Branch Boards and Commissions: | | |
| John C. Stennis Center for Public Service Training and Development | 4 | 4 |
| Total, Legislative Branch | 107 | 34 |
| National Science Foundation | 32 | 31 |
| Social Security Administration | 432,822 | 452,994 |
| Spending Authority From Offsetting Collections | 2,598 | 2,689 |
| Total, Offsetting Collections | - 2,598 | - 2,689 |
| Total, Social Security Administration | 432,822 | 452,994 |
| Department of State: | | |
| Administration of Foreign Affairs | 604 | 626 |
| Department of Transportation: | | |
| Coast Guard | 125 | 125 |
| Spending Authority From Offsetting Collections | 8 | 8 |
| Total, Offsetting Collections | - 8 | - 8 |

PERMANENT APPROPRIATIONS—TRUST FUNDS

911

[Amounts in millions of dollars]

| | Fiscal year 2001 | Fiscal year 2002 |
|--|---------------------|---------------------|
| Federal Aviation Administration: | | |
| Contract Authority | 2,621 | 3,300 |
| Spending Authority From Offsetting Collections | 96 | 96 |
| Total, Offsetting Collections | -96 | -96 |
| Federal Highway Administration | 40 | 21 |
| Contract Authority | 33,544 | 35,333 |
| Spending Authority From Offsetting Collections | 92 | 92 |
| Total, Offsetting Collections | -116 | -116 |
| Federal Motor Carrier Safety Administration: | | |
| Contract Authority | 268 | 390 |
| Spending Authority From Offsetting Collections | 10 | 10 |
| Total, Offsetting Collections | -10 | -10 |
| National Highway Traffic Safety Administration: | | |
| Contract Authority | 285 | 295 |
| Spending Authority From Offsetting Collections | 12 | 12 |
| Total, Offsetting Collections | -12 | -12 |
| Federal Transit Administration | 5,017 | 5,398 |
| Total, Department of Transportation | 41,876 | 44,838 |
| Department of the Treasury: | | |
| United States Customs Service | 6 | 6 |
| Comptroller of the Currency: | | |
| Spending Authority From Offsetting Collections | 422 | 439 |
| Total, Offsetting Collections | -422 | -439 |
| Total, Department of the Treasury | 6 | 6 |
| National Aeronautics and Space Administration | 4 | 1 |
| Office of Personnel Management | 47,538 | 49,728 |
| Spending Authority From Offsetting Collections | 25,357 | 27,730 |
| Total, Offsetting Collections | -25,357 | -27,730 |
| Total, Office of Personnel Management | 47,538 | 49,728 |
| Department of Veterans Affairs: | | |
| Veterans Health Administration | 32 | 34 |
| Veterans Benefits Administration | 1,053 | 1,002 |
| Spending Authority From Offsetting Collections | 936 | 993 |
| Total, Offsetting Collections | -714 | -683 |
| Total, Department of Veterans Affairs | 1,307 | 1,346 |
| Total, Trust Funds | 849,477 | 891,066 |

TABLE 14. ACTS AUTHORIZING OR CONTAINING APPROPRIATIONS

| AGRICULTURE ACTS | | | Page |
|----------------------------------|----------|--|------|
| Pub. L. | 2001 | | |
| 107-19 | July 10 | To authorize funding for the National 4-H Program Centennial Initiative | 919 |
| 107-25 | Aug. 13 | To respond to the continuing economic crisis adversely affecting American agricultural producers | 921 |
| DEFENSE ACTS | | | |
| 107-107 | Dec. 28 | To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes | 927 |
| 107-108 | Dec. 28 | To authorize appropriations for fiscal year 2002 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes | 1262 |
| DISTRICT OF COLUMBIA ACTS | | | |
| 107-114 | Jan. 8 | To amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court, and for other purposes | 1275 |
| EDUCATION ACTS | | | |
| 107-110 | Jan. 8 | To close the achievement gap with accountability, flexibility, and choice, so that no child is left behindTo close the achievement gap with accountability, flexibility, and choice, so that no child is left behind | 1291 |
| FOREIGN AFFAIRS ACTS | | | |
| 107-26 | Aug. 17 | To reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2004, and for other purposes | 1879 |
| 107-43 | Sept. 28 | To implement the agreement establishing a United States-Jordan free trade area | 1880 |
| 107-57 | Oct. 27 | To authorize the President to exercise waivers of foreign assistance restrictions with respect to Pakistan through September 30, 2003, and for other purposes | 1889 |
| 107-81 | Dec. 12 | To authorize the provision of educational and health care assistance to the women and children of Afghanistan | 1891 |
| 107-99 | Dec. 21 | To provide for a transition to democracy and to promote economic recovery in Zimbabwe | 1893 |
| GENERAL GOVERNMENT ACTS | | | |
| 107-41 | Sept. 18 | To establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in <i>Brown v. Board of Education</i> | 1897 |
| 107-82 | Dec. 14 | To extend the authorization of the Drug-Free Communities Support Program for an additional 5 years, to authorize a National Community Antidrug Coalition Institute, and for other purposes | 1900 |

| | | | |
|---------------------------------------|---------|--|------|
| 107-90 | Dec. 21 | To modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries | 1907 |
| 107-106 | Dec. 28 | To establish the National Museum of African American History and Culture Plan for Action Presidential Commission to develop a plan of action for the establishment and maintenance of the National Museum of African American History and Culture in Washington, D.C., and for other purposes | 1921 |
| 107-119 | Jan. 15 | To amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006 | 1923 |
| 107-123 | Jan. 16 | To amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes | 1924 |
| HEALTH AND HUMAN SERVICES ACTS | | | |
| 107-84 | Dec. 18 | To amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and Emery-Dreifuss muscular dystrophies | 1935 |
| 107-105 | Dec. 27 | To ensure that covered entities comply with the standards for electronic health care transactions and code sets adopted under part C of title XI of the Social Security Act, and for other purposes | 1942 |
| 107-109 | Jan. 4 | To amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children | 1947 |
| 107-133 | Jan. 17 | To extend and amend the program entitled Promoting Safe and Stable Families under title IV-B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV-E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes | 1962 |
| HOUSING ACTS | | | |
| 107-18 | July 5 | To clarify the authority of the Department of Housing and Urban Development with respect to the use of fees during fiscal year 2001 for the manufactured housing program | 1975 |
| INTERIOR ACTS | | | |
| 107-13 | June 3 | To authorize the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for wildland fire management in the Department of the Interior and Related Agencies Appropriations Act, 2001, to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service to facilitate the interagency cooperation required under the Endangered Species Act of 1973 in connection with wildland fire management | 1977 |
| 107-30 | Aug. 20 | To provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, and for other purposes | 1978 |
| 107-59 | Nov. 5 | To authorize the Secretary of the Interior to study the suitability and feasibility of designating the Great Falls Historic District in Paterson, New Jersey, as a unit of the National Park System, and for other purposes | 1981 |
| 107-65 | Nov. 6 | To amend the Wild and Scenic Rivers Act to designate a segment of the Eightmile River in the State of Connecticut for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes | 1982 |
| 107-91 | Dec. 21 | To provide for the establishment of the Detroit River International Wildlife Refuge in the State of Michigan, and for other purposes ... | 1984 |

JUSTICE ACTS

| | | | |
|--------|---------|--|------|
| 107-12 | May 30 | To authorize the Public Safety Officer Medal of Valor, and for other purposes | 1989 |
| 107-56 | Oct. 26 | To deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes | 1992 |

REVENUE ACTS

| | | | |
|---------|---------|---|------|
| 107-16 | June 7 | To provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002 | 2107 |
| 107-134 | Jan. 23 | To amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes | 2206 |

SMALL BUSINESS ACTS

| | | | |
|---------|---------|--|------|
| 107-50 | Oct. 15 | To reauthorize the Small Business Technology Transfer Program, and for other purposes | 2223 |
| 107-100 | Dec. 21 | To amend the Small Business Investment Act of 1958, and for other purposes | 2226 |
| 107-118 | Jan. 11 | To provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such Act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes | 2232 |

STATE ACTS

| | | | |
|--------|--------|---|------|
| 107-46 | Oct. 5 | To amend the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001, to adjust a condition on the payment of arrearages to the United Nations that sets the maximum share of any United Nations peacekeeping operation's budget that may be assessed of any country | 2255 |
|--------|--------|---|------|

TRANSPORTATION ACTS

| | | | |
|--------|----------|--|------|
| 107-42 | Sept. 22 | To preserve the continued viability of the United States air transportation system | 2257 |
| 107-71 | Nov. 19 | To improve aviation security, and for other purposes | 2268 |

TREASURY ACTS

| | | | |
|---------|---------|---|------|
| 107-127 | Jan. 16 | To authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public | 2313 |
|---------|---------|---|------|

VETERANS ACTS

| | | | |
|---------|---------|---|------|
| 107-95 | Dec. 21 | To amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans | 2315 |
| 107-103 | Dec. 27 | To amend title 38, United States Code, to modify and improve authorities relating to education benefits, compensation and pension benefits, housing benefits, burial benefits, and vocational rehabilitation benefits for veterans, to modify certain authorities relating to the United States Court of Appeals for Veterans Claims, and for other purposes | 2332 |
| 107-135 | Jan. 23 | To amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes | 2354 |

**TABLE 15. APPROPRIATIONS IN LEGISLATIVE ACTS,
107TH CONGRESS, 1ST SESSION**

[In millions of dollars]

| Public Law | Legislative Act | |
|------------|---|-------|
| 107-16 | Economic Growth and Tax Relief Reconciliation Act of 2001 | |
| | Department of the Treasury | |
| | Internal Revenue Service | |
| | Payment where earned income credit exceeds liability for tax | 6,226 |
| | Processing, assistance, and management | - 1 |
| | Advance refund mechanism | 200 |
| 107-18 | To clarify the authority of the Department of HUD with respect to the use of fees during FY 2001 for the manufactured housing program | |
| | Department of Housing and Urban Development | |
| | Housing programs | |
| | Manufactured home inspection and monitoring | 8 |
| 107-37 | To provide for the expedited payment of certain benefits for a public safety officer | |
| | Department of Justice | |
| | Office of Justice Programs | |
| | Public safety officers' benefits | 5 |
| 107-42 | Air Transportation Safety and System Stabilization Act | |
| | Department of Transportation | |
| | September 11 Victim Compensation Fund | 400 |
| | Federal Aviation Administration | |
| | Aviation insurance revolving fund | 600 |
| | Credit assistance to air carriers | 2,000 |
| 107-56 | Uniting and Strengthening America by Providing Appropriate Tools Required | |
| | Department of Justice | |
| | Office of Justice Programs | |
| | Public safety officers' benefits | 74 |
| | Crime victims fund | 30 |
| 107-90 | Railroad Retirement and Survivors' Improvement Act of 2001 | |
| | Railroad Retirement Board | |
| | Rail industry pension fund | 108 |
| 107-103 | Veterans Education and Benefits Expansion Act of 2001 | |
| | Department of Veterans Affairs | |
| | Veterans Benefits Administration | |
| | Compensation and pensions | 14 |
| | Readjustment benefits | 189 |
| | Pensions | 6 |
| | Burial benefits and miscellaneous assistance | 15 |
| | Veterans housing benefit program fund program account | 4 |
| | Departmental Administration | |
| | National Cemetery Administration | 1 |
| 107-105 | Administrative Simplification Compliance Act | |
| | Department of Health and Human Services | |
| | Centers for Medicare and Medicaid Services | |
| | Grants to States for medicaid | - 50 |
| 107-107 | National Defense Authorization Act for Fiscal Year 2002 | |
| | Department of Justice | |
| | Radiation exposure compensation trust fund | 172 |
| | Department of Labor | |
| | Employment Standards Administration | |
| | Energy employees occupational illness compensation fund | 11 |
| | Department of Defense—Military | |
| | U.S. Navy | - 18 |
| | Military personnel | |
| | Military personnel, Army | 3 |
| | Military personnel, Air Force | 2 |
| | Military personnel | 13 |
| | Operation and maintenance | |
| | Operation and maintenance, Defense-wide | - 5 |

[In millions of dollars]

| Public Law | Legislative Act | |
|------------|---|--------|
| | Revolving and management funds | |
| | National defense stockpile transaction fund | -22 |
| | Office of Personnel Management | |
| | Government payment for annuitants, employees health benefits | 2 |
| | Civil service retirement and disability fund | 16 |
| | Department of Veterans Affairs | |
| | Veterans Benefits Administration | |
| | Readjustment benefits | 1 |
| | Other Defense Civil Programs | |
| | Armed Forces Retirement Home | |
| | Fees paid by residents, US Soldiers and Airmen's Home | 1 |
| | Fees paid by residents, US Naval Home | 1 |
| | Retiree health care | |
| | Uniformed services retiree health care fund | 3 |
| | Allowances | |
| | Non-050 recovery audit savings | -7 |
| 107-109 | Best Pharmaceuticals for Children Act | |
| | Department of Health and Human Services | |
| | Centers for Medicare and Medicaid Services | |
| | Grants to States for medicaid | -2 |
| | National Institutes of Health | |
| | Office of the Director (Health research) | 6 |
| 107-134 | Victims of Terrorism Tax Relief Act of 2001 | |
| | Department of the Treasury | |
| | Internal Revenue Service | |
| | Victims of terrorism minimum benefit | 2 |
| 107-135 | Department of Veterans Affairs Health Care Programs Enhancement Act of 2001 | |
| | Office of Personnel Management | |
| | Civil service retirement and disability fund | 1 |
| | Total: | |
| | Federal funds | 10,003 |
| | Trust Funds | -4 |
| | | 9,999 |

SOURCE.—Congressional Budget Office.

**APPROPRIATIONS,
BUDGET ESTIMATES, ETC.**

VOL. 2

STATEMENTS

ONE HUNDRED SEVENTH CONGRESS, FIRST SESSION

(January 3, 2001 to December 20, 2001)

SHOWING

VOL. 1

APPROPRIATIONS ACTS (pp. 1-716)

ACCOUNT, RECAPITULATION AND SUPPORTING TABLES (pp. 717-918)

VOL. 2

ACTS AUTHORIZING OR CONTAINING APPROPRIATIONS (pp. 919-2371)

PREPARED UNDER THE DIRECTION OF THE COMMITTEES ON APPROPRIATIONS OF THE SENATE AND HOUSE OF
REPRESENTATIVES AS REQUIRED BY LAW (U.S. CODE, TITLE 2, SECTION 105)

BY

STEVEN J. CORTESE
*Staff Director to the
Committee on Appropriations
United States Senate*

JAMES W. DYER
*Clerk and Staff Director to the
Committee on Appropriations
House of Representatives*

AGRICULTURE ACTS

PUBLIC LAW 107-19—JULY 10, 2001

Public Law 107-19
107th Congress

An Act

To authorize funding for the National 4-H Program Centennial Initiative.

July 10, 2001
[S. 657]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATIONAL 4-H PROGRAM CENTENNIAL INITIATIVE.

(a) **FINDINGS.**—Congress finds that—

(1) the 4-H Program is 1 of the largest youth development organizations operating in each of the 50 States and over 3,000 counties;

(2) the 4-H Program is promoted by the Secretary of Agriculture through the Cooperative State Research, Education, and Extension Service and land-grant colleges and universities;

(3) the 4-H Program is supported by public and private resources, including the National 4-H Council; and

(4) in celebration of the centennial of the 4-H Program in 2002, the National 4-H Council has proposed a public-private partnership to develop new strategies for youth development for the next century in light of an increasingly global and technology-oriented economy and ever-changing demands and challenges facing youth in widely diverse communities.

(b) **GRANT.**—

(1) **IN GENERAL.**—The Secretary of Agriculture may provide a grant to the National 4-H Council to pay the Federal share of the cost of—

(A) conducting a program of discussions through meetings, seminars, and listening sessions on the National, State, and local levels regarding strategies for youth development; and

(B) preparing a report that—

(i) summarizes and analyzes the discussions;

(ii) makes specific recommendations of strategies for youth development; and

(iii) proposes a plan of action for carrying out those strategies.

(2) **COST SHARING.**—

(A) **IN GENERAL.**—The Federal share of the cost of the program under paragraph (1) shall be 50 percent.

(B) **FORM OF NON-FEDERAL SHARE.**—The non-Federal share of the cost of the program under paragraph (1) may be paid in the form of cash or the provision of services, material, or other in-kind contributions.

(3) **AMOUNT.**—The grant made under this subsection shall not exceed \$5,000,000.

PUBLIC LAW 107-19—JULY 10, 2001

(c) REPORT.—The National 4-H Council shall submit any report prepared under subsection (b) to the President, the Secretary of Agriculture, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(d) FUNDING.—The Secretary may fund the grant authorized by this section from—

(1) funds made available under subsection (e); and

(2) notwithstanding subsections (c) and (d) of section 793 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2204f), funds from the Account established under section 793(a) of that Act.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000.

Approved July 10, 2001.

LEGISLATIVE HISTORY—S. 657:

CONGRESSIONAL RECORD, Vol. 147 (2001):

June 19, considered and passed Senate.

June 25, considered and passed House.

AGRICULTURE ACTS

PUBLIC LAW 107-25—AUG. 13, 2001

Public Law 107-25
107th Congress

An Act

To respond to the continuing economic crisis adversely affecting American agricultural producers.

Aug. 13, 2001

[H.R. 2213]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the “Secretary”) shall, to the maximum extent practicable, use \$4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agriculture Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use \$423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use \$54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use \$129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of \$13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

PUBLIC LAW 107-25—AUG. 13, 2001

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use \$16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool, and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use \$84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) **BASE STATE GRANTS.**—The Secretary shall use \$26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

- (1) \$500,000 to each of the several States; and
- (2) \$1,000,000 to the Commonwealth of Puerto Rico.

(b) **GRANTS FOR VALUE OF PRODUCTION.**—The Secretary shall use \$133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

- (1) California, \$63,320,000.
- (2) Florida, \$16,860,000.
- (3) Washington, \$9,610,000.
- (4) Idaho, \$3,670,000.
- (5) Arizona, \$3,430,000.
- (6) Michigan, \$3,250,000.
- (7) Oregon, \$3,220,000.
- (8) Georgia, \$2,730,000.
- (9) Texas, \$2,660,000.
- (10) New York, \$2,660,000.
- (11) Wisconsin, \$2,570,000.
- (12) North Carolina, \$1,540,000.
- (13) Colorado, \$1,510,000.
- (14) North Dakota, \$1,380,000.
- (15) Minnesota, \$1,320,000.
- (16) Hawaii, \$1,150,000.
- (17) New Jersey, \$1,100,000.
- (18) Pennsylvania, \$980,000.
- (19) New Mexico, \$900,000.
- (20) Maine, \$880,000.
- (21) Ohio, \$800,000.
- (22) Indiana, \$660,000.
- (23) Nebraska, \$640,000.
- (24) Massachusetts, \$640,000.
- (25) Virginia, \$620,000.
- (26) Maryland, \$500,000.
- (27) Louisiana, \$460,000.
- (28) South Carolina, \$440,000.
- (29) Tennessee, \$400,000.
- (30) Illinois, \$400,000.
- (31) Oklahoma, \$390,000.
- (32) Alabama, \$300,000.

PUBLIC LAW 107-25—AUG. 13, 2001

- (33) Delaware, \$290,000.
- (34) Mississippi, \$250,000.
- (35) Kansas, \$210,000.
- (36) Arkansas, \$210,000.
- (37) Missouri, \$210,000.
- (38) Connecticut, \$180,000.
- (39) Utah, \$140,000.
- (40) Montana, \$140,000.
- (41) New Hampshire, \$120,000.
- (42) Nevada, \$120,000.
- (43) Vermont, \$120,000.
- (44) Iowa, \$100,000.
- (45) West Virginia, \$90,000.
- (46) Wyoming, \$70,000.
- (47) Kentucky, \$60,000.
- (48) South Dakota, \$40,000.
- (49) Rhode Island, \$40,000.
- (50) Alaska, \$20,000.

(c) **SPECIALTY CROP PRIORITY.**—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) **SPECIALTY CROP DEFINED.**—In this section, the term “specialty crop” means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

Grants.

The Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

Georgia.

(a) **CONDITIONS ON PAYMENT TO STATE.**—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note)), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

“(b) **CONDITIONS ON PAYMENT TO STATE.**—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

“(1) contributes \$5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

“(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

“(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.”

(b) **ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.**—Subsection (d) of such section is amended to read as follows:

7 USC 1421 note.

PUBLIC LAW 107-25—AUG. 13, 2001

“(d) **ADDITIONAL DISBURSEMENT TO COTTON GINNERS.**—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginnery (as defined and provided in such section) that—

“(1) incurred a loss as the result of—

“(A) the business failure of any cotton buyer doing business in Georgia; or

“(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

“(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

“(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims.”

(c) **CONFORMING AMENDMENT.**—Subsection (c) of such section is amended by striking “Upon the establishment of the indemnity fund, and not later than October 1, 1999, the” and inserting “The”.

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed \$150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) **DEADLINE FOR EXPENDITURES.**—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpended, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) **TOTAL AMOUNT OF EXPENDITURES.**—The total amount expended under this Act may not exceed \$5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

PUBLIC LAW 107-25—AUG. 13, 2001

SEC. 12. REGULATIONS.

(a) **PROMULGATION.**—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

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

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

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

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

Approved August 13, 2001.

LEGISLATIVE HISTORY—H.R. 2213 (S. 1246):

HOUSE REPORTS: No. 107-111 (Comm. on Agriculture).

CONGRESSIONAL RECORD, Vol. 147 (2001):

June 26, considered and passed House.

Aug. 3, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Aug. 13, Presidential statement.

DEFENSE ACTS

PUBLIC LAW 107-107—DEC. 28, 2001

Public Law 107-107
107th Congress

An Act

To authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Dec. 28, 2001

[S. 1438]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “National Defense Authorization Act for Fiscal Year 2002”.

National Defense
Authorization
Act for Fiscal
Year 2002.

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

- (1) Division A—Department of Defense Authorizations.
- (2) Division B—Military Construction Authorizations.
- (3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

- Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

**DIVISION A—DEPARTMENT OF DEFENSE
AUTHORIZATIONS**

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

- Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Defense Inspector General.
Sec. 106. Chemical Agents and Munitions Destruction, Defense.
Sec. 107. Defense Health Program.

Subtitle B—Army Programs

- Sec. 111. Repeal of limitations on bunker defeat munitions program.
Sec. 112. Extension of pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources.
Sec. 113. Limitations on acquisition of interim armored vehicles and deployment of interim brigade combat teams.

Subtitle C—Navy Programs

- Sec. 121. Virginia class submarine program.
Sec. 122. Multiyear procurement authority for F/A-18E/F aircraft engines.
Sec. 123. V-22 Osprey aircraft program.
Sec. 124. Report on status of V-22 Osprey aircraft before resumption of flight testing.

Subtitle D—Air Force Programs

- Sec. 131. Multiyear procurement authority for C-17 aircraft.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

- Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Supplemental authorization of appropriations for fiscal year 2001 for research, development, test, and evaluation, Defense-wide.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle B—Program Requirements, Restrictions, and Limitations

- Sec. 211. Naval surface fire support assessment.
- Sec. 212. Collaborative program for development of advanced radar systems.
- Sec. 213. Repeal of limitations on total cost of engineering and manufacturing development for F-22 aircraft program.
- Sec. 214. Joint biological defense program.
- Sec. 215. Cooperative Department of Defense-Department of Veterans Affairs medical research program.
- Sec. 216. C-5 aircraft reliability enhancement and reengining program.

Subtitle C—Ballistic Missile Defense

- Sec. 231. Transfer of responsibility for procurement for missile defense programs from Ballistic Missile Defense Organization to military departments.
- Sec. 232. Program elements for Ballistic Missile Defense Organization.
- Sec. 233. Support of ballistic missile defense activities of the Department of Defense by the national defense laboratories of the Department of Energy.
- Sec. 234. Missile defense testing initiative.
- Sec. 235. Construction of test bed facilities for missile defense system.

Subtitle D—Air Force Science and Technology for the 21st Century

- Sec. 251. Short title.
- Sec. 252. Science and technology investment and development planning.
- Sec. 253. Study and report on effectiveness of Air Force science and technology program changes.

Subtitle E—Other Matters

- Sec. 261. Establishment of unmanned aerial vehicle joint operational test bed system.
- Sec. 262. Demonstration project to increase small business and university participation in Office of Naval Research efforts to extend benefits of science and technology research to fleet.
- Sec. 263. Communication of safety concerns from operational test and evaluation officials to program managers.

TITLE III—OPERATION AND MAINTENANCE**Subtitle A—Authorization of Appropriations**

- Sec. 301. Operation and maintenance funding.
- Sec. 302. Working capital funds.
- Sec. 303. Armed Forces Retirement Home.
- Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
- Sec. 305. Funds for renovation of Department of Veterans Affairs facilities adjacent to Naval Training Center, Great Lakes, Illinois.
- Sec. 306. Defense Language Institute Foreign Language Center expanded Arabic language program.

Subtitle B—Environmental Provisions

- Sec. 311. Inventory of unexploded ordnance, discarded military munitions, and munitions constituents at defense sites (other than operational ranges).
- Sec. 312. Establishment of new program element for remediation of unexploded ordnance, discarded military munitions, and munitions constituents.
- Sec. 313. Assessment of environmental remediation of unexploded ordnance, discarded military munitions, and munitions constituents.
- Sec. 314. Conformity of surety authority under environmental restoration program with surety authority under CERCLA.
- Sec. 315. Elimination of annual report on contractor reimbursement for costs of environmental response actions.
- Sec. 316. Pilot program for sale of air pollution emission reduction incentives.
- Sec. 317. Department of Defense energy efficiency program.
- Sec. 318. Procurement of alternative fueled and hybrid light duty trucks.
- Sec. 319. Reimbursement of Environmental Protection Agency for certain response costs in connection with Hooper Sands Site, South Berwick, Maine.
- Sec. 320. River mitigation studies.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

- Sec. 331. Commissary benefits for new members of the Ready Reserve.
- Sec. 332. Reimbursement for use of commissary facilities by military departments for purposes other than commissary sales.
- Sec. 333. Public releases of commercially valuable information of commissary stores.
- Sec. 334. Rebate agreements with producers of foods provided under special supplemental food program.
- Sec. 335. Civil recovery for nonappropriated fund instrumentality costs related to shoplifting.

Subtitle D—Workforce and Depot Issues

- Sec. 341. Revision of authority to waive limitation on performance of depot-level maintenance.
- Sec. 342. Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 343. Protections for purchasers of articles and services manufactured or performed by working-capital funded industrial facilities of the Department of Defense.
- Sec. 344. Revision of deadline for annual report on commercial and industrial activities.
- Sec. 345. Pilot manpower reporting system in Department of the Army.
- Sec. 346. Development of Army workload and performance system and Wholesale Logistics Modernization Program.

Subtitle E—Defense Dependents Education

- Sec. 351. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
- Sec. 352. Impact aid for children with severe disabilities.
- Sec. 353. Availability of auxiliary services of defense dependents' education system for dependents who are home school students.
- Sec. 354. Comptroller General study of adequacy of compensation provided for teachers in the Department of Defense overseas dependents' schools.

Subtitle F—Other Matters

- Sec. 361. Availability of excess defense personal property to support Department of Veterans Affairs initiative to assist homeless veterans.
- Sec. 362. Incremental implementation of Navy-Marine Corps Intranet contract.
- Sec. 363. Comptroller General study and report of National Guard Distributive Training Technology Project.
- Sec. 364. Reauthorization of warranty claims recovery pilot program.
- Sec. 365. Evaluation of current demonstration programs to improve quality of personal property shipments of members.
- Sec. 366. Sense of Congress regarding security to be provided at 2002 Winter Olympic Games.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS**Subtitle A—Active Forces**

- Sec. 401. End strengths for active forces.
- Sec. 402. Revision in permanent end strength minimum levels.
- Sec. 403. Increase in senior enlisted active duty grade limit for Navy, Marine Corps, and Air Force.

Subtitle B—Reserve Forces

- Sec. 411. End strengths for Selected Reserve.
- Sec. 412. End strengths for Reserves on active duty in support of the reserves.
- Sec. 413. End strengths for military technicians (dual status).
- Sec. 414. Fiscal year 2002 limitation on non-dual status technicians.
- Sec. 415. Limitations on numbers of reserve personnel serving on active duty or full-time National Guard duty in certain grades for administration of reserve components.

Subtitle C—Other Matters Relating to Personnel Strengths

- Sec. 421. Administration of end strengths.
- Sec. 422. Active duty end strength exemption for National Guard and reserve personnel performing funeral honors functions.

Subtitle D—Authorization of Appropriations

- Sec. 431. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY**Subtitle A—Officer Personnel Policy**

- Sec. 501. Enhanced flexibility for management of senior general and flag officer positions.
- Sec. 502. Certifications of satisfactory performance for retirement of officers in grades above major general and rear admiral.
- Sec. 503. Review of actions of selection boards.
- Sec. 504. Temporary reduction of time-in-grade requirement for eligibility for promotion for certain active-duty list officers in grades of first lieutenant and lieutenant (junior grade).
- Sec. 505. Authority for promotion without selection board consideration for all fully qualified officers in grade of first lieutenant or lieutenant (junior grade) in the Navy.
- Sec. 506. Authority to adjust date of rank of certain promotions delayed by reason of unusual circumstances.
- Sec. 507. Authority for limited extension of medical deferment of mandatory retirement or separation.
- Sec. 508. Authority for limited extension on active duty of members subject to mandatory retirement or separation.
- Sec. 509. Exemption from certain administrative limitations for retired officers ordered to active duty as defense or service attachés.
- Sec. 510. Officer in charge of United States Navy Band.

Subtitle B—Reserve Component Personnel Policy

- Sec. 511. Placement on active-duty list of certain Reserve officers on active duty for a period of three years or less.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 512. Exception to baccalaureate degree requirement for appointment of Reserve officers to grades above first lieutenant.
- Sec. 513. Improved disability benefits for certain reserve component members.
- Sec. 514. Time-in-grade requirement for reserve component officers retired with a nonservice-connected disability.
- Sec. 515. Equal treatment of Reserves and full-time active duty members for purposes of managing personnel deployments.
- Sec. 516. Modification of physical examination requirements for members of the Individual Ready Reserve.
- Sec. 517. Retirement of Reserve members without requirement for formal application or request.
- Sec. 518. Space-required travel by Reserves on military aircraft.
- Sec. 519. Payment of Federal Employee Health Benefit Program premiums for certain Reservists called to active duty in support of contingency operations.

Subtitle C—Joint Specialty Officers and Joint Professional Military Education

- Sec. 521. Nominations and promotions for joint specialty officers.
- Sec. 522. Joint duty credit.
- Sec. 523. Retroactive joint service credit for duty in certain joint task forces.
- Sec. 524. Revision to annual report on joint officer management.
- Sec. 525. Requirement for selection for joint specialty before promotion to general or flag officer grade.
- Sec. 526. Independent study of joint officer management and joint professional military education reforms.
- Sec. 527. Professional development education.
- Sec. 528. Authority for National Defense University to enroll certain private sector civilians.
- Sec. 529. Continuation of reserve component professional military education test.

Subtitle D—Military Education and Training

- Sec. 531. Defense Language Institute Foreign Language Center.
- Sec. 532. Authority for the Marine Corps University to award degree of master of strategic studies.
- Sec. 533. Foreign students attending the service academies.
- Sec. 534. Increase in maximum age for appointment as a cadet or midshipman in Senior Reserve Officers' Training Corps scholarship programs.
- Sec. 535. Participation of regular enlisted members of the Armed Forces in Senior Reserve Officers' Training Corps program.
- Sec. 536. Authority to modify the service obligation of certain ROTC cadets in military junior colleges receiving financial assistance.
- Sec. 537. Repeal of limitation on number of Junior Reserve Officers' Training Corps units.
- Sec. 538. Modification of nurse officer candidate accession program restriction on students attending educational institutions with senior reserve officers' training programs.
- Sec. 539. Reserve health professionals stipend program expansion.
- Sec. 540. Housing allowance for the chaplain for the Corps of Cadets at the United States Military Academy.

Subtitle E—Recruiting and Accession Programs

- Sec. 541. 18-month enlistment pilot program.
- Sec. 542. Improved benefits under the Army College First program.
- Sec. 543. Correction and extension of certain Army recruiting pilot program authorities.
- Sec. 544. Military recruiter access to secondary school students.
- Sec. 545. Permanent authority for use of military recruiting funds for certain expenses at Department of Defense recruiting functions.
- Sec. 546. Report on health and disability benefits for pre-accession training and education programs.

Subtitle F—Decorations, Awards, and Posthumous Commissions

- Sec. 551. Authority for award of the Medal of Honor to Humbert R. Versace, Jon E. Swanson, and Ben L. Salomon for valor.
- Sec. 552. Review regarding award of Medal of Honor to certain Jewish American and Hispanic American war veterans.
- Sec. 553. Authority to issue duplicate Medals of Honor and to replace stolen military decorations.
- Sec. 554. Retroactive Medal of Honor special pension.
- Sec. 555. Waiver of time limitations for award of certain decorations to certain persons.
- Sec. 556. Sense of Congress on issuance of certain medals.
- Sec. 557. Sense of Congress on development of a more comprehensive, uniform policy for the award of decorations to military and civilian personnel of the Department of Defense.
- Sec. 558. Posthumous Army commission in the grade of captain in the Chaplains Corps to Ella E. Gibson for service as chaplain of the First Wisconsin Heavy Artillery Regiment during the Civil War.

Subtitle G—Funeral Honors Duty

- Sec. 561. Participation of military retirees in funeral honors details.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 562. Funeral honors duty performed by Reserve and Guard members to be treated as inactive-duty training for certain purposes.
- Sec. 563. Use of military leave for funeral honors duty by Reserve members and National Guardsmen.
- Sec. 564. Authority to provide appropriate articles of clothing as a civilian uniform for civilians participating in funeral honor details.

Subtitle H—Military Spouses and Family Members

- Sec. 571. Improved financial and other assistance to military spouses for job training and education.
- Sec. 572. Persons authorized to be included in surveys of military families regarding Federal programs.
- Sec. 573. Clarification of treatment of classified information concerning persons in a missing status.
- Sec. 574. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.
- Sec. 575. Amendments to charter of Defense Task Force on Domestic Violence.

Subtitle I—Military Justice and Legal Assistance Matters

- Sec. 581. Blood alcohol content limit for the offense under the Uniform Code of Military Justice of drunken operation of a vehicle, aircraft, or vessel.
- Sec. 582. Requirement that courts-martial consist of not less than 12 members in capital cases.
- Sec. 583. Acceptance of voluntary legal assistance for the civil affairs of members and former members of the uniformed services and their dependents.

Subtitle J—Other Matters

- Sec. 591. Congressional review period for change in ground combat exclusion policy.
- Sec. 592. Per diem allowance for lengthy or numerous deployments.
- Sec. 593. Clarification of disability severance pay computation.
- Sec. 594. Transportation or storage of privately owned vehicles on change of permanent station.
- Sec. 595. Repeal of requirement for final Comptroller General report relating to Army end strength allocations.
- Sec. 596. Continued Department of Defense administration of National Guard Challenge program and Department of Defense Starbase program.
- Sec. 597. Report on Defense Science Board recommendation on original appointments in regular grades for Academy graduates and certain other new officers.
- Sec. 598. Sense of Congress regarding the selection of officers for recommendation for appointment as Commander, United States Transportation Command.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS**Subtitle A—Pay and Allowances**

- Sec. 601. Increase in basic pay for fiscal year 2002.
- Sec. 602. Basic pay rate for certain reserve commissioned officers with prior service as an enlisted member or warrant officer.
- Sec. 603. Reserve component compensation for distributed learning activities performed as inactive-duty training.
- Sec. 604. Subsistence allowances.
- Sec. 605. Eligibility for temporary housing allowance while in travel or leave status between permanent duty stations.
- Sec. 606. Uniform allowance for officers.
- Sec. 607. Family separation allowance for members electing unaccompanied tour by reason of health limitations of dependents.

Subtitle B—Bonuses and Special and Incentive Pays

- Sec. 611. One-year extension of certain bonus and special pay authorities for reserve forces.
- Sec. 612. One-year extension of certain bonus and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
- Sec. 613. One-year extension of special pay and bonus authorities for nuclear officers.
- Sec. 614. One-year extension of other bonus and special pay authorities.
- Sec. 615. Hazardous duty pay for members of maritime visit, board, search, and seizure teams.
- Sec. 616. Eligibility for certain career continuation bonuses for early commitment to remain on active duty.
- Sec. 617. Secretarial discretion in prescribing submarine duty incentive pay rates.
- Sec. 618. Conforming accession bonus for dental officers authority with authorities for other special pay and bonuses.
- Sec. 619. Modification of eligibility requirements for Individual Ready Reserve bonus for reenlistment, enlistment, or extension of enlistment.
- Sec. 620. Installment payment authority for 15-year career status bonus.
- Sec. 621. Accession bonus for new officers in critical skills.
- Sec. 622. Education savings plan to encourage reenlistments and extensions of service in critical specialties.
- Sec. 623. Continuation of payment of special and incentive pay at unreduced rates during stop loss periods.

PUBLIC LAW 107-107—DEC. 28, 2001

Sec. 624. Retroactive authorization for imminent danger pay for service in connection with Operation Enduring Freedom.

Subtitle C—Travel and Transportation Allowances

Sec. 631. Minimum per diem rate for travel and transportation allowance for travel performed upon a change of permanent station and certain other travel.

Sec. 632. Eligibility for payment of subsistence expenses associated with occupancy of temporary lodging incident to reporting to first permanent duty station.

Sec. 633. Reimbursement of members for mandatory pet quarantine fees for household pets.

Sec. 634. Increased weight allowance for transportation of baggage and household effects for junior enlisted members.

Sec. 635. Eligibility of additional members for dislocation allowance.

Sec. 636. Partial dislocation allowance authorized for housing moves ordered for Government convenience.

Sec. 637. Allowances for travel performed in connection with members taking authorized leave between consecutive overseas tours.

Sec. 638. Travel and transportation allowances for family members to attend burial of a deceased member of the uniformed services.

Sec. 639. Funded student travel for foreign study under an education program approved by a United States school.

Subtitle D—Retirement and Survivor Benefit Matters

Sec. 641. Contingent authority for concurrent receipt of military retired pay and veterans' disability compensation and enhancement of special compensation authority.

Sec. 642. Survivor Benefit Plan annuities for surviving spouses of members who die while on active duty and not eligible for retirement.

Subtitle E—Other Matters

Sec. 651. Payment for unused leave in excess of 60 days accrued by members of reserve components on active duty for one year or less.

Sec. 652. Additional authority to provide assistance for families of members of the Armed Forces.

Sec. 653. Authorization of transitional compensation and commissary and exchange benefits for dependents of commissioned officers of the Public Health Service and the National Oceanic and Atmospheric Administration who are separated for dependent abuse.

Sec. 654. Transfer of entitlement to educational assistance under Montgomery GI Bill by members of the Armed Forces with critical military skills.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—TRICARE Program Improvements

Sec. 701. Sub-acute and long-term care program reform.

Sec. 702. Prosthetics and hearing aids.

Sec. 703. Durable medical equipment.

Sec. 704. Rehabilitative therapy.

Sec. 705. Report on mental health benefits.

Sec. 706. Clarification of eligibility for reimbursement of travel expenses of adult accompanying patient in travel for specialty care.

Sec. 707. TRICARE program limitations on payment rates for institutional health care providers and on balance billing by institutional and noninstitutional health care providers.

Sec. 708. Improvements in administration of the TRICARE program.

Subtitle B—Senior Health Care

Sec. 711. Clarifications and improvements regarding the Department of Defense Medicare-Eligible Retiree Health Care Fund.

Subtitle C—Studies and Reports

Sec. 721. Comptroller General study of health care coverage of members of the reserve components of the Armed Forces and the National Guard.

Sec. 722. Comptroller General study of adequacy and quality of health care provided to women under the defense health program.

Sec. 723. Repeal of obsolete report requirement.

Sec. 724. Comptroller General report on requirement to provide screenings, physical examinations, and other care for certain members.

Subtitle D—Other Matters

Sec. 731. Prohibition against requiring military retirees to receive health care solely through the Department of Defense.

Sec. 732. Fees for trauma and other medical care provided to civilians.

Sec. 733. Enhancement of medical product development.

Sec. 734. Pilot program providing for Department of Veterans Affairs support in the performance of separation physical examinations.

Sec. 735. Modification of prohibition on requirement of nonavailability statement or preauthorization.

Sec. 736. Transitional health care for members separated from active duty.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 737. Two-year extension of health care management demonstration program.
Sec. 738. Joint DOD-VA pilot program for providing graduate medical education and training for physicians.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS**Subtitle A—Procurement Management and Administration**

- Sec. 801. Management of procurement of services.
Sec. 802. Savings goals for procurements of services.
Sec. 803. Competition requirement for purchase of services pursuant to multiple award contracts.
Sec. 804. Reports on maturity of technology at initiation of major defense acquisition programs.

Subtitle B—Use of Preferred Sources

- Sec. 811. Applicability of competition requirements to purchases from a required source.
Sec. 812. Extension of mentor-protégé program.
Sec. 813. Increase of assistance limitation regarding procurement technical assistance program.

Subtitle C—Amendments to General Contracting Authorities, Procedures, and Related Matters

- Sec. 821. Amendments to conform with administrative changes in acquisition phase and milestone terminology and to make related adjustments in certain requirements applicable at milestone transition points.
Sec. 822. Follow-on production contracts for products developed pursuant to prototype projects.
Sec. 823. One-year extension of program applying simplified procedures to certain commercial items.
Sec. 824. Acquisition workforce qualifications.
Sec. 825. Report on implementation of recommendations of the acquisition 2005 task force.

Subtitle D—Other Matters

- Sec. 831. Identification of errors made by executive agencies in payments to contractors and recovery of amounts erroneously paid.
Sec. 832. Codification and modification of provision of law known as the “Berry amendment”.
Sec. 833. Personal services contracts to be performed by individuals or organizations abroad.
Sec. 834. Requirements regarding insensitive munitions.
Sec. 835. Inapplicability of limitation to small purchases of miniature or instrument ball or roller bearings under certain circumstances.
Sec. 836. Temporary emergency procurement authority to facilitate the defense against terrorism or biological or chemical attack.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT**Subtitle A—Duties and Functions of Department of Defense Officers**

- Sec. 901. Deputy Under Secretary of Defense for Personnel and Readiness.
Sec. 902. Sense of Congress on functions of new Office of Force Transformation in the Office of the Secretary of Defense.
Sec. 903. Suspension of reorganization of engineering and technical authority policy within the Naval Sea Systems Command pending report to congressional committees.

Subtitle B—Space Activities

- Sec. 911. Joint management of space programs.
Sec. 912. Requirement to establish in the Air Force an officer career field for space.
Sec. 913. Secretary of Defense report on space activities.
Sec. 914. Comptroller General assessment of implementation of recommendations of Space Commission.
Sec. 915. Sense of Congress regarding officers recommended to be appointed to serve as Commander of United States Space Command.

Subtitle C—Reports

- Sec. 921. Revised requirement for Chairman of the Joint Chiefs of Staff to advise Secretary of Defense on the assignment of roles and missions to the Armed Forces.
Sec. 922. Revised requirements for content of annual report on joint warfighting experimentation.
Sec. 923. Repeal of requirement for one of three remaining required reports on activities of Joint Requirements Oversight Council.
Sec. 924. Revised joint report on establishment of national collaborative information analysis capability.

Subtitle D—Other Matters

- Sec. 931. Conforming amendments relating to change of name of Military Airlift Command to Air Mobility Command.

PUBLIC LAW 107-107—DEC. 28, 2001

Sec. 932. Organizational realignment for Navy Director for Expeditionary Warfare.

TITLE X—GENERAL PROVISIONS**Subtitle A—Financial Matters**

- Sec. 1001. Transfer authority.
 Sec. 1002. Incorporation of classified annex.
 Sec. 1003. Authorization of supplemental appropriations for fiscal year 2001.
 Sec. 1004. United States contribution to NATO common-funded budgets in fiscal year 2002.
 Sec. 1005. Limitation on funds for Bosnia and Kosovo peacekeeping operations for fiscal year 2002.
 Sec. 1006. Maximum amount for National Foreign Intelligence Program.
 Sec. 1007. Clarification of applicability of interest penalties for late payment of interim payments due under contracts for services.
 Sec. 1008. Reliability of Department of Defense financial statements.
 Sec. 1009. Financial Management Modernization Executive Committee and financial feeder systems compliance process.
 Sec. 1010. Authorization of funds for ballistic missile defense programs or combating terrorism programs of the Department of Defense.

Subtitle B—Naval Vessels and Shipyards

- Sec. 1011. Authority to transfer naval vessels to certain foreign countries.
 Sec. 1012. Sale of Glomar Explorer to the lessee.
 Sec. 1013. Leasing of Navy ships for university national oceanographic laboratory system.
 Sec. 1014. Increase in limitations on administrative authority of the Navy to settle admiralty claims.

Subtitle C—Counter-Drug Activities

- Sec. 1021. Extension and restatement of authority to provide Department of Defense support for counter-drug activities of other governmental agencies.
 Sec. 1022. Extension of reporting requirement regarding Department of Defense expenditures to support foreign counter-drug activities.
 Sec. 1023. Authority to transfer Tracker aircraft currently used by Armed Forces for counter-drug purposes.
 Sec. 1024. Limitation on use of funds for operation of Tethered Aerostat Radar System pending submission of required report.

Subtitle D—Strategic Forces

- Sec. 1031. Repeal of limitation on retirement or dismantlement of strategic nuclear delivery systems.
 Sec. 1032. Air Force bomber force structure.
 Sec. 1033. Additional element for revised nuclear posture review.
 Sec. 1034. Report on options for modernization and enhancement of missile wing helicopter support.

Subtitle E—Other Department of Defense Provisions

- Sec. 1041. Secretary of Defense recommendation on need for Department of Defense review of proposed Federal agency actions to consider possible impact on national defense.
 Sec. 1042. Department of Defense reports to Congress to be accompanied by electronic version upon request.
 Sec. 1043. Department of Defense gift authorities.
 Sec. 1044. Acceleration of research, development, and production of medical countermeasures for defense against biological warfare agents.
 Sec. 1045. Chemical and biological protective equipment for military personnel and civilian employees of the Department of Defense.
 Sec. 1046. Sale of goods and services by Naval Magazine, Indian Island, Alaska.
 Sec. 1047. Report on procedures and guidelines for embarkation of civilian guests on naval vessels for public affairs purposes.
 Sec. 1048. Technical and clerical amendments.
 Sec. 1049. Termination of referendum requirement regarding continuation of military training on island of Vieques, Puerto Rico, and imposition of additional conditions on closure of live-fire training range.

Subtitle F—Other Matters

- Sec. 1061. Assistance for firefighters.
 Sec. 1062. Extension of times for Commission on the Future of the United States Aerospace industry to report and to terminate.
 Sec. 1063. Appropriations to Radiation Exposure Compensation Trust Fund.
 Sec. 1064. Waiver of vehicle weight limits during periods of national emergency.
 Sec. 1065. Repair, restoration, and preservation of Lafayette Escadrille Memorial, Marnes-la-Coquette, France.

TITLE XI—CIVILIAN PERSONNEL MATTERS**Subtitle A—Department of Defense Civilian Personnel**

- Sec. 1101. Personnel pay and qualifications authority for Department of Defense Pentagon Reservation civilian law enforcement and security force.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 1102. Pilot program for payment of retraining expenses.
- Sec. 1103. Authority of civilian employees to act as notaries.
- Sec. 1104. Authority to appoint certain health care professionals in the excepted service.

Subtitle B—Civilian Personnel Management Generally

- Sec. 1111. Authority to provide hostile fire pay.
- Sec. 1112. Payment of expenses to obtain professional credentials.
- Sec. 1113. Parity in establishment of wage schedules and rates for prevailing rate employees.
- Sec. 1114. Modification of limitation on premium pay.
- Sec. 1115. Participation of personnel in technical standards development activities.
- Sec. 1116. Retention of travel promotional items.
- Sec. 1117. Applicability of certain laws to certain individuals assigned to work in the Federal Government.

Subtitle C—Intelligence Civilian Personnel

- Sec. 1121. Authority to increase maximum number of positions in the Defense Intelligence Senior Executive Service.

Subtitle D—Matters Relating to Retirement

- Sec. 1131. Improved portability of retirement coverage for employees moving between civil service employment and employment by nonappropriated fund instrumentalities.
- Sec. 1132. Federal employment retirement credit for nonappropriated fund instrumentality service.
- Sec. 1133. Modification of limitations on exercise of voluntary separation incentive pay authority and voluntary early retirement authority.

TITLE XII—MATTERS RELATING TO OTHER NATIONS**Subtitle A—Matters Related to Arms Control and Monitoring**

- Sec. 1201. Clarification of authority to furnish nuclear test monitoring equipment to foreign governments.
- Sec. 1202. Limitation on funding for Joint Data Exchange Center in Moscow.
- Sec. 1203. Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.
- Sec. 1204. Authority for employees of Federal Government contractors to accompany chemical weapons inspection teams at Government-owned facilities.
- Sec. 1205. Plan for securing nuclear weapons, material, and expertise of the states of the former Soviet Union.

Subtitle B—Matters Relating to Allies and Friendly Foreign Nations

- Sec. 1211. Acquisition of logistical support for security forces.
- Sec. 1212. Extension of authority for international cooperative research and development projects.
- Sec. 1213. Cooperative agreements with foreign countries and international organizations for reciprocal use of test facilities.
- Sec. 1214. Sense of Congress on allied defense burdensharing.

Subtitle C—Reports

- Sec. 1221. Report on significant sales and transfers of military hardware, expertise, and technology to the People's Republic of China.
- Sec. 1222. Repeal of requirement for reporting to Congress on military deployments to Haiti.
- Sec. 1223. Report by Comptroller General on provision of defense articles, services, and military education and training to foreign countries and international organizations.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

- Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.
- Sec. 1302. Funding allocations.
- Sec. 1303. Limitation on use of funds until submission of reports.
- Sec. 1304. Requirement to consider use of revenue generated by activities carried out under Cooperative Threat Reduction programs.
- Sec. 1305. Prohibition against use of funds for second wing of fissile material storage facility.
- Sec. 1306. Prohibition against use of funds for certain construction activities.
- Sec. 1307. Reports on activities and assistance under Cooperative Threat Reduction programs.
- Sec. 1308. Chemical weapons destruction.
- Sec. 1309. Additional matter in annual report on activities and assistance under Cooperative Threat Reduction programs.

TITLE XIV—ARMED FORCES RETIREMENT HOME

- Sec. 1401. Amendment of Armed Forces Retirement Home Act of 1991.
- Sec. 1402. Definitions.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 1403. Revision of authority establishing the Armed Forces Retirement Home.
- Sec. 1404. Chief Operating Officer.
- Sec. 1405. Residents of Retirement Home.
- Sec. 1406. Local Boards of Trustees.
- Sec. 1407. Directors, Deputy Directors, Associate Directors, and staff of facilities.
- Sec. 1408. Disposition of effects of deceased persons and unclaimed property.
- Sec. 1409. Transitional provisions.
- Sec. 1410. Conforming and clerical amendments and repeals of obsolete provisions.

TITLE XV—ACTIVITIES RELATING TO COMBATING TERRORISM**Subtitle A—Increased Funding for Combating Terrorism**

- Sec. 1501. Definitions.
- Sec. 1502. Authorization of emergency appropriations for fiscal year 2001 made by Public Law 107-38 and allocated for national defense functions.
- Sec. 1503. Authorization of emergency supplemental appropriations for fiscal year 2002.
- Sec. 1504. Authorization of use of funds for military construction projects.
- Sec. 1505. Treatment of transferred amounts.
- Sec. 1506. Quarterly reports.

Subtitle B—Policy Matters Relating to Combating Terrorism

- Sec. 1511. Study and report on the role of the Department of Defense with respect to homeland security.
- Sec. 1512. Combating Terrorism Readiness Initiatives Fund for combatant commands.
- Sec. 1513. Conveyances of equipment and related materials loaned to State and local governments as assistance for emergency response to a use or threatened use of a weapon of mass destruction.
- Sec. 1514. Two-year extension of advisory panel to assess domestic response capabilities for terrorism involving weapons of mass destruction.

TITLE XVI—UNIFORMED SERVICES VOTING

- Sec. 1601. Sense of Congress regarding the importance of voting.
- Sec. 1602. Voting assistance programs.
- Sec. 1603. Guarantee of residency for military personnel.
- Sec. 1604. Electronic voting demonstration project.
- Sec. 1605. Governors' reports on implementation of recommendations for changes in State law made under Federal Voting Assistance Program.
- Sec. 1606. Simplification of voter registration and absentee ballot application procedures for absent uniformed services and overseas voters.
- Sec. 1607. Use of certain Department of Defense facilities as polling places.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

- Sec. 2001. Short title; definition.

TITLE XXI—ARMY

- Sec. 2101. Authorized Army construction and land acquisition projects.
- Sec. 2102. Family housing.
- Sec. 2103. Improvements to military family housing units.
- Sec. 2104. Authorization of appropriations, Army.
- Sec. 2105. Modification of authority to carry out certain fiscal year 2001 projects.
- Sec. 2106. Modification of authority to carry out certain fiscal year 2000 projects.

TITLE XXII—NAVY

- Sec. 2201. Authorized Navy construction and land acquisition projects.
- Sec. 2202. Family housing.
- Sec. 2203. Improvements to military family housing units.
- Sec. 2204. Authorization of appropriations, Navy.
- Sec. 2205. Modification of authority to carry out certain fiscal year 2001 projects.
- Sec. 2206. Modification of authority to carry out certain fiscal year 2000 project.

TITLE XXIII—AIR FORCE

- Sec. 2301. Authorized Air Force construction and land acquisition projects.
- Sec. 2302. Family housing.
- Sec. 2303. Improvements to military family housing units.
- Sec. 2304. Authorization of appropriations, Air Force.
- Sec. 2305. Modification of authority to carry out certain fiscal year 2001 projects.

TITLE XXIV—DEFENSE AGENCIES

- Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
- Sec. 2402. Energy conservation projects.
- Sec. 2403. Authorization of appropriations, Defense Agencies.
- Sec. 2404. Cancellation of authority to carry out certain fiscal year 2001 projects.
- Sec. 2405. Modification of authority to carry out certain fiscal year 2000 projects.
- Sec. 2406. Modification of authority to carry out certain fiscal year 1999 project.
- Sec. 2407. Modification of authority to carry out certain fiscal year 1995 project.

PUBLIC LAW 107-107—DEC. 28, 2001

Sec. 2408. Prohibition on expenditures to develop forward operating location on Aruba.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FACILITIES

Sec. 2601. Authorized guard and reserve construction and land acquisition projects.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 1999 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1998 projects.
Sec. 2704. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Increase in thresholds for certain unspecified minor military construction projects.
Sec. 2802. Exclusion of unforeseen environmental hazard remediation from limitation on authorized cost variations.
Sec. 2803. Repeal of annual reporting requirement on military construction and military family housing activities.
Sec. 2804. Funds for housing allowances of members assigned to military family housing under alternative authority for acquisition and improvement of military housing.
Sec. 2805. Extension of alternative authority for acquisition and improvement of military housing.
Sec. 2806. Treatment of financing costs as allowable expenses under contracts for utility services from utility systems conveyed under privatization initiative.

Subtitle B—Real Property and Facilities Administration

Sec. 2811. Use of military installations for certain recreational activities.
Sec. 2812. Availability of proceeds of sales of Department of Defense property from certain closed military installations.
Sec. 2813. Pilot program to provide additional tools for efficient operation of military installations.
Sec. 2814. Demonstration program on reduction in long-term facility maintenance costs.
Sec. 2815. Base efficiency project at Brooks Air Force Base, Texas.

Subtitle C—Implementation of Prior Base Closure and Realignment Rounds

Sec. 2821. Lease back of base closure property.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

Sec. 2831. Land conveyance, Whittier-Anchorage Pipeline Tank Farm, Anchorage, Alaska.
Sec. 2832. Lease authority, Fort Derussy, Hawaii.
Sec. 2833. Modification of land exchange, Rock Island Arsenal, Illinois.
Sec. 2834. Land conveyance, Fort Des Moines, Iowa.
Sec. 2835. Modification of land conveyances, Fort Dix, New Jersey.
Sec. 2836. Land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia.
Sec. 2837. Land exchange and consolidation, Fort Lewis, Washington.
Sec. 2838. Land conveyance, Army Reserve Center, Kewaunee, Wisconsin.

PART II—NAVY CONVEYANCES

Sec. 2841. Transfer of jurisdiction, Centerville Beach Naval Station, Humboldt County, California.
Sec. 2842. Land conveyance, Port of Long Beach, California.
Sec. 2843. Conveyance of pier, Naval Base, San Diego, California.
Sec. 2844. Modification of authority for conveyance of Naval Computer and Telecommunications Station, Cutler, Maine.
Sec. 2845. Land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine.
Sec. 2846. Land acquisition, Perquimans County, North Carolina.
Sec. 2847. Land conveyance, Naval Weapons Industrial Reserve Plant, Toledo, Ohio.
Sec. 2848. Modification of land conveyance, former United States Marine Corps Air Station, Eagle Mountain Lake, Texas.

PART III—AIR FORCE CONVEYANCES

Sec. 2851. Conveyance of avigation easements, former Norton Air Force Base, California.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 2852. Reexamination of land conveyance, Lowry Air Force Base, Colorado.
- Sec. 2853. Water rights conveyance, Andersen Air Force Base, Guam.
- Sec. 2854. Conveyance of segment of Loring petroleum pipeline, Maine, and related easements.
- Sec. 2855. Land conveyance, petroleum terminal serving former Loring Air Force Base and Bangor Air National Guard Base, Maine.
- Sec. 2856. Land conveyances, certain former Minuteman III ICBM facilities in North Dakota.
- Sec. 2857. Land conveyances, Charleston Air Force Base, South Carolina.
- Sec. 2858. Transfer of jurisdiction, Mukilteo Tank Farm, Everett, Washington.

Subtitle E—Other Matters

- Sec. 2861. Management of the Presidio of San Francisco.
- Sec. 2862. Transfer of jurisdiction for development of Air Force morale, welfare, and recreation facility, Park City, Utah.
- Sec. 2863. Alternate site for United States Air Force Memorial, preservation of open space on Arlington Ridge tract, and related land transfer at Arlington National Cemetery, Virginia.
- Sec. 2864. Establishment of memorial to victims of terrorist attack on Pentagon Reservation and authority to accept monetary contributions for memorial and repair of Pentagon.
- Sec. 2865. Repeal of limitation on cost of renovation of Pentagon Reservation.
- Sec. 2866. Development of United States Army Heritage and Education Center at Carlisle Barracks, Pennsylvania.
- Sec. 2867. Effect of limitation on construction of roads or highways, Marine Corps Base, Camp Pendleton, California.
- Sec. 2868. Establishment of World War II memorial at additional location on Guam.
- Sec. 2869. Demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.
- Sec. 2870. Report on future land needs of United States Military Academy, New York, and adjacent community.
- Sec. 2871. Naming of Patricia C. Lamar Army National Guard Readiness Center, Oxford, Mississippi.

TITLE XXIX—FORT IRWIN MILITARY LAND WITHDRAWAL

- Sec. 2901. Short title.
- Sec. 2902. Withdrawal and reservation of lands for National Training Center.
- Sec. 2903. Map and legal description.
- Sec. 2904. Management of withdrawn and reserved lands.
- Sec. 2905. Water rights.
- Sec. 2906. Environmental compliance and environmental response requirements.
- Sec. 2907. West Mojave Coordinated Management Plan.
- Sec. 2908. Release of wilderness study areas.
- Sec. 2909. Training activity separation from utility corridors.
- Sec. 2910. Duration of withdrawal and reservation.
- Sec. 2911. Extension of initial withdrawal and reservation.
- Sec. 2912. Termination and relinquishment.
- Sec. 2913. Delegation of authority.

TITLE XXX—REALIGNMENT AND CLOSURE OF MILITARY INSTALLATIONS AND PREPARATION OF INFRASTRUCTURE PLAN FOR THE NUCLEAR WEAPONS COMPLEX

- Sec. 3001. Authorization of round of realignments and closures of military installations in 2005.
- Sec. 3002. Selection criteria.
- Sec. 3003. Revised procedures for making recommendations for realignments and closures and commission consideration of recommendations.
- Sec. 3004. Limitations on privatization in place.
- Sec. 3005. Department of Defense Base Closure Account 2005.
- Sec. 3006. Implementation of closure and realignment decisions.
- Sec. 3007. Technical and clarifying amendments.
- Sec. 3008. Preparation of infrastructure plan for the nuclear weapons complex.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS**TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS****Subtitle A—National Security Programs Authorizations**

- Sec. 3101. National Nuclear Security Administration.
- Sec. 3102. Defense environmental restoration and waste management.
- Sec. 3103. Other defense activities.
- Sec. 3104. Defense environmental management privatization.
- Sec. 3105. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

- Sec. 3121. Reprogramming.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 3122. Limits on minor construction projects.
- Sec. 3123. Limits on construction projects.
- Sec. 3124. Fund transfer authority.
- Sec. 3125. Authority for conceptual and construction design.
- Sec. 3126. Authority for emergency planning, design, and construction activities.
- Sec. 3127. Funds available for all national security programs of the Department of Energy.
- Sec. 3128. Availability of funds.
- Sec. 3129. Transfer of defense environmental management funds.
- Sec. 3130. Transfer of weapons activities funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

- Sec. 3131. Consolidation of Nuclear Cities Initiative program with Initiatives for Proliferation Prevention program.
- Sec. 3132. Nuclear Cities Initiative.
- Sec. 3133. Limitation on availability of funds for weapons activities for facilities and infrastructure.
- Sec. 3134. Limitation on availability of funds for other defense activities for national security programs administrative support.
- Sec. 3135. Termination date of Office of River Protection, Richland, Washington.
- Sec. 3136. Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico.
- Sec. 3137. Reports on achievement of milestones for National Ignition Facility.

Subtitle D—Matters Relating to Management of the National Nuclear Security Administration

- Sec. 3141. Establishment of Principal Deputy Administrator of National Nuclear Security Administration.
- Sec. 3142. Elimination of requirement that national security laboratories and nuclear weapons production facilities report to Deputy Administrator for Defense Programs.
- Sec. 3143. Repeal of duplicative provision relating to dual office holding by personnel of National Nuclear Security Administration.
- Sec. 3144. Report on adequacy of Federal pay and hiring authorities to meet personnel requirements of National Nuclear Security Administration.

Subtitle E—Other Matters

- Sec. 3151. Improvements to Energy Employees Occupational Illness Compensation Program.
- Sec. 3152. Department of Energy counterintelligence polygraph program.
- Sec. 3153. One-year extension of authority of Department of Energy to pay voluntary separation incentive payments.
- Sec. 3154. Annual assessment and report on vulnerability of Department of Energy facilities to terrorist attack.
- Sec. 3155. Disposition of surplus defense plutonium at Savannah River Site, Aiken, South Carolina.
- Sec. 3156. Modification of date of report of panel to assess the reliability, safety, and security of the United States nuclear stockpile.

Subtitle F—Rocky Flats National Wildlife Refuge

- Sec. 3171. Short title.
- Sec. 3172. Findings and purposes.
- Sec. 3173. Definitions.
- Sec. 3174. Future ownership and management.
- Sec. 3175. Transfer of management responsibilities and jurisdiction over Rocky Flats.
- Sec. 3176. Administration of retained property; continuation of cleanup and closure.
- Sec. 3177. Rocky Flats National Wildlife Refuge.
- Sec. 3178. Comprehensive planning process.
- Sec. 3179. Property rights.
- Sec. 3180. Liabilities and other obligations.
- Sec. 3181. Rocky Flats Museum.
- Sec. 3182. Annual report on funding.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

- Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

- Sec. 3301. Definitions.
- Sec. 3302. Authorized uses of stockpile funds.
- Sec. 3303. Authority to dispose of certain materials in National Defense Stockpile.
- Sec. 3304. Revision of limitations on required disposals of certain materials in National Defense Stockpile.
- Sec. 3305. Acceleration of required disposal of cobalt in National Defense Stockpile.
- Sec. 3306. Restriction on disposal of manganese ferro.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

- Sec. 3401. Authorization of appropriations.

TITLE XXXV—MARITIME ADMINISTRATION

- Sec. 3501. Authorization of appropriations for fiscal year 2002.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 3502. Define “war risks” to vessels to include confiscation, expropriation, nationalization, and deprivation of the vessels.
- Sec. 3503. Holding obligor’s cash as collateral under title XI of Merchant Marine Act, 1936.

SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term “congressional defense committees” means—

- (1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and
- (2) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

- Sec. 101. Army.
- Sec. 102. Navy and Marine Corps.
- Sec. 103. Air Force.
- Sec. 104. Defense-wide activities.
- Sec. 105. Defense Inspector General.
- Sec. 106. Chemical Agents and Munitions Destruction, Defense.
- Sec. 107. Defense Health Program.

Subtitle B—Army Programs

- Sec. 111. Repeal of limitations on bunker defeat munitions program.
- Sec. 112. Extension of pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources.
- Sec. 113. Limitations on acquisition of interim armored vehicles and deployment of interim brigade combat teams.

Subtitle C—Navy Programs

- Sec. 121. Virginia class submarine program.
- Sec. 122. Multiyear procurement authority for F/A-18E/F aircraft engines.
- Sec. 123. V-22 Osprey aircraft program.
- Sec. 124. Report on status of V-22 Osprey aircraft before resumption of flight testing.

Subtitle D—Air Force Programs

- Sec. 131. Multiyear procurement authority for C-17 aircraft.

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Army as follows:

- (1) For aircraft, \$2,075,372,000.
- (2) For missiles, \$1,086,954,000.
- (3) For weapons and tracked combat vehicles, \$2,348,145,000.
- (4) For ammunition, \$1,187,233,000.
- (5) For other procurement, \$4,044,080,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Navy as follows:

- (1) For aircraft, \$8,323,147,000.
- (2) For weapons, including missiles and torpedoes, \$1,484,321,000.
- (3) For shipbuilding and conversion, \$9,370,972,000.
- (4) For other procurement, \$4,282,471,000.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) **MARINE CORPS.**—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Marine Corps in the amount of \$1,014,637,000.

(c) **NAVY AND MARINE CORPS AMMUNITION.**—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement of ammunition for the Navy and the Marine Corps in the amount of \$466,907,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Air Force as follows:

- (1) For aircraft, \$10,789,167,000.
- (2) For missiles, \$3,222,636,000.
- (3) For ammunition, \$881,844,000.
- (4) For other procurement, \$8,196,021,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2002 for Defense-wide procurement in the amount of \$2,279,482,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Inspector General of the Department of Defense in the amount of \$2,800,000.

SEC. 106. CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE.

There is hereby authorized to be appropriated for fiscal year 2002 for the Department of Defense for Chemical Agents and Munitions Destruction, Defense, the amount of \$1,153,557,000 for—

- (1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and
- (2) the destruction of chemical warfare materiel of the United States that is not covered by section 1412 of such Act.

SEC. 107. DEFENSE HEALTH PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 2002 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of \$267,915,000.

Subtitle B—Army Programs

SEC. 111. REPEAL OF LIMITATIONS ON BUNKER DEFEAT MUNITIONS PROGRAM.

Section 116 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2682) is repealed.

SEC. 112. EXTENSION OF PILOT PROGRAM ON SALES OF MANUFACTURED ARTICLES AND SERVICES OF CERTAIN ARMY INDUSTRIAL FACILITIES WITHOUT REGARD TO AVAILABILITY FROM DOMESTIC SOURCES.

Section 141(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 10 U.S.C. 4543 note) is amended—

- (1) by striking “through 2001” and inserting “through 2002”; and
- (2) by inserting before the period at the end the following: “, except that during fiscal year 2002 the Secretary may only use articles manufactured at, and services provided by, not more than one Army industrial facility”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 113. LIMITATIONS ON ACQUISITION OF INTERIM ARMORED VEHICLES AND DEPLOYMENT OF INTERIM BRIGADE COMBAT TEAMS.

Section 113 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-23) is amended—

- (1) by redesignating subsection (f) as subsection (j); and
- (2) by inserting after subsection (e) the following new subsections:

“(f) **WAIVER OF COMPARISON REQUIREMENT.**—The Secretary of Defense may waive subsections (c) and (e)(1) and submit to the congressional defense committees a certification under subsection (e)(2) without regard to the requirement in that subsection for the completion of a comparison of costs and operational effectiveness if the Secretary includes in the submittal a certification of each of the following:

“(1) That the results of executed tests and existing analyses are sufficient for making a meaningful comparison of the costs and operational effectiveness of the interim armored vehicles referred to in subparagraph (A) of subsection (c)(1) and the medium armored vehicles referred to in subparagraph (B) of such subsection.

“(2) That the conduct of a comparative evaluation of those vehicles in a realistic field environment would provide no significant additional data relevant to that comparison.

“(3) That the Secretary has evaluated the existing data on cost and operational effectiveness of those vehicles and, taking that data into consideration, approves the obligation of funds for the acquisition of additional interim armored vehicles.

“(4) That sufficient resources will be requested in the future-years defense program to fully fund the Army’s requirements for interim brigade combat teams.

“(5) That the force structure resulting from the establishment of the interim brigade combat teams and the subsequent achievement of operational capability by those teams will not diminish the combat power of the Army.

“(g) **EXPERIMENTATION PROGRAM.**—The Secretary of the Army shall develop and provide resources for an experimentation program that will—

“(1) provide information as to the design of the objective force; and

“(2) include a formal linkage of the interim brigade combat teams to that experimentation.

“(h) **OPERATIONAL EVALUATION.**—(1) The Secretary of the Army shall conduct an operational evaluation of the initial interim brigade combat team. The evaluation shall include deployment of the team to the evaluation site and team execution of combat missions across the full spectrum of potential threats and operational scenarios.

“(2) The operational evaluation under paragraph (1) may not be conducted until the plan for such evaluation is approved by the Director of Operational Test and Evaluation of the Department of Defense.

“(i) **LIMITATION ON PROCUREMENT OF INTERIM ARMORED VEHICLES AND DEPLOYMENT OF IBCTs.**—(1) The actions described in paragraph (2) may not be taken until the date that is 30 days after the date on which the Secretary of Defense—

“(A) submits to Congress a report on the operational evaluation carried out under subsection (h); and

“(B) certifies to Congress that the results of that operational evaluation indicate that the design for the interim brigade combat team is operationally effective and operationally suitable.

“(2) The limitation in paragraph (1) applies to the following actions:

Reports.

Certification.

PUBLIC LAW 107-107—DEC. 28, 2001

“(A) Procurement of interim armored vehicles in addition to those necessary for equipping the first three interim brigade combat teams.

“(B) Deployment of any interim brigade combat team outside the United States.

“(3) The Secretary of Defense may waive the applicability of paragraph (1) to a deployment described in paragraph (2)(B) if the Secretary—

“(A) determines that the deployment is in the national security interests of the United States; and

“(B) submits to Congress, in writing, a notification of the waiver together with a discussion of the reasons for the waiver.”.

Subtitle C—Navy Programs

SEC. 121. VIRGINIA CLASS SUBMARINE PROGRAM.

Section 123(b)(1) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-25) is amended—

(1) by striking “five Virginia class submarines” and inserting “seven Virginia class submarines”; and

(2) by striking “2006” and inserting “2007”.

SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR F/A-18E/F AIRCRAFT ENGINES.

(a) MULTIYEAR AUTHORITY.—Beginning with the 2002 program year, the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract for the procurement of engines for F/A-18E/F aircraft.

(b) REQUIRED CERTIFICATIONS.—In the case of a contract authorized by subsection (a) of this section, a certification under subsection (i)(1)(A) of section 2306b of title 10, United States Code, with respect to that contract may only be submitted if the certification includes an additional certification that each of the conditions specified in subsection (a) of that section has been satisfied with respect to that contract.

(c) CONGRESSIONAL NOTICE-AND-WAIT PERIOD.—Upon transmission to Congress of a certification referred to in subsection (b) with respect to a contract authorized by subsection (a), the contract may then be entered into only after a period of 30 days has elapsed after the date of the transmission of such certification.

SEC. 123. V-22 OSPREY AIRCRAFT PROGRAM.

The production rate for V-22 Osprey aircraft may not be increased above the minimum sustaining production rate for which funds are authorized to be appropriated by this Act until the Secretary of Defense certifies to Congress that successful operational testing of the aircraft demonstrates that—

(1) the solutions to the problems regarding the reliability of hydraulic system components and flight control software that were identified by the panel appointed by the Secretary of Defense on January 5, 2001, to review the V-22 aircraft program are adequate to achieve low risk for crews and passengers aboard V-22 aircraft that are operating under operational conditions;

(2) the V-22 aircraft can achieve reliability and maintainability levels that are sufficient for the aircraft to achieve operational availability at the level required for fleet aircraft;

(3) the V-22 aircraft will be operationally effective—

(A) when employed in operations with other V-22 aircraft; and

(B) when employed in operations with other types of aircraft; and

PUBLIC LAW 107-107—DEC. 28, 2001

(4) the V-22 aircraft can be operated effectively, taking into consideration the downwash effects inherent in the operation of the aircraft, when the aircraft—

(A) is operated in remote areas with unimproved terrain and facilities;

(B) is deploying and recovering personnel—

(i) while hovering within the zone of ground effect; and

(ii) while hovering outside the zone of ground effect; and

(C) is operated with external loads.

SEC. 124. REPORT ON STATUS OF V-22 OSPREY AIRCRAFT BEFORE RESUMPTION OF FLIGHT TESTING.

Deadline.

Not later than 30 days before the resumption of flight testing of the V-22 Osprey aircraft, the Secretary of Defense shall submit to Congress a report containing the following:

(1) A comprehensive description of the status of the hydraulics system and flight control software of the V-22 Osprey aircraft, including—

(A) a description and analysis of any deficiencies in the hydraulics system and flight control software of the V-22 Osprey aircraft; and

(B) a description and assessment of the actions taken to redress each such deficiency.

(2) A description of the current actions, and any proposed actions, of the Department of Defense to implement the recommendations of the panel appointed by the Secretary of Defense on January 5, 2001, to review the V-22 aircraft program.

(3) An assessment of the recommendations of the National Aeronautics and Space Administration on tiltrotor aeromechanics provided in a briefing to the Undersecretary of Defense for Acquisition, Logistics, and Technology on August 14, 2001.

(4) Notice of the waiver, if any, of any item capability or any other requirement specified in the Joint Operational Requirements Document for the V-22 Osprey aircraft, including a justification of each such waiver.

Subtitle D—Air Force Programs

SEC. 131. MULTIYEAR PROCUREMENT AUTHORITY FOR C-17 AIRCRAFT.

(a) **MULTIYEAR AUTHORITY.**—Beginning with the 2002 program year, the Secretary of the Air Force may enter into a multiyear contract for the procurement of up to 60 C-17 aircraft. Such a contract shall be entered into in accordance with section 2306b of title 10, United States Code, except that, notwithstanding subsection (k) of such section, such a contract may be for a period of six program years.

(b) **REQUIRED CERTIFICATIONS.**—In the case of a contract authorized by subsection (a) of this section, a certification under subsection (i)(1)(A) of section 2306b of title 10, United States Code, with respect to that contract may only be submitted if the certification includes an additional certification that each of the conditions specified in subsection (a) of that section has been satisfied with respect to that contract.

(c) **CONGRESSIONAL NOTICE-AND-WAIT PERIOD.**—Upon transmission to Congress of a certification referred to in subsection (b) with respect to a contract authorized by subsection (a), the contract may then be entered into only after a period of 30 days has elapsed after the date of the transmission of such certification.

PUBLIC LAW 107-107—DEC. 28, 2001

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

- Sec. 201. Authorization of appropriations.
- Sec. 202. Amount for basic and applied research.
- Sec. 203. Supplemental authorization of appropriations for fiscal year 2001 for research, development, test, and evaluation, Defense-wide.

Subtitle B—Program Requirements, Restrictions, and Limitations

- Sec. 211. Naval surface fire support assessment.
- Sec. 212. Collaborative program for development of advanced radar systems.
- Sec. 213. Repeal of limitations on total cost of engineering and manufacturing development for F-22 aircraft program.
- Sec. 214. Joint biological defense program.
- Sec. 215. Cooperative Department of Defense-Department of Veterans Affairs medical research program.
- Sec. 216. C-5 aircraft reliability enhancement and reengining program.

Subtitle C—Ballistic Missile Defense

- Sec. 231. Transfer of responsibility for procurement for missile defense programs from Ballistic Missile Defense Organization to military departments.
- Sec. 232. Program elements for Ballistic Missile Defense Organization.
- Sec. 233. Support of ballistic missile defense activities of the Department of Defense by the national defense laboratories of the Department of Energy.
- Sec. 234. Missile defense testing initiative.
- Sec. 235. Construction of test bed facilities for missile defense system.

Subtitle D—Air Force Science and Technology for the 21st Century

- Sec. 251. Short title.
- Sec. 252. Science and technology investment and development planning.
- Sec. 253. Study and report on effectiveness of Air Force science and technology program changes.

Subtitle E—Other Matters

- Sec. 261. Establishment of unmanned aerial vehicle joint operational test bed system.
- Sec. 262. Demonstration project to increase small business and university participation in Office of Naval Research efforts to extend benefits of science and technology research to fleet.
- Sec. 263. Communication of safety concerns from operational test and evaluation officials to program managers.

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2002 for the use of the Department of Defense for research, development, test, and evaluation as follows:

- (1) For the Army, \$6,675,325,000.
- (2) For the Navy, \$10,784,264,000.
- (3) For the Air Force, \$14,407,187,000.
- (4) For Defense-wide activities, \$14,593,995,000, of which \$221,355,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 2002.—Of the amounts authorized to be appropriated by section 201, \$5,070,605,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term “basic research and applied research” means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 203. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2001 FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE.

In addition to the funds authorized to be appropriated under section 201(4) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-32), there is hereby authorized to be appropriated \$1,000,000 for fiscal year 2001 for the use of the Department of Defense for research, development, test, and evaluation, for Defense-wide activities.

Subtitle B—Program Requirements, Restrictions, and Limitations**SEC. 211. NAVAL SURFACE FIRE SUPPORT ASSESSMENT.**

(a) ASSESSMENT REQUIRED.—The Secretary of Defense shall carry out an assessment of the requirements for naval surface fire support of ground forces operating in the littoral environment, including the role of an advanced fire support missile system for Navy combatant vessels. The matters assessed shall include the Secretary of the Navy's program plan, schedule, and funding for meeting such requirements.

Deadline.

(b) REPORT.—Not later than March 31, 2002, the Secretary of Defense shall submit to the congressional defense committees a report containing the results of the assessment required by subsection (a).

SEC. 212. COLLABORATIVE PROGRAM FOR DEVELOPMENT OF ADVANCED RADAR SYSTEMS.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to develop and demonstrate advanced technologies and concepts leading to advanced radar systems for naval and other applications.

(b) DESCRIPTION OF PROGRAM.—The program under subsection (a) shall be carried out collaboratively by the Director of Defense Research and Engineering, the Secretary of the Navy, the Director of the Defense Advanced Research Projects Agency, and other appropriate elements of the Department of Defense. The program shall include the following activities:

(1) Activities needed for development and maturation of the technologies for advanced electronics materials to extend the range and sensitivity of radars.

(2) Identification of acquisition systems for use of the new technology.

Deadline.

(c) REPORT.—Not later than March 31, 2002, the Director of Defense Research and Engineering shall submit to the congressional defense committees a report on the implementation of the program under subsection (a). The report shall include the following:

(1) A description of the management plan for the program and any agreements relating to that plan.

(2) A schedule for the program.

(3) Identification of the funding required for fiscal year 2003 and for the future-years defense program to carry out the program.

(4) A list of program capability goals and objectives.

SEC. 213. REPEAL OF LIMITATIONS ON TOTAL COST OF ENGINEERING AND MANUFACTURING DEVELOPMENT FOR F-22 AIRCRAFT PROGRAM.

(a) REPEAL.—The following provisions of law are repealed:

(1) Section 217(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 111 Stat. 1660).

PUBLIC LAW 107-107—DEC. 28, 2001

(2) Section 8125 of the Department of Defense Appropriations Act, 2001 (Public Law 106-259; 114 Stat. 702).

(3) Section 219(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-38).

(b) CONFORMING AMENDMENTS.—(1) Section 217 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 111 Stat. 1660), as amended by subsection (a)(1), is further amended—

(A) in subsection (c)—

(i) by striking “limitations set forth in subsections (a) and (b)” and inserting “limitation set forth in subsection (b)”; and

(ii) by striking paragraph (3); and

(B) in subsection (d)(2), by striking subparagraphs (D) and (E).

(2) Section 131 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 536) is amended—

(A) in subsection (a)(2), by striking “That the” and all that follows through “respectively,” and inserting “That the production phase for that program can be executed within the limitation on total cost applicable to that program under subsection (b)”; and

(B) in subsection (b)(3), by striking “for the remainder of the engineering and manufacturing development phase and”.

SEC. 214. JOINT BIOLOGICAL DEFENSE PROGRAM.

Section 217(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-36) is amended by striking “funds authorized to be appropriated by this Act may not” and inserting “no funds authorized to be appropriated to the Department of Defense for fiscal year 2002 may”.

SEC. 215. COOPERATIVE DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL RESEARCH PROGRAM.

Of the funds authorized to be appropriated by section 201(4), \$2,500,000 shall be available for the cooperative Department of Defense/Department of Veterans Affairs medical research program. The Secretary of Defense shall transfer such amount to the Secretary of Veterans Affairs for such purpose not later than 30 days after the date of the enactment of this Act.

Deadline.

SEC. 216. C-5 AIRCRAFT RELIABILITY ENHANCEMENT AND REENGINEERING PROGRAM.

(a) KIT DEVELOPMENT.—The Secretary of the Air Force shall ensure that engineering manufacturing and development under the C-5 aircraft reliability enhancement and reengining program includes kit development for at least one C-5A aircraft.

(b) AIRCRAFT TO BE USED FOR KIT DEVELOPMENT.—The C-5A aircraft to be used for purposes of the kit development under subsection (a) shall be an aircraft from among the 74 C-5A aircraft of the Air Force.

Subtitle C—Ballistic Missile Defense

SEC. 231. TRANSFER OF RESPONSIBILITY FOR PROCUREMENT FOR MISSILE DEFENSE PROGRAMS FROM BALLISTIC MISSILE DEFENSE ORGANIZATION TO MILITARY DEPARTMENTS.

(a) BUDGETING OF MISSILE DEFENSE PROCUREMENT AUTHORITY.—Section 224 of title 10, United States Code is amended—

(1) in subsection (a), by striking “procurement” both places it appears and inserting “research, development, test, and evaluation”; and

PUBLIC LAW 107-107—DEC. 28, 2001

(2) by striking subsections (b) and (c) and inserting the following:

“(b) TRANSFER CRITERIA.—(1) The Secretary of Defense shall establish criteria for the transfer of responsibility for a ballistic missile defense program from the Director of the Ballistic Missile Defense Organization to the Secretary of a military department. The criteria established for such a transfer shall, at a minimum, address the following:

“(A) The technical maturity of the program.

“(B) The availability of facilities for production.

“(C) The commitment of the Secretary of the military department concerned to procurement funding for that program, as shown by funding through the future-years defense program and other defense planning documents.

“(2) The Secretary shall submit the criteria established, and any modifications to those criteria, to the congressional defense committees.

“(c) NOTIFICATION OF TRANSFER.—Before responsibility for a ballistic missile defense program is transferred from the Director of the Ballistic Missile Defense Organization to the Secretary of a military department, the Secretary of Defense shall submit to the congressional defense committees notice in writing of the Secretary’s intent to make that transfer. The Secretary shall include with such notice a certification that the program has met the criteria established under subsection (b) for such a transfer. The transfer may then be carried out after the end of the 60-day period beginning on the date of such notice.

“(d) CONFORMING BUDGET AND PLANNING TRANSFERS.—When a ballistic missile defense program is transferred from the Ballistic Missile Defense Organization to the Secretary of a military department in accordance with this section, the Secretary of Defense shall ensure that all appropriate conforming changes are made to proposed or projected funding allocations in the future-years defense program under section 221 of this title and other Department of Defense program, budget, and planning documents.

“(e) FOLLOW-ON RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—The Secretary of Defense shall ensure that, before a ballistic missile defense program is transferred from the Director of the Ballistic Missile Defense Organization to the Secretary of a military department, roles and responsibilities for research, development, test, and evaluation related to system improvements for that program are clearly defined.

“(f) CONGRESSIONAL DEFENSE COMMITTEES.—In this section, the term ‘congressional defense committees’ means the following:

“(1) The Committee on Armed Services and the Committee on Appropriations of the Senate.

“(2) The Committee on Armed Services and the Committee on Appropriations of the House of Representatives.”

(b) CLERICAL AMENDMENTS.—(1) The heading of that section is amended to read as follows:

“§ 224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation”.

(2) The item relating to that section in the table of sections at the beginning of chapter 9 of such title is amended to read as follows:

“224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation.”

SEC. 232. PROGRAM ELEMENTS FOR BALLISTIC MISSILE DEFENSE ORGANIZATION.

(a) REVISION IN PROGRAM ELEMENTS.—Subsection (a) of section 223 of title 10, United States Code, is amended—

PUBLIC LAW 107-107—DEC. 28, 2001

(1) by striking “in accordance with the following program elements:” and inserting “in accordance with program elements governing functional areas as follows:”; and

(2) by striking paragraphs (1) through (12) and inserting the following:

- “(1) Technology.
- “(2) Ballistic Missile Defense System.
- “(3) Terminal Defense Segment.
- “(4) Midcourse Defense Segment.
- “(5) Boost Defense Segment.
- “(6) Sensors Segment.”.

(b) ADDITIONAL REQUIREMENTS.—Subsection (b) of such section is amended to read as follows:

“(b) SEPARATE PROGRAM ELEMENTS FOR PROGRAMS ENTERING ENGINEERING AND MANUFACTURING DEVELOPMENT.—(1) The Secretary of Defense shall ensure that each ballistic missile defense program that enters engineering and manufacturing development is assigned a separate, dedicated program element.

“(2) In this subsection, the term ‘engineering and manufacturing development’ means the development phase whose primary objectives are to—

“(A) translate the most promising design approach into a stable, interoperable, producible, supportable, and cost-effective design;

“(B) validate the manufacturing or production process; and

“(C) demonstrate system capabilities through testing.”.

(c) REQUIREMENT FOR ANNUAL PROGRAM GOALS.—(1) The Secretary of Defense shall each year establish cost, schedule, testing, and performance goals for the ballistic missile defense programs of the Department of Defense for the period covered by the future-years defense program that is submitted to Congress that year under section 221 of title 10, United States Code. Not later than February 1 each year, the Secretary shall submit to the congressional defense committees a statement of the goals so established.

10 USC 2431
note.

(2) The statement of goals submitted under paragraph (1) for any year after 2002 shall be an update of the statement submitted under that paragraph for the preceding year.

Deadline.

(3) Each statement of goals submitted under paragraph (1) shall set forth cost, schedule, testing, and performance goals that pertain to each functional area program element identified in subsection (a), and each program element identified in subsection (b), of section 223 of title 10, United States Code.

(d) ANNUAL PROGRAM PLAN.—(1) With the submission of the statement of goals under subsection (c) for any year, the Secretary of Defense shall submit to the congressional defense committees a program of activities planned to be carried out for each missile defense program that enters engineering and manufacturing development (as defined in section 223(b)(2) of title 10, United States Code, as added by subsection (b)).

10 USC 2431
note.

(2) Each program plan under paragraph (1) shall include the following:

(A) A funding profile that includes an estimate of—

(i) the total expenditures to be made in the fiscal year in which the plan is submitted and the following fiscal year, together with the estimated total life-cycle costs of the program; and

(ii) a display of such expenditures (shown for significant procurement, construction, and research and development) for the fiscal year in which the plan is submitted and the following fiscal year.

(B) A program schedule for the fiscal year in which the plan is submitted and the following fiscal year for each of the following:

- (i) Significant procurement.
- (ii) Construction.

PUBLIC LAW 107-107—DEC. 28, 2001

(iii) Research and development.

(iv) Flight tests.

(v) Other significant testing activities.

(3) Information specified in paragraph (2) need not be included in the plan for any year under paragraph (1) to the extent such information has already been provided, or will be provided in the current fiscal year, in annual budget justification documents of the Department of Defense submitted to Congress or in other required reports to Congress.

10 USC 2431
note.

(e) INTERNAL DOD REVIEWS.—(1) The officials and elements of the Department of Defense specified in paragraph (2) shall on an ongoing basis—

(A) review the development of goals under subsection (c) and the annual program plan under subsection (d); and

(B) provide to the Secretary of Defense and the Director of the Ballistic Missile Defense Organization any comments on such matters as considered appropriate.

(2) Paragraph (1) applies with respect to the following:

(A) The Under Secretary of Defense for Acquisition, Technology, and Logistics.

(B) The Director of Operational Test and Evaluation.

(C) The Director of Program Analysis and Evaluation.

(D) The Joint Requirements Oversight Council.

(E) The Cost Analysis and Improvement Group.

10 USC 2431
note.

(f) DEMONSTRATION OF CRITICAL TECHNOLOGIES.—(1) The Director of the Ballistic Missile Defense Organization shall develop a plan for ensuring that each critical technology for a missile defense program is successfully demonstrated in an appropriate environment before that technology enters into operational service as part of a missile defense program.

(2) The Director of Operational Test and Evaluation of the Department of Defense shall monitor the development of the plan under paragraph (1) and shall submit to the Director of the Ballistic Missile Defense Organization any comments regarding that plan that the Director of Operational Test and Evaluation considers appropriate.

10 USC 2431
note.

(g) COMPTROLLER GENERAL ASSESSMENT.—(1) At the conclusion of each of fiscal years 2002 and 2003, the Comptroller General of the United States shall assess the extent to which the Ballistic Missile Defense Organization achieved the goals established under subsection (c) for such fiscal year.

Deadlines.
Reports.

(2) Not later than February 15, 2003, and February 15, 2004, the Comptroller General shall submit to the congressional defense committees a report on the Comptroller General's assessment under paragraph (1) with respect to the preceding fiscal year.

10 USC 2431
note.

(h) ANNUAL OT&E ASSESSMENT OF TEST PROGRAM.—(1) The Director of Operational Test and Evaluation shall each year assess the adequacy and sufficiency of the Ballistic Missile Defense Organization test program during the preceding fiscal year.

Deadline.
Reports.

(2) Not later than February 15 each year the Director shall submit to the congressional defense committees a report on the assessment under paragraph (1) with respect to the preceding fiscal year.

SEC. 233. SUPPORT OF BALLISTIC MISSILE DEFENSE ACTIVITIES OF THE DEPARTMENT OF DEFENSE BY THE NATIONAL DEFENSE LABORATORIES OF THE DEPARTMENT OF ENERGY.

(a) FUNDS TO CARRY OUT CERTAIN BALLISTIC MISSILE DEFENSE ACTIVITIES.—Of the amounts authorized to be appropriated to the Department of Defense pursuant to section 201(4), \$25,000,000 shall be available, subject to subsection (b) and at the discretion of the Director of the Ballistic Missile Defense Organization, for research, development, and demonstration activities at the national laboratories of the Department of Energy in support of the missions

PUBLIC LAW 107-107—DEC. 28, 2001

of the Ballistic Missile Defense Organization, including the following activities:

(1) Technology development, concept demonstration, and integrated testing to enhance performance, reduce risk, and improve reliability in hit-to-kill interceptors for ballistic missile defense.

(2) Support for science and engineering teams to assess critical technical problems and prudent alternative approaches as agreed upon by the Director of the Ballistic Missile Defense Organization and the Administrator for Nuclear Security.

(b) REQUIREMENT FOR MATCHING FUNDS FROM NNSA.—Funds shall be available as provided in subsection (a) only if the Administrator for Nuclear Security makes available matching funds for the activities referred to in subsection (a).

(c) MEMORANDUM OF UNDERSTANDING.—The activities referred to in subsection (a) shall be carried out under the memorandum of understanding entered into by the Secretary of Energy and the Secretary of Defense for the use of national laboratories for ballistic missile defense programs, as required by section 3131 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 111 Stat. 2034) and modified pursuant to section 3132 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-455) to provide for jointly funded projects.

SEC. 234. MISSILE DEFENSE TESTING INITIATIVE.

(a) TESTING INFRASTRUCTURE.—(1) The Secretary of Defense shall ensure that each annual budget request of the Department of Defense—

(A) is designed to provide for comprehensive testing of ballistic missile defense programs during early stages of development; and

(B) includes necessary funding to support and improve test infrastructure and provide adequate test assets for the testing of such programs.

(2) The Secretary shall ensure that ballistic missile defense programs incorporate, to the greatest possible extent, operationally realistic test configurations (referred to as “test bed” configurations) to demonstrate system performance across a broad range of capability and, during final stages of operational testing, to demonstrate reliable performance.

(3) The Secretary shall ensure that the test infrastructure for ballistic missile defense programs is capable of supporting continued testing of ballistic missile defense systems after deployment.

(b) REQUIREMENTS FOR EARLY STAGES OF SYSTEM DEVELOPMENT.—In order to demonstrate acceptable risk and developmental stability, the Secretary of Defense shall ensure that any ballistic missile defense program incorporates, to the maximum extent practicable, the following elements during the early stages of system development:

(1) Pursuit of parallel conceptual approaches and technological paths for all critical problematic components until effective and reliable solutions can be demonstrated.

(2) Comprehensive ground testing in conjunction with flight-testing for key elements of the proposed system that are considered to present high risk, with such ground testing to make use of existing facilities and combinations of facilities that support testing at the highest possible levels of integration.

(3) Where appropriate, expenditures to enhance the capabilities of existing test facilities, or to construct new test facilities, to support alternative complementary test methodologies.

(4) Sufficient funding of test instrumentation to ensure accurate measurement of all critical test events.

10 USC 2431
note.

PUBLIC LAW 107-107—DEC. 28, 2001

(5) Incorporation into the program of sufficient schedule flexibility and expendable test assets, including missile interceptors and targets, to ensure that failed or aborted tests can be repeated in a prudent, but expeditious manner.

(6) Incorporation into flight-test planning for the program, where possible, of—

(A) methods that make the most cost-effective use of test opportunities;

(B) events to demonstrate engagement of multiple targets, “shoot-look-shoot”, and other planned operational concepts; and

(C) exploitation of opportunities to facilitate early development and demonstration of “family of systems” concepts.

(c) **SPECIFIC REQUIREMENTS FOR GROUND-BASED MID-COURSE INTERCEPTOR SYSTEMS.**—For ground-based mid-course interceptor systems, the Secretary of Defense shall initiate steps during fiscal year 2002 to establish a flight-test capability of launching not less than three missile defense interceptors and not less than two ballistic missile targets to provide a realistic test infrastructure.

SEC. 235. CONSTRUCTION OF TEST BED FACILITIES FOR MISSILE DEFENSE SYSTEM.

(a) **AUTHORITY TO ACQUIRE OR CONSTRUCT FACILITIES.**—(1) The Secretary of Defense, using funds appropriated to the Department of Defense for research, development, test, and evaluation for fiscal years after fiscal year 2001 that are available for programs of the Ballistic Missile Defense Organization, may carry out all construction projects, or portions of construction projects, including projects for the acquisition, improvement, or construction of facilities, necessary to establish and operate the Missile Defense System Test Bed.

(2) The authority provided in subsection (a) may be used to acquire, improve, or construct facilities at a total cost not to exceed \$500,000,000.

(b) **AUTHORITY TO PROVIDE ASSISTANCE TO LOCAL COMMUNITIES.**—(1) Subject to paragraph (2), the Secretary of Defense, using funds appropriated to the Department of Defense for research, development, test, and evaluation for fiscal year 2002 that are available for programs of the Ballistic Missile Defense Organization, may provide assistance to local communities to meet the need for increased municipal or community services or facilities resulting from the construction, installation, or operation of the Missile Defense System Test Bed Facilities. Such assistance may be provided by grant or otherwise.

(2) Assistance may be provided to a community under paragraph (1) only if the Secretary of Defense determines that there is an immediate and substantial increase in the need for municipal or community services or facilities as a direct result of the construction, installation, or operation of the Missile Defense System Test Bed Facilities.

Subtitle D—Air Force Science and Technology for the 21st Century

Air Force Science and Technology for the 21st Century Act.

10 USC 2501 note.

10 USC 2501 note.

SEC. 251. SHORT TITLE.

This subtitle may be cited as the “Air Force Science and Technology for the 21st Century Act”.

SEC. 252. SCIENCE AND TECHNOLOGY INVESTMENT AND DEVELOPMENT PLANNING.

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that the Secretary of the Air Force should carry out each of the following:

(1) Continue and improve efforts to ensure that—

PUBLIC LAW 107-107—DEC. 28, 2001

(A) the Air Force science and technology community is represented, and the recommendations of that community are considered, at all levels of program planning and budgetary decisionmaking within the Air Force;

(B) advocacy for science and technology development is institutionalized across all levels of Air Force management in a manner that is not dependent on individuals; and

(C) the value of Air Force science and technology development is made increasingly apparent to the warfighters, by linking the needs of those warfighters with decisions on science and technology development.

(2) Complete and adopt a policy directive that provides for changes in how the Air Force makes budgetary and non-budgetary decisions with respect to its science and technology development programs and how it carries out those programs.

(3) At least once every five years, conduct a review of the long-term challenges and short-term objectives of the Air Force science and technology programs that is consistent with the review specified in section 252 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-46).

(4) Ensure that development and science and technology planning and investment activities are carried out for future space warfighting systems and for future nonspace warfighting systems in an integrated manner.

(5) Elevate the position within the Office of the Secretary of the Air Force that has primary responsibility for budget and policy decisions for science and technology programs.

(b) REINSTATEMENT OF DEVELOPMENT PLANNING.—(1) The Secretary of the Air Force shall reinstate and implement a revised development planning process that provides for each of the following:

(A) Coordinating the needs of Air Force warfighters with decisions on science and technology development.

(B) Giving input into the establishment of priorities among science and technology programs.

(C) Analyzing Air Force capability options for the allocation of Air Force resources.

(D) Developing concepts for technology, warfighting systems, and operations with which the Air Force can achieve its critical future goals.

(E) Evaluating concepts for systems and operations that leverage technology across Air Force organizational boundaries.

(F) Ensuring that a “system-of-systems” approach is used in carrying out the various Air Force capability planning exercises.

(G) Utilizing existing analysis capabilities within the Air Force product centers in a collaborative and integrated manner.

(2) Not later than one year after the date of the enactment of this Act, the Secretary of the Air Force shall submit to Congress a report on the implementation of the planning process required by paragraph (1). The report shall include the annual amount that the Secretary considers necessary to carry out paragraph (1).

Deadline.
Reports.

SEC. 253. STUDY AND REPORT ON EFFECTIVENESS OF AIR FORCE SCIENCE AND TECHNOLOGY PROGRAM CHANGES.

10 USC 2501
note.

(a) REQUIREMENT.—The Secretary of the Air Force, in cooperation with the National Research Council of the National Academy of Sciences, shall carry out a study to determine how the changes to the Air Force science and technology program implemented during the past two years affect the future capabilities of the Air Force.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) MATTERS STUDIED.—(1) The study shall review and assess whether such changes as a whole are sufficient to ensure the following:

(A) That the concerns about the management of the science and technology program that have been raised by Congress, the Defense Science Board, the Air Force Science Advisory Board, and the Air Force Association have been adequately addressed.

(B) That appropriate and sufficient technology is available to ensure the military superiority of the United States and counter future high-risk threats.

(C) That the science and technology investments are balanced to meet the near-, mid-, and long-term needs of the Air Force.

(D) That technologies are made available that can be used to respond flexibly and quickly to a wide range of future threats.

(E) That the Air Force organizational structure provides for a sufficiently senior level advocate of science and technology to ensure an ongoing, effective presence of the science and technology community during the budget and planning process.

(2) In addition, the study shall assess the specific changes to the Air Force science and technology program as follows:

(A) Whether the biannual science and technology summits provide sufficient visibility into, and understanding and appreciation of, the value of the science and technology program to the senior level of Air Force budget and policy decisionmakers.

(B) Whether the applied technology councils are effective in contributing the input of all levels beneath the senior leadership into the coordination, focus, and content of the science and technology program.

(C) Whether the designation of the commander of the Air Force Materiel Command as the science and technology budget advocate is effective to ensure that an adequate Air Force science and technology budget is requested.

(D) Whether the revised development planning process is effective to aid in the coordination of the needs of the Air Force warfighters with decisions on science and technology investments and the establishment of priorities among different science and technology programs.

(E) Whether the implementation of section 252 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-46) is effective to identify the basis for the appropriate science and technology program funding level and investment portfolio.

Deadline.

(c) REPORT.—Not later than May 1, 2003, the Secretary of the Air Force shall submit to Congress the results of the study.

Subtitle E—Other Matters

SEC. 261. ESTABLISHMENT OF UNMANNED AERIAL VEHICLE JOINT OPERATIONAL TEST BED SYSTEM.

(a) ESTABLISHMENT OF TEST BED SYSTEM.—The commander of the United States Joint Forces Command shall establish a government flight activity capability (referred to as a “test bed”) within the facilities and resources of that command to evaluate and ensure joint interoperability of unmanned aerial vehicle systems. That capability shall be independent of the military departments and shall be managed directly by the Joint Forces Command.

(b) PRIORITY FOR USE OF PREDATOR ASSETS.—The Secretary of the Navy shall ensure that the commander of the United States Joint Forces Command controls the priority for use of the two Predator unmanned aerial vehicles currently undergoing oper-

PUBLIC LAW 107-107—DEC. 28, 2001

ational testing by the Navy, together with associated payloads and antennas and the associated tactical control system (TCS) ground station.

(c) USE BY JOINT FORCES COMMAND.—The items specified in subsection (b) may be used by the commander of the United States Joint Forces Command only through the independent joint operational test bed system established pursuant to subsection (a) for testing of those items, including further development of the associated tactical control system (TCS) ground station, other aspects of unmanned aerial vehicle interoperability, and participation in such experiments and exercises as the commander considers appropriate to the mission of that command.

SEC. 262. DEMONSTRATION PROJECT TO INCREASE SMALL BUSINESS AND UNIVERSITY PARTICIPATION IN OFFICE OF NAVAL RESEARCH EFFORTS TO EXTEND BENEFITS OF SCIENCE AND TECHNOLOGY RESEARCH TO FLEET.

10 USC 5022
note.

(a) PROJECT REQUIRED.—The Secretary of the Navy, acting through the Chief of Naval Research, shall carry out a demonstration project to increase access to Navy facilities of small businesses and universities that are engaged in science and technology research beneficial to the fleet.

(b) PROJECT ELEMENTS.—In carrying out the demonstration project, the Secretary shall—

(1) establish and operate a Navy Technology Extension Center at a location to be selected by the Secretary;

(2) permit participants in the Small Business Innovation Research Program (SBIR) and Small Business Technology Transfer Program (STTR) that are awarded contracts by the Office of Naval Research to access and use Navy Major Range Test Facilities Base (MRTFB) facilities selected by the Secretary for purposes of carrying out such contracts, and charge such participants for such access and use at the same established rates that Department of Defense customers are charged; and

(3) permit universities, institutions of higher learning, and federally funded research and development centers collaborating with participants referred to in paragraph (2) to access and use such facilities for such purposes, and charge such entities for such access and use at such rates.

(c) PERIOD OF PROJECT.—The demonstration project shall be carried out during the three-year period beginning on the date of the enactment of this Act.

(d) REPORT.—Not later than February 1, 2004, the Secretary shall submit to Congress a report on the demonstration project. The report shall include a description of the activities carried out under the demonstration project and any recommendations for the improvement or expansion of the demonstration project that the Secretary considers appropriate.

Deadline.

SEC. 263. COMMUNICATION OF SAFETY CONCERNS FROM OPERATIONAL TEST AND EVALUATION OFFICIALS TO PROGRAM MANAGERS.

Section 139 of title 10, United States Code, is amended—

(1) by redesignating subsections (f) through (i) as subsections (g) through (j), respectively; and

(2) by inserting after subsection (e) the following new subsection:

“(f) The Director shall ensure that safety concerns developed during the operational test and evaluation of a weapon system under a major defense acquisition program are communicated in a timely manner to the program manager for that program for consideration in the acquisition decisionmaking process.”.

PUBLIC LAW 107-107—DEC. 28, 2001

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

- Sec. 301. Operation and maintenance funding.
- Sec. 302. Working capital funds.
- Sec. 303. Armed Forces Retirement Home.
- Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
- Sec. 305. Funds for renovation of Department of Veterans Affairs facilities adjacent to Naval Training Center, Great Lakes, Illinois.
- Sec. 306. Defense Language Institute Foreign Language Center expanded Arabic language program.

Subtitle B—Environmental Provisions

- Sec. 311. Inventory of unexploded ordnance, discarded military munitions, and munitions constituents at defense sites (other than operational ranges).
- Sec. 312. Establishment of new program element for remediation of unexploded ordnance, discarded military munitions, and munitions constituents.
- Sec. 313. Assessment of environmental remediation of unexploded ordnance, discarded military munitions, and munitions constituents.
- Sec. 314. Conformity of surety authority under environmental restoration program with surety authority under CERCLA.
- Sec. 315. Elimination of annual report on contractor reimbursement for costs of environmental response actions.
- Sec. 316. Pilot program for sale of air pollution emission reduction incentives.
- Sec. 317. Department of Defense energy efficiency program.
- Sec. 318. Procurement of alternative fueled and hybrid light duty trucks.
- Sec. 319. Reimbursement of Environmental Protection Agency for certain response costs in connection with Hooper Sands Site, South Berwick, Maine.
- Sec. 320. River mitigation studies.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

- Sec. 331. Commissary benefits for new members of the Ready Reserve.
- Sec. 332. Reimbursement for use of commissary facilities by military departments for purposes other than commissary sales.
- Sec. 333. Public releases of commercially valuable information of commissary stores.
- Sec. 334. Rebate agreements with producers of foods provided under special supplemental food program.
- Sec. 335. Civil recovery for nonappropriated fund instrumentality costs related to shoplifting.

Subtitle D—Workforce and Depot Issues

- Sec. 341. Revision of authority to waive limitation on performance of depot-level maintenance.
- Sec. 342. Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance.
- Sec. 343. Protections for purchasers of articles and services manufactured or performed by working-capital funded industrial facilities of the Department of Defense.
- Sec. 344. Revision of deadline for annual report on commercial and industrial activities.
- Sec. 345. Pilot manpower reporting system in Department of the Army.
- Sec. 346. Development of Army workload and performance system and Wholesale Logistics Modernization Program.

Subtitle E—Defense Dependents Education

- Sec. 351. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
- Sec. 352. Impact aid for children with severe disabilities.
- Sec. 353. Availability of auxiliary services of defense dependents' education system for dependents who are home school students.
- Sec. 354. Comptroller General study of adequacy of compensation provided for teachers in the Department of Defense overseas dependents' schools.

Subtitle F—Other Matters

- Sec. 361. Availability of excess defense personal property to support Department of Veterans Affairs initiative to assist homeless veterans.
- Sec. 362. Incremental implementation of Navy-Marine Corps Intranet contract.
- Sec. 363. Comptroller General study and report of National Guard Distributive Training Technology Project.
- Sec. 364. Reauthorization of warranty claims recovery pilot program.
- Sec. 365. Evaluation of current demonstration programs to improve quality of personal property shipments of members.
- Sec. 366. Sense of Congress regarding security to be provided at 2002 Winter Olympic Games.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 2002 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

- (1) For the Army, \$20,653,241,000.
- (2) For the Navy, \$26,461,299,000.
- (3) For the Marine Corps, \$2,872,524,000.
- (4) For the Air Force, \$25,598,767,000.
- (5) For Defense-wide activities, \$11,949,586,000.
- (6) For the Army Reserve, \$1,824,146,000.
- (7) For the Naval Reserve, \$1,000,050,000.
- (8) For the Marine Corps Reserve, \$142,853,000.
- (9) For the Air Force Reserve, \$2,029,866,000.
- (10) For the Army National Guard, \$3,696,559,000.
- (11) For the Air National Guard, \$3,967,361,000.
- (12) For the Defense Inspector General, \$149,221,000.
- (13) For the United States Court of Appeals for the Armed Forces, \$9,096,000.
- (14) For Environmental Restoration, Army, \$389,800,000.
- (15) For Environmental Restoration, Navy, \$257,517,000.
- (16) For Environmental Restoration, Air Force, \$385,437,000.
- (17) For Environmental Restoration, Defense-wide, \$23,492,000.
- (18) For Environmental Restoration, Formerly Used Defense Sites, \$230,255,000.
- (19) For Overseas Humanitarian, Disaster, and Civic Aid programs, \$49,700,000.
- (20) For Drug Interdiction and Counter-drug Activities, Defense-wide, \$820,381,000.
- (21) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, \$40,000,000.
- (22) For Defense Health Program, \$17,570,750,000.
- (23) For Cooperative Threat Reduction programs, \$403,000,000.
- (24) For Overseas Contingency Operations Transfer Fund, \$2,844,226,000.
- (25) For Support for International Sporting Competitions, Defense, \$15,800,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by \$125,000,000, which represents savings resulting from reduced energy costs.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2002 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

- (1) For the Defense Working Capital Funds, \$1,656,396,000.
- (2) For the National Defense Sealift Fund, \$407,708,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

(a) AMOUNT FOR FISCAL YEAR 2002.—There is hereby authorized to be appropriated for fiscal year 2002 from the Armed Forces Retirement Home Trust Fund the sum of \$71,440,000 for the operation of the Armed Forces Retirement Home.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) AVAILABILITY OF AMOUNTS PREVIOUSLY APPROPRIATED.—Of amounts appropriated from the Armed Forces Retirement Home Trust Fund for fiscal year 2002 (and previous fiscal years to the extent such amounts remain unobligated), \$22,400,000 shall be available, subject to the review and approval of the Secretary of Defense, for the development and construction of a blended use, multicare facility at the Naval Home and for the acquisition of a parcel of real property adjacent to the Naval Home consisting of approximately 15 acres.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than \$150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 2002 in amounts as follows:

- (1) For the Army, \$50,000,000.
- (2) For the Navy, \$50,000,000.
- (3) For the Air Force, \$50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

- (1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and
- (2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 305. FUNDS FOR RENOVATION OF DEPARTMENT OF VETERANS AFFAIRS FACILITIES ADJACENT TO NAVAL TRAINING CENTER, GREAT LAKES, ILLINOIS.

(a) AVAILABILITY OF FUNDS FOR RENOVATION.—Subject to subsection (b), of the amount authorized to be appropriated by section 301(a)(2) for operation and maintenance for the Navy, the Secretary of the Navy may make available to the Secretary of Veterans Affairs up to \$2,000,000 for relocation of Department of Veterans Affairs activities and associated renovation of existing facilities at the North Chicago Department of Veterans Affairs Medical Center, Illinois.

(b) LIMITATION.—The Secretary of the Navy may make funds available under subsection (a) only after the Secretary of the Navy and the Secretary of Veterans Affairs enter into an appropriate agreement for the use by the Secretary of the Navy of approximately 48 acres of real property at the North Chicago Department of Veterans Affairs property referred to in subsection (a) for expansion of the Naval Training Center, Great Lakes, Illinois.

SEC. 306. DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER EXPANDED ARABIC LANGUAGE PROGRAM.

Of the amount authorized to be appropriated by section 301(a)(1) for operation and maintenance for the Army, \$650,000 may be available for the Defense Language Institute Foreign Language Center for an expanded Arabic language program.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle B—Environmental Provisions

SEC. 311. INVENTORY OF UNEXPLODED ORDNANCE, DISCARDED MILITARY MUNITIONS, AND MUNITIONS CONSTITUENTS AT DEFENSE SITES (OTHER THAN OPERATIONAL RANGES).

(a) INVENTORY REQUIRED.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2710. Inventory of unexploded ordnance, discarded military munitions, and munitions constituents at defense sites (other than operational ranges)

“(a) INVENTORY REQUIRED.—(1) The Secretary of Defense shall develop and maintain an inventory of defense sites that are known or suspected to contain unexploded ordnance, discarded military munitions, or munitions constituents.

“(2) The information in the inventory for each defense site shall include, at a minimum, the following:

“(A) A unique identifier for the defense site.

“(B) An appropriate record showing the location, boundaries, and extent of the defense site, including identification of the State and political subdivisions of the State in which the defense site is located and any Tribal lands encompassed by the defense site.

“(C) Known persons and entities, other than a military department, with any current ownership interest or control of lands encompassed by the defense site.

“(D) Any restrictions or other land use controls currently in place at the defense site that might affect the potential for public and environmental exposure to the unexploded ordnance, discarded military munitions, or munitions constituents.

“(b) SITE PRIORITIZATION.—(1) The Secretary shall develop, in consultation with representatives of the States and Indian Tribes, a proposed protocol for assigning to each defense site a relative priority for response activities related to unexploded ordnance, discarded military munitions, and munitions constituents based on the overall conditions at the defense site. After public notice and comment on the proposed protocol, the Secretary shall issue a final protocol and shall apply the protocol to defense sites listed on the inventory. The level of response priority assigned the site shall be included with the information required by subsection (a)(2).

Protocol.

“(2) In assigning the response priority for a defense site on the inventory, the Secretary shall primarily consider factors relating to safety and environmental hazard potential, such as the following:

Public information. Applicability.

“(A) Whether there are known, versus suspected, unexploded ordnance, discarded military munitions, or munitions constituents on all or any portion of the defense site and the types of unexploded ordnance, discarded military munitions, or munitions constituents present or suspected to be present.

“(B) Whether public access to the defense site is controlled, and the effectiveness of these controls.

“(C) The potential for direct human contact with unexploded ordnance, discarded military munitions, or munitions constituents at the defense site and evidence of people entering the site.

“(D) Whether a response action has been or is being undertaken at the defense site under the Formerly Used Defense Sites program or other program.

“(E) The planned or mandated dates for transfer of the defense site from military control.

“(F) The extent of any documented incidents involving unexploded ordnance, discarded military munitions, or munitions constituents at or from the defense site, including

PUBLIC LAW 107-107—DEC. 28, 2001

incidents involving explosions, discoveries, injuries, reports, and investigations.

“(G) The potential for drinking water contamination or the release of munitions constituents into the air.

“(H) The potential for destruction of sensitive ecosystems and damage to natural resources.

“(3) The priority assigned to a defense site included on the inventory shall not impair, alter, or diminish any applicable Federal or State authority to establish requirements for the investigation of, and response to, environmental problems at the defense site.

“(C) UPDATES AND AVAILABILITY.—(1) The Secretary shall annually update the inventory and site prioritization list to reflect new information that becomes available. The inventory shall be available in published and electronic form.

“(2) The Secretary shall work with communities adjacent to a defense site to provide information concerning conditions at the site and response activities. At a minimum, the Secretary shall provide the site inventory information and site prioritization list to appropriate Federal, State, tribal, and local officials, and, to the extent the Secretary considers appropriate, to civil defense or emergency management agencies and the public.

“(d) EXCEPTIONS.—This section does not apply to the following:

“(1) Any locations outside the United States.

“(2) The presence of military munitions resulting from combat operations.

“(3) Operating storage and manufacturing facilities.

“(4) Operational ranges.

“(e) DEFINITIONS.—In this section:

“(1) The term ‘defense site’ applies to locations that are or were owned by, leased to, or otherwise possessed or used by the Department of Defense. The term does not include any operational range, operating storage or manufacturing facility, or facility that is used for or was permitted for the treatment or disposal of military munitions.

“(2) The term ‘discarded military munitions’ means military munitions that have been abandoned without proper disposal or removed from storage in a military magazine or other storage area for the purpose of disposal. The term does not include unexploded ordnance, military munitions that are being held for future use or planned disposal, or military munitions that have been properly disposed of, consistent with applicable environmental laws and regulations.

“(3)(A) The term ‘military munitions’ means all ammunition products and components produced for or used by the armed forces for national defense and security, including ammunition products or components under the control of the Department of Defense, the Coast Guard, the Department of Energy, and the National Guard. The term includes confined gaseous, liquid, and solid propellants, explosives, pyrotechnics, chemical and riot control agents, smokes, and incendiaries, including bulk explosives and chemical warfare agents, chemical munitions, rockets, guided and ballistic missiles, bombs, warheads, mortar rounds, artillery ammunition, small arms ammunition, grenades, mines, torpedoes, depth charges, cluster munitions and dispensers, demolition charges, and devices and components thereof.

“(B) The term does not include wholly inert items, improvised explosive devices, and nuclear weapons, nuclear devices, and nuclear components, except that the term does include nonnuclear components of nuclear devices that are managed under the nuclear weapons program of the Department of Energy after all required sanitization operations under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) have been completed.

PUBLIC LAW 107-107—DEC. 28, 2001

“(4) The term ‘munitions constituents’ means any materials originating from unexploded ordnance, discarded military munitions, or other military munitions, including explosive and non-explosive materials, and emission, degradation, or breakdown elements of such ordnance or munitions.

“(5) The term ‘operational range’ means a military range that is used for range activities, or a military range that is not currently being used, but that is still considered by the Secretary to be a range area, is under the jurisdiction, custody, or control of the Department of Defense, and has not been put to a new use that is incompatible with range activities.

“(6) The term ‘possessions’ includes Johnston Atoll, Kingman Reef, Midway Island, Nassau Island, Palmyra Island, and Wake Island.

“(7) The term ‘Secretary’ means the Secretary of Defense.

“(8) The term ‘State’ means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions.

“(9) The term ‘unexploded ordnance’ means military munitions that—

“(A) have been primed, fused, armed, or otherwise prepared for action;

“(B) have been fired, dropped, launched, projected, or placed in such a manner as to constitute a hazard to operations, installations, personnel, or material; and

“(C) remain unexploded either by malfunction, design, or any other cause.

“(10) The term ‘United States’, in a geographic sense, means the States, territories, and possessions and associated navigable waters, contiguous zones, and ocean waters of which the natural resources are under the exclusive management authority of the United States.”.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“2710. Inventory of unexploded ordnance, discarded military munitions, and munitions constituents at defense sites (other than operational ranges).”.

(b) INITIAL INVENTORY.—The requirements of section 2710 of title 10, United States Code, as added by subsection (a), shall be implemented as follows:

(1) The initial inventory required by subsection (a) of such section shall be completed not later than May 31, 2003.

(2) The proposed prioritization protocol required by subsection (b) of such section shall be available for public comment not later than November 30, 2002.

SEC. 312. ESTABLISHMENT OF NEW PROGRAM ELEMENT FOR REMEDIATION OF UNEXPLODED ORDNANCE, DISCARDED MILITARY MUNITIONS, AND MUNITIONS CONSTITUENTS.

Section 2703 of title 10, United States Code, is amended—

(1) by redesignating subsections (b) through (f) as subsections (c) through (g), respectively; and

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

“(b) PROGRAM ELEMENTS FOR ORDNANCE REMEDIATION.—The Secretary of Defense shall establish a program element for remediation of unexploded ordnance, discarded military munitions, and munitions constituents within each environmental restoration account established under subsection (a). The terms ‘unexploded ordnance’, ‘discarded military munitions’, and ‘munitions constituents’ have the meanings given such terms in section 2710 of this title.”.

Deadlines.
10 USC 2710
note.

PUBLIC LAW 107-107—DEC. 28, 2001

10 USC 2706
note.

SEC. 313. ASSESSMENT OF ENVIRONMENTAL REMEDIATION OF UNEXPLODED ORDNANCE, DISCARDED MILITARY MUNITIONS, AND MUNITIONS CONSTITUENTS.

(a) **INCLUSION IN 2003 REPORT ON ENVIRONMENTAL RESTORATION ACTIVITIES.**—The Secretary of Defense shall include in the report submitted to Congress under section 2706(a) of title 10, United States Code, in 2003 a comprehensive assessment of unexploded ordnance, discarded military munitions, and munitions constituents located at current and former facilities of the Department of Defense. The assessment shall include, at a minimum, the following:

(1) Separate estimates of the aggregate projected costs of the remediation of unexploded ordnance, discarded military munitions, and munitions constituents at—

- (A) all operational ranges; and
- (B) all other defense sites.

(2) A comprehensive plan for addressing the remediation of unexploded ordnance, discarded military munitions, and munitions constituents at defense sites, including an assessment of the funding required and the period of time over which such funding will be required.

(3) An assessment of the technology currently available for the remediation of unexploded ordnance, discarded military munitions, and munitions constituents.

(4) An assessment of the impact of improved technology on the cost of such remediation and a plan for the development and use of such improved technology.

(b) **REQUIREMENTS FOR COST ESTIMATES.**—(1) The estimates of aggregate projected costs required by subsection (a)(1) shall—

(A) be stated as a range of aggregate projected costs, including a low estimate and a high estimate;

(B) set forth the differing assumptions underlying each such low estimate and high estimate, including—

(i) any public uses for the operational ranges and other defense sites concerned that will be available after the remediation is completed;

(ii) the extent of the remediation required to make the operational ranges and other defense sites concerned available for such uses; and

(iii) the technologies to be applied to achieve such level of remediation; and

(C) include, and identify separately, an estimate of the aggregate projected costs of the remediation of any ground water contamination that may be caused by unexploded ordnance, discarded military munitions, or munitions constituents at the operational ranges and other defense sites concerned.

(2) The high estimate of the aggregate projected costs shall be based on the assumption that all unexploded ordnance, discarded military munitions, and munitions constituents at each operational range and other defense site will be addressed, regardless of whether there are any current plans to close the range or site or discontinue training at the range or site.

(3) The estimate of the aggregate projected costs of remediation of ground water contamination under paragraph (1)(C) shall be based on a comprehensive assessment of the risk of such contamination and of the actions required to protect the ground water supplies concerned.

(4) The standards for the report of liabilities of the Department of Defense shall not apply to the cost estimates required by subsection (a)(1).

(c) **INTERIM ASSESSMENT.**—The report submitted to Congress under section 2706(a) of title 10, United States Code, in 2002 shall include the assessment required by subsection (a) to the extent that the information required to be provided as part of the assessment is available. The Secretary shall include an expla-

PUBLIC LAW 107-107—DEC. 28, 2001

nation of any limitations on the information available or qualifications on the information provided.

(d) DEFINITIONS.—In this section, the terms “unexploded ordnance”, “discarded military munitions”, “munitions constituents”, “operational range”, and “defense site” have the meanings given such terms in section 2710 of title 10, United States Code, as added by section 311.

SEC. 314. CONFORMITY OF SURETY AUTHORITY UNDER ENVIRONMENTAL RESTORATION PROGRAM WITH SURETY AUTHORITY UNDER CERCLA.

Section 2701(j)(1) of title 10, United States Code, is amended by striking “, or after December 31, 1999”.

SEC. 315. ELIMINATION OF ANNUAL REPORT ON CONTRACTOR REIMBURSEMENT FOR COSTS OF ENVIRONMENTAL RESPONSE ACTIONS.

(a) REPORT ELIMINATION.—Section 2706 of title 10, United States Code, is amended—

(1) by striking subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(b) CONFORMING AMENDMENTS.—Subsection (d) of such section, as redesignated by subsection (a) of this section, is amended—

(1) by striking paragraphs (1) and (3); and

(2) by redesignating paragraphs (2), (4), and (5) as paragraphs (1), (2), and (3), respectively.

SEC. 316. PILOT PROGRAM FOR SALE OF AIR POLLUTION EMISSION REDUCTION INCENTIVES.

(a) EXTENSION.—Section 351(a)(2) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 10 U.S.C. 2701 note) is amended by striking “September 30, 2001” and inserting “September 30, 2003”.

(b) REPORT REQUIRED.—(1) The Secretary of Defense shall prepare a report concerning the operation of the pilot program for the sale of economic incentives for the reduction of emission of air pollutants attributable to military facilities, as authorized by section 351 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 10 U.S.C. 2701 note). The report shall—

10 USC 2701
note.

(A) detail all transactions that have been completed under the pilot program, the dollar amount of each transaction, and the number and type of air pollutants involved in each transaction;

(B) evaluate the extent to which retention of the proceeds of sales under the pilot program, as required by subsection (c) of such section, has provided incentives for such sales;

(C) evaluate the extent of any loss to the United States Treasury associated with the pilot program; and

(D) evaluate the environmental impact of the pilot program.

(2) Not later than March 1, 2003, the Secretary shall submit the report required by paragraph (1) to the Committee on Energy and Commerce and the Committee on Armed Services of the House of Representatives and the Committee on Environment and Public Works and the Committee on Armed Services of the Senate.

Deadline.

SEC. 317. DEPARTMENT OF DEFENSE ENERGY EFFICIENCY PROGRAM.

10 USC 2865
note.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should work to implement fuel efficiency reforms that allow for investment decisions based on the true cost of delivered fuel, strengthen the linkage between warfighting capability and fuel logistics requirements, provide high-level leadership encouraging fuel efficiency, target fuel efficiency improvements through science and technology investment, and include fuel efficiency in requirements and acquisition processes.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) **ENERGY EFFICIENCY PROGRAM.**—The Secretary shall carry out a program to significantly improve the energy efficiency of facilities of the Department of Defense through 2010. The Secretary shall designate a senior official of the Department of Defense to be responsible for managing the program for the Department and a senior official of each military department to be responsible for managing the program for such department.

(c) **ENERGY EFFICIENCY GOALS.**—The goal of the energy efficiency program shall be to achieve reductions in energy consumption by facilities of the Department of Defense as follows:

(1) In the case of industrial and laboratory facilities, reductions in the average energy consumption per square foot of such facilities, per unit of production or other applicable unit, relative to energy consumption in 1990—

(A) by 20 percent by 2005; and

(B) by 25 percent by 2010.

(2) In the case of other facilities, reductions in average energy consumption per gross square foot of such facilities, relative to energy consumption per gross square foot in 1985—

(A) by 30 percent by 2005; and

(B) by 35 percent by 2010.

(d) **STRATEGIES FOR IMPROVING ENERGY EFFICIENCY.**—In order to achieve the goals set forth in subsection (c), the Secretary shall, to the maximum extent practicable—

(1) purchase energy-efficient products, as so designated by the Environmental Protection Agency and the Department of Energy, and other products that are energy-efficient;

(2) utilize energy savings performance contracts, utility energy-efficiency service contracts, and other contracts designed to achieve energy conservation;

(3) use life-cycle cost analysis, including assessment of life-cycle energy costs, in making decisions about investments in products, services, construction, and other projects;

(4) conduct energy efficiency audits for approximately 10 percent of all Department of Defense facilities each year;

(5) explore opportunities for energy efficiency in industrial facilities for steam systems, boiler operation, air compressor systems, industrial processes, and fuel switching; and

(6) retire inefficient equipment on an accelerated basis where replacement results in lower life-cycle costs.

Deadlines.

(e) **REPORTING REQUIREMENTS.**—Not later than January 1, 2002, and each January 1 thereafter through 2010, the Secretary shall submit to the congressional defense committees the report required to be prepared by the Secretary pursuant to section 303 of Executive Order 13123 (64 Fed. Reg. 30851; 42 U.S.C. 8251 note) regarding the progress made toward achieving the energy efficiency goals of the Department of Defense.

10 USC 2302
note.

SEC. 318. PROCUREMENT OF ALTERNATIVE FUELED AND HYBRID LIGHT DUTY TRUCKS.

(a) **DEFENSE FLEETS NOT COVERED BY REQUIREMENT IN ENERGY POLICY ACT OF 1992.**—(1) The Secretary of Defense shall coordinate with the Administrator of General Services to ensure that only hybrid vehicles are procured by the Administrator for the Department of Defense fleet of light duty trucks that is not in a fleet of vehicles to which section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) applies.

(2) The Secretary, in consultation with the Administrator, may waive the policy regarding the procurement of hybrid vehicles in paragraph (1) to the extent that the Secretary determines necessary—

(A) in the case of trucks that are exempt from the requirements of section 303 of the Energy Policy Act of 1992 for national security reasons under subsection (b)(3)(E) of such

PUBLIC LAW 107-107—DEC. 28, 2001

section, to meet specific requirements of the Department of Defense for capabilities of light duty trucks;

(B) to procure vehicles consistent with the standards applicable to the procurement of fleet vehicles for the Federal Government; or

(C) to adjust to limitations on the commercial availability of light duty trucks that are hybrid vehicles.

(3) This subsection applies with respect to procurements of light duty trucks in fiscal year 2005 and subsequent fiscal years. Applicability.

(b) **REQUIREMENT TO EXCEED REQUIREMENT IN ENERGY POLICY ACT OF 1992.**—(1) The Secretary of Defense shall coordinate with the Administrator of General Services to ensure that, of the light duty trucks procured in fiscal years after fiscal year 2004 for the fleets of light duty vehicles of the Department of Defense to which section 303 of the Energy Policy Act of 1992 applies—

(A) five percent of the total number of such trucks that are procured in each of fiscal years 2005 and 2006 are alternative fueled vehicles or hybrid vehicles; and

(B) ten percent of the total number of such trucks that are procured in each fiscal year after fiscal year 2006 are alternative fueled vehicles or hybrid vehicles.

(2) Light duty trucks acquired for the Department of Defense that are counted to comply with section 303 of the Energy Policy Act of 1992 for a fiscal year shall be counted to determine the total number of light duty trucks procured for the Department of Defense for that fiscal year for the purposes of paragraph (1), but shall not be counted to satisfy the requirement in that paragraph.

(c) **REPORT ON PLANS FOR IMPLEMENTATION.**—At the same time that the President submits the budget for fiscal year 2003 to Congress under section 1105(a) of title 31, United States Code, the Secretary shall submit to Congress a report summarizing the plans for carrying out subsections (a) and (b).

(d) **DEFINITIONS.**—In this section:

(1) The term “hybrid vehicle” means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are both—

(A) an internal combustion or heat engine using combustible fuel; and

(B) a rechargeable energy storage system.

(2) The term “alternative fueled vehicle” has the meaning given that term in section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211).

SEC. 319. REIMBURSEMENT OF ENVIRONMENTAL PROTECTION AGENCY FOR CERTAIN RESPONSE COSTS IN CONNECTION WITH HOOPER SANDS SITE, SOUTH BERWICK, MAINE.

(a) **AUTHORITY TO REIMBURSE.**—Using amounts specified in subsection (c), the Secretary of the Navy may pay \$1,005,478 to the Hooper Sands Special Account within the Hazardous Substance Superfund established by section 9507 of the Internal Revenue Code of 1986 to reimburse the Environmental Protection Agency for the response costs incurred by the Environmental Protection Agency for actions taken between May 12, 1992, and July 31, 2000, pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) at the Hooper Sands site in South Berwick, Maine, in accordance with the interagency agreement entered into by the Department of the Navy and the Environmental Protection Agency in January 2001.

(b) **TREATMENT OF REIMBURSEMENT.**—Payment of the amount authorized by subsection (a) shall be in full satisfaction of amounts due from the Department of the Navy to the Environmental Protection Agency for the response costs described in that subsection.

PUBLIC LAW 107-107—DEC. 28, 2001

(c) SOURCE OF FUNDS.—Payment under subsection (a) shall be made using amounts authorized to be appropriated by section 301(a)(15) to the Environmental Restoration Account, Navy, established by section 2703(a)(3) of title 10, United States Code.

SEC. 320. RIVER MITIGATION STUDIES.

(a) PORT OF ORANGE, SABINE RIVER.—The Secretary of Defense may conduct a study regarding protruding structures and submerged objects remaining from the World War II Navy ship building industry located at the former Navy installation in Orange, Texas, which create navigational hazards along the Sabine River and surrounding the Port of Orange.

(b) PHILADELPHIA NAVAL SHIPYARD, DELAWARE RIVER.—The Secretary of Defense may conduct a study regarding floating and partially submerged debris possibly relating to the Philadelphia Naval Shipyard in that portion of the Delaware River from Philadelphia, Pennsylvania, to the mouth of the river which create navigational hazards along the river.

(c) USE OF EXISTING INFORMATION.—In conducting a study authorized by this section, the Secretary of Defense shall take into account any information available from other studies conducted in connection with the same navigation channels.

(d) CONSULTATION.—The Secretary of Defense shall conduct the studies authorized by this section in consultation with appropriate State and local government entities and Federal agencies.

(e) REPORT ON STUDY RESULTS.—Not later than April 30, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a report that—

(1) summarizes the results of each study conducted under this section; and

(2) contains an evaluation by the Secretary of the extent to which the navigational hazards identified in each study are the result of Department of Defense activities.

(f) COST SHARING.—Nothing in this section is intended to require non-Federal cost sharing of the costs incurred by the Secretary of Defense to conduct a study authorized by this section.

(g) RELATION TO OTHER LAWS AND AGREEMENTS.—This section is not intended to modify any authorities provided to the Secretary of the Army by the Water Resources Development Act of 1986 (33 U.S.C. 2201 et seq.), nor is it intended to modify any non-Federal cost-sharing responsibilities outlined in any local cooperation agreements.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 331. COMMISSARY BENEFITS FOR NEW MEMBERS OF THE READY RESERVE.

(a) ELIGIBILITY.—Section 1063 of title 10, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

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

“(b) ELIGIBILITY OF NEW MEMBERS.—(1) The Secretary concerned shall authorize a new member of the Ready Reserve to use commissary stores of the Department of Defense for a number of days accruing at the rate of two days for each month in which the member participates satisfactorily in training required under section 10147(a)(1) of this title or section 502(a) of title 32, as the case may be.

“(2) For the purposes of paragraph (1), a person shall be considered a new member of the Ready Reserve upon becoming a member

Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

and continuing without a break in the membership until the earlier of—

“(A) the date on which the member becomes eligible to use commissary stores under subsection (a); or

“(B) December 31 of the first calendar year in which the membership has been continuous for the entire year.

“(3) A new member may not be authorized under this subsection to use commissary stores for more than 24 days for any calendar year.”.

(b) REQUIRED DOCUMENTATION.—Subsection (d) of such section, as redesignated by subsection (a)(1), is amended by adding at the end the following new sentence: “The regulations shall specify the required documentation of satisfactory participation in training for the purposes of subsection (b).”.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section, as redesignated by subsection (a)(1), is amended by striking “Subsection (a)” and inserting “Subsections (a) and (b)”.

(d) CLERICAL AMENDMENTS.—(1) The heading for such section is amended to read as follows:

“§ 1063. Use of commissary stores: members of Ready Reserve”.

(2) Subsection (a) of such section is amended by striking “OF READY RESERVE” and inserting “WITH 50 OR MORE CREDITABLE POINTS”.

(3) The item relating to such section in the table of sections at the beginning of chapter 54 of title 10, United States Code, is amended to read as follows:

“1063. Use of commissary stores: members of Ready Reserve.”.

SEC. 332. REIMBURSEMENT FOR USE OF COMMISSARY FACILITIES BY MILITARY DEPARTMENTS FOR PURPOSES OTHER THAN COMMISSARY SALES.

(a) REQUIREMENT.—Chapter 147 of title 10, United States Code, is amended by inserting after section 2482a the following new section:

“§ 2483. Commissary stores: reimbursement for use of commissary facilities by military departments

“(a) PAYMENT REQUIRED.—The Secretary of a military department shall pay the Defense Commissary Agency the amount determined under subsection (b) for any use of a commissary facility by the military department for a purpose other than commissary sales or operations in support of commissary sales.

“(b) AMOUNT.—The amount payable under subsection (a) for use of a commissary facility by a military department shall be equal to the share of depreciation of the facility that is attributable to that use, as determined under regulations prescribed by the Secretary of Defense.

“(c) COVERED FACILITIES.—This section applies with respect to a commissary facility that is acquired, constructed, converted, expanded, installed, or otherwise improved (in whole or in part) with the proceeds of an adjustment or surcharge applied under section 2486(c) of this title.

“(d) CREDITING OF PAYMENTS.—The Director of the Defense Commissary Agency shall credit amounts paid under this section for use of a facility to an appropriate account to which proceeds of an adjustment or surcharge referred to in subsection (c) are credited.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2482a the following new item:

“2483. Commissary stores: reimbursement for use of commissary facilities by military departments.”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 333. PUBLIC RELEASES OF COMMERCIALY VALUABLE INFORMATION OF COMMISSARY STORES.

(a) LIMITATIONS AND AUTHORITY.—Section 2487 of title 10, United States Code, is amended to read as follows:

“§ 2487. Commissary stores: release of certain commercially valuable information to the public

“(a) AUTHORITY TO LIMIT RELEASE.—(1) The Secretary of Defense may limit the release to the public of any information described in paragraph (2) if the Secretary determines that it is in the best interest of the Department of Defense to limit the release of such information. If the Secretary determines to limit the release of any such information, the Secretary may provide for limited release of such information in accordance with subsection (b).

“(2) Paragraph (1) applies to the following:

“(A) Information contained in the computerized business systems of commissary stores or the Defense Commissary Agency that is collected through or in connection with the use of electronic scanners in commissary stores, including the following information:

“(i) Data relating to sales of goods or services.

“(ii) Demographic information on customers.

“(iii) Any other information pertaining to commissary transactions and operations.

“(B) Business programs, systems, and applications (including software) relating to commissary operations that were developed with funding derived from commissary surcharges.

“(b) RELEASE AUTHORITY.—(1) The Secretary of Defense may, using competitive procedures, enter into a contract to sell information described in subsection (a)(2).

“(2) The Secretary of Defense may release, without charge, information on an item sold in commissary stores to the manufacturer or producer of that item or an agent of the manufacturer or producer.

“(3) The Secretary of Defense may, by contract entered into with a business, grant to the business a license to use business programs referred to in subsection (a)(2)(B), including software used in or comprising any such program. The fee charged for the license shall be based on the costs of similar programs developed and marketed by businesses in the private sector, determined by means of surveys.

“(4) Each contract entered into under this subsection shall specify the amount to be paid for information released or a license granted under the contract, as the case may be.

“(c) FORM OF RELEASE.—Information described in subsection (a)(2) may not be released, under subsection (b) or otherwise, in a form that identifies any customer or that provides information making it possible to identify any customer.

“(d) RECEIPTS.—Amounts received by the Secretary under this section shall be credited to funds derived from commissary surcharges, shall be merged with those funds, and shall be available for the same purposes as the funds with which merged.

“(e) DEFINITION.—In this section, the term ‘commissary surcharge’ means any adjustment or surcharge applied under section 2486(c) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 147 of title 10, United States Code, is amended by striking the item relating to section 2487 and inserting the following new item:

“2487. Commissary stores: release of certain commercially valuable information to the public.”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 334. REBATE AGREEMENTS WITH PRODUCERS OF FOODS PROVIDED UNDER SPECIAL SUPPLEMENTAL FOOD PROGRAM.

Section 1060a of title 10, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following new subsection:

“(e) REBATE AGREEMENTS WITH FOOD PRODUCERS.—(1) In the administration of the program under this section, the Secretary of Defense may enter into a contract with a producer of a particular brand of food that provides for—

“(A) the Secretary of Defense to procure that particular brand of food, exclusive of other brands of the same or similar food, for the purpose of providing the food in commissary stores of the Department of Defense as a supplemental food under the program; and

“(B) the producer to rebate to the Secretary amounts equal to agreed portions of the amounts paid by the Secretary for the procurement of that particular brand of food for the program.

“(2) The Secretary of Defense shall use competitive procedures under chapter 137 of this title to enter into contracts under this subsection.

“(3) The period covered by a contract entered into under this subsection may not exceed one year. No such contract may be extended by a modification of the contract, by exercise of an option, or by any other means. Nothing in this paragraph prohibits a contractor under a contract entered into under this subsection for any year from submitting an offer for, and being awarded, a contract that is to be entered into under this subsection for a successive year.

“(4) Amounts rebated under a contract entered into under paragraph (1) shall be credited to the appropriation available for carrying out the program under this section in the fiscal year in which rebated, shall be merged with the other sums in that appropriation, and shall be available for the program for the same period as the other sums in the appropriation.”.

SEC. 335. CIVIL RECOVERY FOR NONAPPROPRIATED FUND INSTRUMENTALITY COSTS RELATED TO SHOPLIFTING.

Section 3701(b)(1)(B) of title 31, United States Code, is amended by inserting before the comma at the end the following: “, including actual and administrative costs related to shoplifting, theft detection, and theft prevention”.

Subtitle D—Workforce and Depot Issues**SEC. 341. REVISION OF AUTHORITY TO WAIVE LIMITATION ON PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.**

Section 2466 of title 10, United States Code, is amended—

(1) by striking subsection (c); and

(2) by inserting after subsection (a) the following new subsections:

“(b) WAIVER OF LIMITATION.—The Secretary of Defense may waive the limitation in subsection (a) for a fiscal year if—

“(1) the Secretary determines that the waiver is necessary for reasons of national security; and

“(2) the Secretary submits to Congress a notification of the waiver together with the reasons for the waiver.

“(c) PROHIBITION ON DELEGATION OF WAIVER AUTHORITY.—The authority to grant a waiver under subsection (b) may not be delegated.”.

Notification.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 342. EXCLUSION OF CERTAIN EXPENDITURES FROM LIMITATION ON PRIVATE SECTOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

Section 2474 of title 10, United States Code, is amended—

- (1) by redesignating subsection (f) as subsection (g); and
- (2) by inserting after subsection (e) the following new subsection (f):

“(f) EXCLUSION OF CERTAIN EXPENDITURES FROM PERCENTAGE LIMITATION.—(1) Amounts expended out of funds described in paragraph (2) for the performance of a depot-level maintenance and repair workload by non-Federal Government personnel at a Center of Industrial and Technical Excellence shall not be counted for purposes of applying the percentage limitation in section 2466(a) of this title if the personnel are provided by private industry or other entities outside the Department of Defense pursuant to a public-private partnership.

“(2) The funds referred to in paragraph (1) are funds available to the military departments and Defense Agencies for depot-level maintenance and repair workloads for fiscal years 2002 through 2005.

“(3) All funds covered by paragraph (1) shall be included as a separate item in the reports required under paragraphs (1), (2), and (3) of section 2466(e) of this title.”.

SEC. 343. PROTECTIONS FOR PURCHASERS OF ARTICLES AND SERVICES MANUFACTURED OR PERFORMED BY WORKING-CAPITAL FUNDED INDUSTRIAL FACILITIES OF THE DEPARTMENT OF DEFENSE.

(a) GENERAL RULE.—Section 2563(c) of title 10, United States Code, is amended—

- (1) in paragraph (1)(B), by striking “in any case of willful misconduct or gross negligence” and inserting “as provided in paragraph (3)”; and

- (2) by adding at the end the following new paragraph:

“(3) Paragraph (1)(B) does not apply in any case of willful misconduct or gross negligence or in the case of a claim by a purchaser of articles or services under this section that damages or injury arose from the failure of the Government to comply with quality, schedule, or cost performance requirements in the contract to provide the articles or services.”.

(b) CONFORMING AMENDMENT.—Section 2474(e)(2)(B)(i) of such title is amended by striking “in a case of willful conduct or gross negligence” and inserting “under the circumstances described in section 2563(c)(3) of this title”.

SEC. 344. REVISION OF DEADLINE FOR ANNUAL REPORT ON COMMERCIAL AND INDUSTRIAL ACTIVITIES.

Section 2461(g) of title 10, United States Code, is amended by striking “February 1” and inserting “June 30”.

SEC. 345. PILOT MANPOWER REPORTING SYSTEM IN DEPARTMENT OF THE ARMY.

(a) ANNUAL REPORTING REQUIREMENT.—Not later than March 1 of each of the fiscal years 2002 through 2004, the Secretary of the Army shall submit to Congress a report describing the use during the previous fiscal year of non-Federal entities to provide services to the Department of the Army.

(b) CONTENT OF REPORT.—Using information available from existing data collection and reporting systems available to the Department of the Army and the non-Federal entities referred to in subsection (a), the report shall—

- (1) specify the number of work year equivalents performed by individuals employed by non-Federal entities in providing services to the Department;

10 USC 2461
note.

Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) categorize the information by Federal supply class or service code; and

(3) indicate the appropriation from which the services were funded and the major organizational element of the Department procuring the services.

(c) **LIMITATION ON REQUIREMENT FOR NON-FEDERAL ENTITIES TO PROVIDE INFORMATION.**—For the purposes of meeting the requirements set forth in subsection (b), the Secretary of the Army may not require the provision of information beyond the information that is currently provided to the Department of the Army by the non-Federal entities referred to in subsection (a), except for the number of work year equivalents associated with Department of the Army contracts, identified by contract number, to the extent this information is available to the contractor from existing data collection systems.

(d) **REPEAL OF OBSOLETE REPORTING REQUIREMENT.**—Section 343 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 569) is repealed.

SEC. 346. DEVELOPMENT OF ARMY WORKLOAD AND PERFORMANCE SYSTEM AND WHOLESALE LOGISTICS MODERNIZATION PROGRAM.

(a) **RELATIONSHIP BETWEEN SYSTEMS.**—(1) The Army Workload and Performance System, including all applications in the master plan submitted to Congress on June 8, 2001, and any revisions to the master plan, shall be developed in such a manner that its functionality and identity are in compliance with all statutory requirements. The Army Workload and Performance System shall continue as a standard Army-wide manpower system under the supervision and management of the Secretary of the Army.

(2) The requirement in paragraph (1) is intended to encourage the sharing of data between the Army Workload and Performance System and the Wholesale Logistics Modernization Program and the development of the processes necessary to permit or enhance such data sharing.

(b) **ANNUAL PROGRESS REPORTS.**—(1) Not later than February 1 of each year, the Secretary of the Army shall submit to Congress a progress report on the implementation of the master plan for the Army Workload and Performance System during the preceding year. The report shall specifically address any changes made to the master plan since the previous report.

Deadline.

(2) The reporting requirement shall terminate when the Secretary certifies to Congress that the Army Workload and Performance System is fully implemented.

Termination date.
Certification.

(c) **GAO EVALUATION.**—Not later than 60 days after the Secretary of the Army submits to Congress a progress report under subsection (b), the Comptroller General shall submit to Congress an evaluation of the report.

Deadline.

(d) **ARMY WORKLOAD AND PERFORMANCE SYSTEM DEFINED.**—The term “Army Workload and Performance System” includes all applications in the master plan for the System submitted to Congress on June 8, 2001, and any revision of such master plan.

Subtitle E—Defense Dependents Education

SEC. 351. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) **CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 2002.**—Of the amount authorized to be appropriated pursuant to section 301(a)(5) for operation and maintenance for Defense-wide activities—

PUBLIC LAW 107-107—DEC. 28, 2001

(1) \$30,000,000 shall be available only for the purpose of providing educational agencies assistance to local educational agencies; and

(2) \$1,000,000 shall be available only for the purpose of making payments to local educational agencies to assist such agencies in adjusting to reductions in the number of military dependent students as a result of the closure or realignment of military installations, as provided in section 386(d) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 20 U.S.C. 7703 note).

Deadline.

(b) NOTIFICATION.—Not later than June 30, 2002, the Secretary of Defense shall notify each local educational agency that is eligible for assistance or a payment under subsection (a) for fiscal year 2002 of—

(1) that agency's eligibility for the assistance or payment; and

(2) the amount of the assistance or payment for which that agency is eligible.

(c) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse funds made available under subsection (a) not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to subsection (b).

(d) DEFINITIONS.—In this section:

(1) The term “educational agencies assistance” means assistance authorized under section 386(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 20 U.S.C. 7703 note).

(2) The term “local educational agency” has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

SEC. 352. IMPACT AID FOR CHILDREN WITH SEVERE DISABILITIES.

Of the amount authorized to be appropriated pursuant to section 301(a)(5) for operation and maintenance for Defense-wide activities, \$5,000,000 shall be available for payments under section 363 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-77; 20 U.S.C. 7703a).

SEC. 353. AVAILABILITY OF AUXILIARY SERVICES OF DEFENSE DEPENDENTS' EDUCATION SYSTEM FOR DEPENDENTS WHO ARE HOME SCHOOL STUDENTS.

Section 1407 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926) is amended—

37 USC 429.

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

“(d) AUXILIARY SERVICES AVAILABLE TO HOME SCHOOL STUDENTS.—(1) A dependent who is educated in a home school setting, but who is eligible to enroll in a school of the defense dependents' education system, shall be permitted to use or receive auxiliary services of that school without being required to either enroll in that school or register for a minimum number of courses offered by that school. The dependent may be required to satisfy other eligibility requirements and comply with standards of conduct applicable to students actually enrolled in that school who use or receive the same auxiliary services.

“(2) For purposes of paragraph (1), the term ‘auxiliary services’ includes use of academic resources, access to the library of the school, after hours use of school facilities, and participation in music, sports, and other extracurricular and interscholastic activities.”

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 354. COMPTROLLER GENERAL STUDY OF ADEQUACY OF COMPENSATION PROVIDED FOR TEACHERS IN THE DEPARTMENT OF DEFENSE OVERSEAS DEPENDENTS' SCHOOLS.

(a) GAO STUDY REQUIRED.—The Comptroller General shall carry out a study of the adequacy of the pay and other elements of the compensation provided for teachers in the defense dependents' education system established under the Defense Dependents' Education Act of 1978 (20 U.S.C. 921 et seq.).

(b) SPECIFIC CONSIDERATIONS.—In carrying out the study, the Comptroller General shall consider the following issues:

(1) Whether the compensation is adequate for recruiting and retaining high quality teachers.

(2) Whether any revision of the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 901 et seq.) or the regulations under that Act is advisable to address any problems identified with respect to the recruitment and retention of high quality teachers or for other purposes.

(c) REPORT.—Not later than May 1, 2002, the Comptroller General shall submit to Congress a report containing the results of the study, including—

(1) the Comptroller General's conclusions on the issues considered; and

(2) any recommendations for actions that the Comptroller General considers appropriate.

Deadline.

Subtitle F—Other Matters**SEC. 361. AVAILABILITY OF EXCESS DEFENSE PERSONAL PROPERTY TO SUPPORT DEPARTMENT OF VETERANS AFFAIRS INITIATIVE TO ASSIST HOMELESS VETERANS.**

(a) TRANSFER AUTHORITY.—Subsection (a) of section 2557 of title 10, United States Code, is amended—

(1) by striking “The Secretary” and inserting “(1) The Secretary”; and

(2) by adding at the end the following new paragraph:
“(2) The Secretary of Defense may make excess clothing, shoes, sleeping bags, and related nonlethal excess supplies available to the Secretary of Veterans Affairs for distribution to homeless veterans and programs assisting homeless veterans. The transfer of nonlethal excess supplies to the Secretary of Veterans Affairs under this paragraph shall be without reimbursement.”

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

“§ 2557. Excess nonlethal supplies: availability for homeless veteran initiatives and humanitarian relief”.

(2) The table of sections at the beginning of chapter 152 of such title is amended by striking the item relating to section 2557 and inserting the following new item:

“2557. Excess nonlethal supplies: availability for homeless veteran initiatives and humanitarian relief.”

SEC. 362. INCREMENTAL IMPLEMENTATION OF NAVY-MARINE CORPS INTRANET CONTRACT.

(a) ADDITIONAL PHASE-IN AUTHORITY.—Section 814 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-215) is amended—

(1) by redesignating subsections (c), (d), (e), and (f) as subsections (f), (g), (h), and (i), respectively; and

(2) by inserting after subsection (b) the following new subsections:

“(c) ADDITIONAL PHASE-IN AUTHORITY PENDING SECOND JOINT CERTIFICATION.—(1)(A) Notwithstanding subsection (b)(3), the Sec-

PUBLIC LAW 107-107—DEC. 28, 2001

retary of the Navy may order additional work stations under the Navy-Marine Corps Intranet contract in excess of the number provided in the first increment of the contract under subsection (b)(2), but not to exceed an additional 100,000 work stations. The authority of the Secretary of the Navy to order additional work stations under this paragraph is subject to approval by both the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Chief Information Officer of the Department of Defense.

“(B) The Under Secretary of Defense for Acquisition, Technology, and Logistics and the Chief Information Officer of the Department of Defense may not grant approval to the Secretary of the Navy to order additional work stations under subparagraph (A) until a three-phase customer test and evaluation, observed by the Department of Defense, is completed for a statistically significant representative sample of the work stations operating on the Navy-Marine Corps Intranet. The test and evaluation shall include end user testing of day-to-day operations (including e-mail capability and performance), scenario-driven events, and scenario-based interoperability testing.

“(2)(A) Notwithstanding subsection (b)(3), the Secretary of the Navy may order additional work stations under the Navy-Marine Corps Intranet contract in excess of the number provided in the first increment of the contract under subsection (b)(2) and the number ordered under the authority of paragraph (1), but not to exceed an additional 150,000 work stations. The authority of the Secretary of the Navy to order additional work stations under this paragraph is also subject to approval by both the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Chief Information Officer of the Department of Defense.

“(B) The Under Secretary of Defense for Acquisition, Technology, and Logistics and the Chief Information Officer of the Department of Defense may not grant approval to the Secretary of the Navy to order additional work stations under subparagraph (A) until each of the following occurs:

“(i) There has been a full transition of not less than 20,000 work stations to the Navy-Marine Corps Intranet.

“(ii) The work stations referred to in clause (i) have met applicable service-level agreements specified in the Navy-Marine Corps Intranet contract, as determined by contractor performance measurement under oversight by the Department of the Navy.

“(iii) The Chief Information Officer of the Navy certifies to the Secretary of the Navy and the Chief Information Officer of the Department of Defense that the results of the performance evaluation referred to in clause (ii) are acceptable.

“(3) Of the work stations ordered under the authority provided by paragraph (2), not more than 50 percent may reach the major milestone known as ‘assumption of responsibility’ until each of the following occurs:

“(A) All work stations for the headquarters of the Naval Air Systems Command have met applicable service-level agreements specified in the Navy-Marine Corps Intranet contract, as determined by contractor performance measurement under oversight by the Department of the Navy.

“(B) The Chief Information Officer of the Navy certifies to the Secretary of the Navy and the Chief Information Officer of the Department of Defense that the results of the performance evaluation referred to in subparagraph (B) are acceptable.

“(4) For the purposes of this section, when the information infrastructure and systems of a user of a work station are transferred into Navy-Marine Corps Intranet infrastructure and systems under the Navy-Marine Corps Intranet contract consistent with the applicable service-level agreements specified in the Navy-Marine Corps Intranet contract, the work station shall be considered as having been provided for the Navy-Marine Corps Intranet.

PUBLIC LAW 107-107—DEC. 28, 2001

“(d) REPORTING AND REVIEW REQUIREMENTS.—(1) If work stations are ordered using the authority provided by paragraph (1) or (2) of subsection (c), the Secretary of the Navy shall submit to Congress a report, current as of the date the determination is made to order the work stations, on the following:

“(A) The number of work stations operating on the Navy-Marine Corps Intranet, including the number of work stations regarding which assumption of responsibility has occurred.

“(B) The status of testing and implementation of the Navy-Marine Corps Intranet program.

“(C) The number of work stations to be ordered under paragraph (1) or (2) of subsection (c), whichever applies.

“(2) A report containing the information required by paragraph (1) shall also be submitted to Congress when the requirements of paragraph (3) of subsection (c) are satisfied and additional work stations under the Navy-Marine Corps Intranet contract are authorized to reach assumption of responsibility.

“(3) The Comptroller General shall conduct a review of the impact that participation in the Navy-Marine Corps Intranet program has on information technology costs of working capital funded industrial facilities of the Department of the Navy and submit the results of the review to Congress.”

(b) NAVY-MARINE CORPS INTRANET MANAGER.—Such section is further amended by inserting after subsection (d), as added by subsection (a)(2) of this section, the following new subsection:

“(e) ASSIGNMENT OF NAVY-MARINE CORPS INTRANET MANAGER.—The Secretary of the Navy shall assign an employee of the Department of the Navy to the Navy-Marine Corps Intranet program whose sole responsibility will be to oversee and direct the program. The employee so assigned may not also be the program executive officer.”

(c) DEFINITIONS.—Subsection (i) of such section, as redesignated by subsection (a)(1) of this section, is amended—

(1) by striking “NAVY-MARINE CORPS INTRANET CONTRACT DEFINED.—” and inserting “DEFINITIONS.—(1)”; and

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

“(2) In this section, the term ‘assumption of responsibility’, with respect to a work station, means the point at which the contractor team under the Navy-Marine Corps Intranet contract assumes operational control of, and responsibility for, the existing information infrastructure and systems of a work station, in order to prepare for ultimate transition of the work station to the Navy-Marine Corps Intranet.”

SEC. 363. COMPTROLLER GENERAL STUDY AND REPORT OF NATIONAL GUARD DISTRIBUTIVE TRAINING TECHNOLOGY PROJECT.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study of the Distributive Training Technology Project of the National Guard. The study shall examine—

(1) current requirements of the National Guard for interconnection of networks of the Distributive Training Technology Project with other networks, including networks of the Federal Emergency Management Agency and other Federal, State, and local emergency preparedness and response agencies; and

(2) future requirements of the National Guard for interconnection of networks of the Project with other networks, including those Federal and State agencies having disaster response functions.

(b) ELEMENTS OF STUDY.—For both the current requirements identified under subsection (a)(1) and future requirements identified under subsection (a)(2), the study shall examine the following:

(1) Appropriate connections between the Project and other networks.

(2) Means of protecting the Project from outside intrusion.

PUBLIC LAW 107-107—DEC. 28, 2001

(3) Impediments to interconnectivity, including the extent to which national security concerns affect interconnectivity and the technological capability of the Department of Defense to impede interconnectivity, as well as other concerns or limitations that affect interconnectivity.

(4) Means of improving interconnectivity.

Deadline.

(c) REPORT.—Not later than 270 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the study conducted under subsection (a). The report shall describe the results of the study and shall include any recommendations that the Comptroller General considers appropriate in light of the study.

SEC. 364. REAUTHORIZATION OF WARRANTY CLAIMS RECOVERY PILOT PROGRAM.

(a) EXTENSION OF AUTHORITY.—Subsection (f) of section 391 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 10 U.S.C. 2304 note) is amended by striking “September 30, 2000” and inserting “September 30, 2003”.

10 USC 2304
note.

(b) REPORTING REQUIREMENTS.—Subsection (g) of such section is amended—

(1) in paragraph (1), by striking “January 1, 2001” and inserting “January 1, 2003”; and

(2) in paragraph (2), by striking “March 1, 2001” and inserting “March 1, 2003”.

SEC. 365. EVALUATION OF CURRENT DEMONSTRATION PROGRAMS TO IMPROVE QUALITY OF PERSONAL PROPERTY SHIPMENTS OF MEMBERS.

Deadline.

(a) COMPLETION OF EVALUATION; REPORT.—Not later than March 31, 2002, the Secretary of Defense shall complete the ongoing evaluation of all test programs regarding the transportation of household goods for members of the Armed Forces and submit to Congress a report containing the results of such evaluation.

(b) CONTENTS OF REPORT.—The report shall include—

(1) the results of each test program evaluated, including whether the test program satisfied the goals for the movement of such household goods (as contained in the General Accounting Report NSIAD 97-49) and whether current business processes and information technology capabilities require upgrading or other changes to improve the transportation of such household goods; and

(2) recommendations for policy improvements for military household moves worldwide, including an estimate of the cost to implement each recommendation.

SEC. 366. SENSE OF CONGRESS REGARDING SECURITY TO BE PROVIDED AT 2002 WINTER OLYMPIC GAMES.

It is the sense of Congress that the Secretary of Defense, upon receipt of the certification of the Attorney General required by section 2564(a) of title 10, United States Code, should authorize the provision of assistance in support of essential security and safety at the 2002 Winter Olympic Games to be held in Salt Lake City, Utah, and other locations in the State of Utah.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.

Sec. 402. Revision in permanent end strength minimum levels.

Sec. 403. Increase in senior enlisted active duty grade limit for Navy, Marine Corps, and Air Force.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle B—Reserve Forces

- Sec. 411. End strengths for Selected Reserve.
 Sec. 412. End strengths for Reserves on active duty in support of the reserves.
 Sec. 413. End strengths for military technicians (dual status).
 Sec. 414. Fiscal year 2002 limitation on non-dual status technicians.
 Sec. 415. Limitations on numbers of reserve personnel serving on active duty or full-time National Guard duty in certain grades for administration of reserve components.

Subtitle C—Other Matters Relating to Personnel Strengths

- Sec. 421. Administration of end strengths.
 Sec. 422. Active duty end strength exemption for National Guard and reserve personnel performing funeral honors functions.

Subtitle D—Authorization of Appropriations

- Sec. 431. Authorization of appropriations for military personnel.

Subtitle A—Active Forces**SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

10 USC 115 note.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 2002, as follows:

- (1) The Army, 480,000.
- (2) The Navy, 376,000.
- (3) The Marine Corps, 172,600.
- (4) The Air Force, 358,800.

SEC. 402. REVISION IN PERMANENT END STRENGTH MINIMUM LEVELS.

Section 691(b) of title 10, United States Code, is amended—

- (1) in paragraph (2), by striking “372,000” and inserting “376,000”; and
- (2) in paragraph (4), by striking “357,000” and inserting “358,800”.

SEC. 403. INCREASE IN SENIOR ENLISTED ACTIVE DUTY GRADE LIMIT FOR NAVY, MARINE CORPS, AND AIR FORCE.

Section 517(a) of title 10, United States Code, is amended by striking “2 percent (or, in the case of the Army, 2.5 percent)” and inserting “2.5 percent”.

Subtitle B—Reserve Forces**SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

10 USC 12001 note.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2002, as follows:

- (1) The Army National Guard of the United States, 350,000.
- (2) The Army Reserve, 205,000.
- (3) The Naval Reserve, 87,000.
- (4) The Marine Corps Reserve, 39,558.
- (5) The Air National Guard of the United States, 108,400.
- (6) The Air Force Reserve, 74,700.
- (7) The Coast Guard Reserve, 8,000.

(b) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

- (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and
- (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

PUBLIC LAW 107-107—DEC. 28, 2001

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

10 USC 12001
note.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2002, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

- (1) The Army National Guard of the United States, 23,698.
- (2) The Army Reserve, 13,406.
- (3) The Naval Reserve, 14,811.
- (4) The Marine Corps Reserve, 2,261.
- (5) The Air National Guard of the United States, 11,591.
- (6) The Air Force Reserve, 1,437.

10 USC 115 note.

SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS (DUAL STATUS).

The minimum number of military technicians (dual status) as of the last day of fiscal year 2002 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

- (1) For the Army Reserve, 6,249.
- (2) For the Army National Guard of the United States, 23,615.
- (3) For the Air Force Reserve, 9,818.
- (4) For the Air National Guard of the United States, 22,422.

SEC. 414. FISCAL YEAR 2002 LIMITATION ON NON-DUAL STATUS TECHNICIANS.

(a) **LIMITATION.**—The number of non-dual status technicians employed by the reserve components of the Army and the Air Force as of September 30, 2002, may not exceed the following:

- (1) For the Army Reserve, 1,095.
- (2) For the Army National Guard of the United States, 1,600.
- (3) For the Air Force Reserve, 90.
- (4) For the Air National Guard of the United States, 350.

(b) **NON-DUAL STATUS TECHNICIANS DEFINED.**—In this section, the term “non-dual status technician” has the meaning given that term in section 10217(a) of title 10, United States Code.

SEC. 415. LIMITATIONS ON NUMBERS OF RESERVE PERSONNEL SERVING ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY IN CERTAIN GRADES FOR ADMINISTRATION OF RESERVE COMPONENTS.

(a) **OFFICERS.**—The text of section 12011 of title 10, United States Code, is amended to read as follows:

“(a) **LIMITATIONS.**—(1) Of the total number of members of a reserve component who are serving on full-time reserve component duty at the end of any fiscal year, the number of those members who may be serving in each of the grades of major, lieutenant colonel, and colonel may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

PUBLIC LAW 107-107—DEC. 28, 2001

| "Total number of members of a reserve component serving on full-time reserve component duty: | Number of officers of that reserve component who may be serving in the grade of: | | |
|--|--|--------------------|---------|
| | Major | Lieutenant Colonel | Colonel |
| Army Reserve: | | | |
| 10,000 | 1,390 | 740 | 230 |
| 11,000 | 1,529 | 803 | 242 |
| 12,000 | 1,668 | 864 | 252 |
| 13,000 | 1,804 | 924 | 262 |
| 14,000 | 1,940 | 984 | 272 |
| 15,000 | 2,075 | 1,044 | 282 |
| 16,000 | 2,210 | 1,104 | 291 |
| 17,000 | 2,345 | 1,164 | 300 |
| 18,000 | 2,479 | 1,223 | 309 |
| 19,000 | 2,613 | 1,282 | 318 |
| 20,000 | 2,747 | 1,341 | 327 |
| 21,000 | 2,877 | 1,400 | 336 |
| Army National Guard: | | | |
| 20,000 | 1,500 | 850 | 325 |
| 22,000 | 1,650 | 930 | 350 |
| 24,000 | 1,790 | 1,010 | 370 |
| 26,000 | 1,930 | 1,085 | 385 |
| 28,000 | 2,070 | 1,160 | 400 |
| 30,000 | 2,200 | 1,235 | 405 |
| 32,000 | 2,330 | 1,305 | 408 |
| 34,000 | 2,450 | 1,375 | 411 |
| 36,000 | 2,570 | 1,445 | 411 |
| 38,000 | 2,670 | 1,515 | 411 |
| 40,000 | 2,770 | 1,580 | 411 |
| 42,000 | 2,837 | 1,644 | 411 |
| Marine Corps Reserve: | | | |
| 1,100 | 106 | 56 | 20 |
| 1,200 | 110 | 60 | 21 |
| 1,300 | 114 | 63 | 22 |
| 1,400 | 118 | 66 | 23 |
| 1,500 | 121 | 69 | 24 |
| 1,600 | 124 | 72 | 25 |
| 1,700 | 127 | 75 | 26 |
| 1,800 | 130 | 78 | 27 |
| 1,900 | 133 | 81 | 28 |
| 2,000 | 136 | 84 | 29 |
| 2,100 | 139 | 87 | 30 |
| 2,200 | 141 | 90 | 31 |
| 2,300 | 143 | 92 | 32 |
| 2,400 | 145 | 94 | 33 |
| 2,500 | 147 | 96 | 34 |
| 2,600 | 149 | 98 | 35 |
| Air Force Reserve: | | | |
| 500 | 83 | 85 | 50 |
| 1,000 | 155 | 165 | 95 |
| 1,500 | 220 | 240 | 135 |
| 2,000 | 285 | 310 | 170 |
| 2,500 | 350 | 369 | 203 |
| 3,000 | 413 | 420 | 220 |
| 3,500 | 473 | 464 | 230 |
| 4,000 | 530 | 500 | 240 |
| 4,500 | 585 | 529 | 247 |
| 5,000 | 638 | 550 | 254 |
| 5,500 | 688 | 565 | 261 |
| 6,000 | 735 | 575 | 268 |
| 7,000 | 770 | 595 | 280 |
| 8,000 | 805 | 615 | 290 |
| 10,000 | 835 | 635 | 300 |

PUBLIC LAW 107-107—DEC. 28, 2001

| “Total number of members of a reserve component serving on full-time reserve component duty: | Number of officers of that reserve component who may be serving in the grade of: | | |
|--|--|--------------------|---------|
| | Major | Lieutenant Colonel | Colonel |
| Air National Guard: | | | |
| 5,000 | 333 | 335 | 251 |
| 6,000 | 403 | 394 | 260 |
| 7,000 | 472 | 453 | 269 |
| 8,000 | 539 | 512 | 278 |
| 9,000 | 606 | 571 | 287 |
| 10,000 | 673 | 630 | 296 |
| 11,000 | 740 | 688 | 305 |
| 12,000 | 807 | 742 | 314 |
| 13,000 | 873 | 795 | 323 |
| 14,000 | 939 | 848 | 332 |
| 15,000 | 1,005 | 898 | 341 |
| 16,000 | 1,067 | 948 | 350 |
| 17,000 | 1,126 | 998 | 359 |
| 18,000 | 1,185 | 1,048 | 368 |
| 19,000 | 1,235 | 1,098 | 377 |
| 20,000 | 1,283 | 1,148 | 380. |

“(2) Of the total number of members of the Naval Reserve who are serving on full-time reserve component duty at the end of any fiscal year, the number of those members who may be serving in each of the grades of lieutenant commander, commander, and captain may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

| “Total number of members of Naval Reserve serving on full-time reserve component duty: | Number of officers who may be serving in the grade of: | | |
|--|--|-----------|---------|
| | Lieutenant commander | Commander | Captain |
| 10,000 | 807 | 447 | 141 |
| 11,000 | 867 | 467 | 153 |
| 12,000 | 924 | 485 | 163 |
| 13,000 | 980 | 503 | 173 |
| 14,000 | 1,035 | 521 | 183 |
| 15,000 | 1,088 | 538 | 193 |
| 16,000 | 1,142 | 555 | 203 |
| 17,000 | 1,195 | 565 | 213 |
| 18,000 | 1,246 | 575 | 223 |
| 19,000 | 1,291 | 585 | 233 |
| 20,000 | 1,334 | 595 | 242 |
| 21,000 | 1,364 | 603 | 250 |
| 22,000 | 1,384 | 610 | 258 |
| 23,000 | 1,400 | 615 | 265 |
| 24,000 | 1,410 | 620 | 270. |

“(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in that table at the same proportion as is reflected in the nearest limit shown in the table.

PUBLIC LAW 107-107—DEC. 28, 2001

“(c) REALLOCATIONS TO LOWER GRADES.—Whenever the number of officers serving in any grade for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between the two numbers may be applied to increase the number authorized under this section for any lower grade.

“(d) SECRETARIAL WAIVER.—(1) Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve officers that may be on full-time reserve component duty for a reserve component in a grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for the grade in that table.

Notice.

“(2) Whenever the Secretary exercises the authority provided in paragraph (1), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives notice in writing of the adjustment made.

“(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term ‘full-time reserve component duty’ means the following duty:

“(1) Active duty described in sections 10211, 10302, 10303, 10304, 10305, 12310, or 12402 of this title.

“(2) Full-time National Guard duty (other than for training) under section 502(f) of title 32.

“(3) Active duty described in section 708 of title 32.”.

(b) SENIOR ENLISTED MEMBERS.—The text of section 12012 of title 10, United States Code, is amended to read as follows:

“(a) LIMITATIONS.—Of the total number of members of a reserve component who are serving on full-time reserve component duty at the end of any fiscal year, the number of those members in each of pay grades of E-8 and E-9 who may be serving on active duty under section 10211 or 12310, or on full-time National Guard duty under the authority of section 502(f) of title 32 (other than for training) in connection with organizing, administering, recruiting, instructing, or training the reserve components or the National Guard may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

| “Total number of members of a reserve component serving on full-time reserve component duty: | Number of members of that reserve component who may be serving in the grade of: | |
|--|---|-----|
| | E-8 | E-9 |
| Army Reserve: | | |
| 10,000 | 1,052 | 154 |
| 11,000 | 1,126 | 168 |
| 12,000 | 1,195 | 180 |
| 13,000 | 1,261 | 191 |
| 14,000 | 1,327 | 202 |
| 15,000 | 1,391 | 213 |
| 16,000 | 1,455 | 224 |
| 17,000 | 1,519 | 235 |
| 18,000 | 1,583 | 246 |
| 19,000 | 1,647 | 257 |
| 20,000 | 1,711 | 268 |
| 21,000 | 1,775 | 278 |
| Army National Guard: | | |
| 20,000 | 1,650 | 550 |
| 22,000 | 1,775 | 615 |
| 24,000 | 1,900 | 645 |
| 26,000 | 1,945 | 675 |
| 28,000 | 1,945 | 705 |
| 30,000 | 1,945 | 725 |
| 32,000 | 1,945 | 730 |

PUBLIC LAW 107-107—DEC. 28, 2001

| "Total number of members of a reserve component serving on full-time reserve component duty: | Number of members of that reserve component who may be serving in the grade of: | |
|--|---|-----|
| | E-8 | E-9 |
| 34,000 | 1,945 | 735 |
| 36,000 | 1,945 | 738 |
| 38,000 | 1,945 | 741 |
| 40,000 | 1,945 | 743 |
| 42,000 | 1,945 | 743 |
| Naval Reserve: | | |
| 10,000 | 340 | 143 |
| 11,000 | 364 | 156 |
| 12,000 | 386 | 169 |
| 13,000 | 407 | 182 |
| 14,000 | 423 | 195 |
| 15,000 | 435 | 208 |
| 16,000 | 447 | 221 |
| 17,000 | 459 | 234 |
| 18,000 | 471 | 247 |
| 19,000 | 483 | 260 |
| 20,000 | 495 | 273 |
| 21,000 | 507 | 286 |
| 22,000 | 519 | 299 |
| 23,000 | 531 | 312 |
| 24,000 | 540 | 325 |
| Marine Corps Reserve: | | |
| 1,100 | 50 | 11 |
| 1,200 | 55 | 12 |
| 1,300 | 60 | 13 |
| 1,400 | 65 | 14 |
| 1,500 | 70 | 15 |
| 1,600 | 75 | 16 |
| 1,700 | 80 | 17 |
| 1,800 | 85 | 18 |
| 1,900 | 89 | 19 |
| 2,000 | 93 | 20 |
| 2,100 | 96 | 21 |
| 2,200 | 99 | 22 |
| 2,300 | 101 | 23 |
| 2,400 | 103 | 24 |
| 2,500 | 105 | 25 |
| 2,600 | 107 | 26 |
| Air Force Reserve: | | |
| 500 | 75 | 40 |
| 1,000 | 145 | 75 |
| 1,500 | 208 | 105 |
| 2,000 | 270 | 130 |
| 2,500 | 325 | 150 |
| 3,000 | 375 | 170 |
| 3,500 | 420 | 190 |
| 4,000 | 460 | 210 |
| 4,500 | 495 | 230 |
| 5,000 | 530 | 250 |
| 5,500 | 565 | 270 |
| 6,000 | 600 | 290 |
| 7,000 | 670 | 330 |
| 8,000 | 740 | 370 |
| 10,000 | 800 | 400 |
| Air National Guard | | |
| 5,000 | 1,020 | 405 |
| 6,000 | 1,070 | 435 |

PUBLIC LAW 107-107—DEC. 28, 2001

| "Total number of members of a reserve component serving on full-time reserve component duty: | Number of members of that reserve component who may be serving in the grade of: | |
|--|---|------|
| | E-8 | E-9 |
| 7,000 | 1,120 | 465 |
| 8,000 | 1,170 | 490 |
| 9,000 | 1,220 | 510 |
| 10,000 | 1,270 | 530 |
| 11,000 | 1,320 | 550 |
| 12,000 | 1,370 | 570 |
| 13,000 | 1,420 | 589 |
| 14,000 | 1,470 | 608 |
| 15,000 | 1,520 | 626 |
| 16,000 | 1,570 | 644 |
| 17,000 | 1,620 | 661 |
| 18,000 | 1,670 | 678 |
| 19,000 | 1,720 | 695 |
| 20,000 | 1,770 | 712. |

“(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the table in subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the table in subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in the table at the same proportion as is reflected in the nearest limit shown in the table.

“(c) REALLOCATIONS TO LOWER GRADE.—Whenever the number of members serving in pay grade E-9 for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between the two numbers may be applied to increase the number authorized under this section for pay grade E-8.

“(d) SECRETARIAL WAIVER.—(1) Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve enlisted members that may be on active duty or full-time National Guard duty as described in subsection (a) for a reserve component in a pay grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for that grade and reserve component in the table.

Notice.

“(2) Whenever the Secretary exercises the authority provided in paragraph (1), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives notice in writing of the adjustment made.

“(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term ‘full-time reserve component duty’ has the meaning given the term in section 12011(e) of this title.”.

Subtitle C—Other Matters Relating to Personnel Strengths

SEC. 421. ADMINISTRATION OF END STRENGTHS.

(a) INCREASE IN PERCENTAGE BY WHICH ACTIVE COMPONENT END STRENGTHS MAY BE INCREASED.—Section 115(c)(1) of title 10,

PUBLIC LAW 107-107—DEC. 28, 2001

United States Code, is amended by striking “1 percent” and inserting “2 percent”.

(b) **WAIVER OF END STRENGTHS DURING NATIONAL EMERGENCY.**—The text of section 123a of such title is amended to read as follows:

“(a) **DURING WAR OR NATIONAL EMERGENCY.**—If at the end of any fiscal year there is in effect a war or national emergency, the President may waive any statutory end strength with respect to that fiscal year. Any such waiver may be issued only for a statutory end strength that is prescribed by law before the waiver is issued.

“(b) **UPON TERMINATION OF WAR OR NATIONAL EMERGENCY.**—Upon the termination of a war or national emergency with respect to which the President has exercised the authority provided by subsection (a), the President may defer the effectiveness of any statutory end strength with respect to the fiscal year during which the termination occurs. Any such deferral may not extend beyond the last day of the sixth month beginning after the date of such termination.

“(c) **STATUTORY END STRENGTH.**—In this section, the term ‘statutory end strength’ means any end-strength limitation with respect to a fiscal year that is prescribed by law for any military or civilian component of the armed forces or of the Department of Defense.”.

SEC. 422. ACTIVE DUTY END STRENGTH EXEMPTION FOR NATIONAL GUARD AND RESERVE PERSONNEL PERFORMING FUNERAL HONORS FUNCTIONS.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following new paragraphs:

“(10) Members of reserve components on active duty to prepare for and to perform funeral honors functions for funerals of veterans in accordance with section 1491 of this title.

“(11) Members on full-time National Guard duty to prepare for and perform funeral honors functions for funerals of veterans in accordance with section 1491 of this title.”.

Subtitle D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2002 a total of \$82,307,281,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2002.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

- Sec. 501. Enhanced flexibility for management of senior general and flag officer positions.
- Sec. 502. Certifications of satisfactory performance for retirement of officers in grades above major general and rear admiral.
- Sec. 503. Review of actions of selection boards.
- Sec. 504. Temporary reduction of time-in-grade requirement for eligibility for promotion for certain active-duty list officers in grades of first lieutenant and lieutenant (junior grade).
- Sec. 505. Authority for promotion without selection board consideration for all fully qualified officers in grade of first lieutenant or lieutenant (junior grade) in the Navy.
- Sec. 506. Authority to adjust date of rank of certain promotions delayed by reason of unusual circumstances.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 507. Authority for limited extension of medical deferment of mandatory retirement or separation.
- Sec. 508. Authority for limited extension on active duty of members subject to mandatory retirement or separation.
- Sec. 509. Exemption from certain administrative limitations for retired officers ordered to active duty as defense or service attachés.
- Sec. 510. Officer in charge of United States Navy Band.

Subtitle B—Reserve Component Personnel Policy

- Sec. 511. Placement on active-duty list of certain Reserve officers on active duty for a period of three years or less.
- Sec. 512. Exception to baccalaureate degree requirement for appointment of Reserve officers to grades above first lieutenant.
- Sec. 513. Improved disability benefits for certain reserve component members.
- Sec. 514. Time-in-grade requirement for reserve component officers retired with a nonservice-connected disability.
- Sec. 515. Equal treatment of Reserves and full-time active duty members for purposes of managing personnel deployments.
- Sec. 516. Modification of physical examination requirements for members of the Individual Ready Reserve.
- Sec. 517. Retirement of Reserve members without requirement for formal application or request.
- Sec. 518. Space-required travel by Reserves on military aircraft.
- Sec. 519. Payment of Federal Employee Health Benefit Program premiums for certain Reservists called to active duty in support of contingency operations.

Subtitle C—Joint Specialty Officers and Joint Professional Military Education

- Sec. 521. Nominations and promotions for joint specialty officers.
- Sec. 522. Joint duty credit.
- Sec. 523. Retroactive joint service credit for duty in certain joint task forces.
- Sec. 524. Revision to annual report on joint officer management.
- Sec. 525. Requirement for selection for joint specialty before promotion to general or flag officer grade.
- Sec. 526. Independent study of joint officer management and joint professional military education reforms.
- Sec. 527. Professional development education.
- Sec. 528. Authority for National Defense University to enroll certain private sector civilians.
- Sec. 529. Continuation of reserve component professional military education test.

Subtitle D—Military Education and Training

- Sec. 531. Defense Language Institute Foreign Language Center.
- Sec. 532. Authority for the Marine Corps University to award degree of master of strategic studies.
- Sec. 533. Foreign students attending the service academies.
- Sec. 534. Increase in maximum age for appointment as a cadet or midshipman in Senior Reserve Officers' Training Corps scholarship programs.
- Sec. 535. Participation of regular enlisted members of the Armed Forces in Senior Reserve Officers' Training Corps program.
- Sec. 536. Authority to modify the service obligation of certain ROTC cadets in military junior colleges receiving financial assistance.
- Sec. 537. Repeal of limitation on number of Junior Reserve Officers' Training Corps units.
- Sec. 538. Modification of nurse officer candidate accession program restriction on students attending educational institutions with senior reserve officers' training programs.
- Sec. 539. Reserve health professionals stipend program expansion.
- Sec. 540. Housing allowance for the chaplain for the Corps of Cadets at the United States Military Academy.

Subtitle E—Recruiting and Accession Programs

- Sec. 541. 18-month enlistment pilot program.
- Sec. 542. Improved benefits under the Army College First program.
- Sec. 543. Correction and extension of certain Army recruiting pilot program authorities.
- Sec. 544. Military recruiter access to secondary school students.
- Sec. 545. Permanent authority for use of military recruiting funds for certain expenses at Department of Defense recruiting functions.
- Sec. 546. Report on health and disability benefits for pre-accession training and education programs.

Subtitle F—Decorations, Awards, and Posthumous Commissions

- Sec. 551. Authority for award of the Medal of Honor to Humbert R. Versace, Jon E. Swanson, and Ben L. Salomon for valor.
- Sec. 552. Review regarding award of Medal of Honor to certain Jewish American and Hispanic American war veterans.
- Sec. 553. Authority to issue duplicate Medals of Honor and to replace stolen military decorations.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 554. Retroactive Medal of Honor special pension.
 Sec. 555. Waiver of time limitations for award of certain decorations to certain persons.
 Sec. 556. Sense of Congress on issuance of certain medals.
 Sec. 557. Sense of Congress on development of a more comprehensive, uniform policy for the award of decorations to military and civilian personnel of the Department of Defense.
 Sec. 558. Posthumous Army commission in the grade of captain in the Chaplains Corps to Ella E. Gibson for service as chaplain of the First Wisconsin Heavy Artillery Regiment during the Civil War.

Subtitle G—Funeral Honors Duty

- Sec. 561. Participation of military retirees in funeral honors details.
 Sec. 562. Funeral honors duty performed by Reserve and Guard members to be treated as inactive-duty training for certain purposes.
 Sec. 563. Use of military leave for funeral honors duty by Reserve members and National Guardsmen.
 Sec. 564. Authority to provide appropriate articles of clothing as a civilian uniform for civilians participating in funeral honor details.

Subtitle H—Military Spouses and Family Members

- Sec. 571. Improved financial and other assistance to military spouses for job training and education.
 Sec. 572. Persons authorized to be included in surveys of military families regarding Federal programs.
 Sec. 573. Clarification of treatment of classified information concerning persons in a missing status.
 Sec. 574. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.
 Sec. 575. Amendments to charter of Defense Task Force on Domestic Violence.

Subtitle I—Military Justice and Legal Assistance Matters

- Sec. 581. Blood alcohol content limit for the offense under the Uniform Code of Military Justice of drunken operation of a vehicle, aircraft, or vessel.
 Sec. 582. Requirement that courts-martial consist of not less than 12 members in capital cases.
 Sec. 583. Acceptance of voluntary legal assistance for the civil affairs of members and former members of the uniformed services and their dependents.

Subtitle J—Other Matters

- Sec. 591. Congressional review period for change in ground combat exclusion policy.
 Sec. 592. Per diem allowance for lengthy or numerous deployments.
 Sec. 593. Clarification of disability severance pay computation.
 Sec. 594. Transportation or storage of privately owned vehicles on change of permanent station.
 Sec. 595. Repeal of requirement for final Comptroller General report relating to Army end strength allocations.
 Sec. 596. Continued Department of Defense administration of National Guard Challenge program and Department of Defense Starbase program.
 Sec. 597. Report on Defense Science Board recommendation on original appointments in regular grades for Academy graduates and certain other new officers.
 Sec. 598. Sense of Congress regarding the selection of officers for recommendation for appointment as Commander, United States Transportation Command.

Subtitle A—Officer Personnel Policy**SEC. 501. ENHANCED FLEXIBILITY FOR MANAGEMENT OF SENIOR GENERAL AND FLAG OFFICER POSITIONS.**

(a) REPEAL OF LIMIT ON NUMBER OF OFFICERS ON ACTIVE DUTY IN GRADES OF GENERAL AND ADMIRAL.—Section 528 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 32 of such title is amended by striking the item relating to section 528.

SEC. 502. CERTIFICATIONS OF SATISFACTORY PERFORMANCE FOR RETIREMENT OF OFFICERS IN GRADES ABOVE MAJOR GENERAL AND REAR ADMIRAL.

Section 1370(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(3)(A) The Secretary of Defense may delegate authority to make a certification with respect to an officer under paragraph (1) only to the Under Secretary of Defense for Personnel and Read-

PUBLIC LAW 107-107—DEC. 28, 2001

ness or the Deputy Under Secretary of Defense for Personnel and Readiness.

“(B) If authority is delegated under subparagraph (A) and, in the course of consideration of an officer for a certification under paragraph (1), the Under Secretary or (if such authority is delegated to both the Under and Deputy Under Secretary) the Deputy Under Secretary makes a determination described in subparagraph (C) with respect to that officer, the Under Secretary or Deputy Under Secretary, as the case may be, may not exercise the delegated authority in that case, but shall refer the matter to the Secretary of Defense, who shall personally determine whether to issue a certification under paragraph (1) with respect to that officer.

“(C) A determination referred to in subparagraph (B) is a determination that there is potentially adverse information concerning an officer and that such information has not previously been submitted to the Senate in connection with the consideration by the Senate of a nomination of that officer for an appointment for which the advice and consent of the Senate is required.”.

SEC. 503. REVIEW OF ACTIONS OF SELECTION BOARDS.

(a) IN GENERAL.—(1) Chapter 79 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 1558. Review of actions of selection boards: correction of military records by special boards; judicial review

“(a) CORRECTION OF MILITARY RECORDS.—The Secretary of a military department may correct a person’s military records in accordance with a recommendation made by a special board. Any such correction may be made effective as of the effective date of the action taken on a report of a previous selection board that resulted in the action corrected in the person’s military records.

“(b) DEFINITIONS.—In this section:

“(1) SPECIAL BOARD.—(A) The term ‘special board’ means a board that the Secretary of a military department convenes under any authority to consider whether to recommend a person for appointment, enlistment, reenlistment, assignment, promotion, retention, separation, retirement, or transfer to inactive status in a reserve component instead of referring the records of that person for consideration by a previously convened selection board which considered or should have considered that person.

“(B) Such term includes a board for the correction of military records convened under section 1552 of this title, if designated as a special board by the Secretary concerned.

“(C) Such term does not include a promotion special selection board convened under section 628 or 14502 of this title.

“(2) SELECTION BOARD.—(A) The term ‘selection board’ means a selection board convened under section 573(c), 580, 580a, 581, 611(b), 637, 638, 638a, 14101(b), 14701, 14704, or 14705 of this title, and any other board convened by the Secretary of a military department under any authority to recommend persons for appointment, enlistment, reenlistment, assignment, promotion, or retention in the armed forces or for separation, retirement, or transfer to inactive status in a reserve component for the purpose of reducing the number of persons serving in the armed forces.

“(B) Such term does not include any of the following:

“(i) A promotion board convened under section 573(a), 611(a), or 14101(a) of this title.

“(ii) A special board.

“(iii) A special selection board convened under section 628 of this title.

“(iv) A board for the correction of military records convened under section 1552 of this title.

PUBLIC LAW 107-107—DEC. 28, 2001

“(3) INVOLUNTARILY BOARD-SEPARATED.—The term ‘involuntarily board-separated’ means separated or retired from an armed force, or transferred to the Retired Reserve or to inactive status in a reserve component, as a result of a recommendation of a selection board.

“(c) RELIEF ASSOCIATED WITH CORRECTION OF CERTAIN ACTIONS.—(1) The Secretary of the military department concerned shall ensure that an involuntarily board-separated person receives relief under paragraph (2) or under paragraph (3) if the person, as a result of a correction of the person’s military records under subsection (a), becomes entitled to retention on or restoration to active duty or to active status in a reserve component.

“(2)(A) A person referred to in paragraph (1) shall, with that person’s consent, be restored to the same status, rights, and entitlements (less appropriate offsets against back pay and allowances) in that person’s armed force as the person would have had if the person had not been selected to be involuntarily board-separated as a result of an action the record of which is corrected under subsection (a). An action under this subparagraph is subject to subparagraph (B).

“(B) Nothing in subparagraph (A) may be construed to permit a person to be on active duty or in an active status in a reserve component after the date on which the person would have been separated, retired, or transferred to the Retired Reserve or to inactive status in a reserve component if the person had not been selected to be involuntarily board-separated in an action of a selection board the record of which is corrected under subsection (a).

“(3) If an involuntarily board-separated person referred to in paragraph (1) does not consent to a restoration of status, rights, and entitlements under paragraph (2), the Secretary concerned shall pay that person back pay and allowances (less appropriate offsets), and shall provide that person service credit, for the period—

“(A) beginning on the date of the person’s separation, retirement, or transfer to the Retired Reserve or to inactive status in a reserve component, as the case may be; and

“(B) ending on the earlier of—

“(i) the date on which the person would have been so restored under paragraph (2), as determined by the Secretary concerned; or

“(ii) the date on which the person would otherwise have been separated, retired, or transferred to the Retired Reserve or to inactive status in a reserve component, as the case may be.

“(d) FINALITY OF UNFAVORABLE ACTION.—If a special board makes a recommendation not to correct the military records of a person regarding action taken in the case of that person on the basis of a previous report of a selection board, the action previously taken on that report shall be considered as final as of the date of the action taken on that report.

“(e) REGULATIONS.—(1) The Secretary of each military department shall prescribe regulations to carry out this section. Regulations under this subsection may not apply to subsection (f), other than to paragraph (4)(C) of that subsection.

“(2) The Secretary may prescribe in the regulations under paragraph (1) the circumstances under which consideration by a special board may be provided for under this section, including the following:

“(A) The circumstances under which consideration of a person’s case by a special board is contingent upon application by or for that person.

“(B) Any time limits applicable to the filing of an application for such consideration.

“(3) Regulations prescribed by the Secretary of a military department under this subsection may not take effect until approved by the Secretary of Defense.

PUBLIC LAW 107-107—DEC. 28, 2001

“(f) JUDICIAL REVIEW.—(1) A person seeking to challenge an action or recommendation of a selection board, or an action taken by the Secretary of the military department concerned on the report of a selection board, is not entitled to relief in any judicial proceeding unless the action or recommendation has first been considered by a special board under this section or the Secretary concerned has denied the convening of such a board for such consideration.

“(2)(A) A court of the United States may review a determination by the Secretary of a military department not to convene a special board in the case of any person. In any such case, the court may set aside the Secretary’s determination only if the court finds the determination to be—

“(i) arbitrary or capricious;

“(ii) not based on substantial evidence;

“(iii) a result of material error of fact or material administrative error; or

“(iv) otherwise contrary to law.

“(B) If a court sets aside a determination by the Secretary of a military department not to convene a special board, it shall remand the case to the Secretary concerned, who shall provide for consideration by a special board.

“(3) A court of the United States may review a recommendation of a special board or an action of the Secretary of the military department concerned on the report of a special board. In any such case, a court may set aside the action only if the court finds that the recommendation or action was—

“(A) arbitrary or capricious;

“(B) not based on substantial evidence;

“(C) a result of material error of fact or material administrative error; or

“(D) otherwise contrary to law.

“(4)(A) If, six months after receiving a complete application for consideration by a special board in any case, the Secretary concerned has not convened a special board and has not denied consideration by a special board in that case, the Secretary shall be deemed for the purposes of this subsection to have denied consideration of the case by a special board.

“(B) If, six months after the convening of a special board in any case, the Secretary concerned has not taken final action on the report of the special board, the Secretary shall be deemed for the purposes of this subsection to have denied relief in such case.

“(C) Under regulations prescribed under subsection (e), the Secretary of a military department may waive the applicability of subparagraph (A) or (B) in a case if the Secretary determines that a longer period for consideration of the case is warranted. Such a waiver may be for an additional period of not more than six months. The Secretary concerned may not delegate authority to make a determination under this subparagraph.

“(g) EXISTING JURISDICTION.—Nothing in this section limits—

“(1) the jurisdiction of any court of the United States under any provision of law to determine the validity of any law, regulation, or policy relating to selection boards; or

“(2) the authority of the Secretary of a military department to correct a military record under section 1552 of this title.”.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“1558. Review of actions of selection boards: correction of military records by special boards; judicial review.”.

(b) SPECIAL SELECTION BOARDS.—Section 628 of such title is amended—

(1) by redesignating subsection (g) as subsection (k); and

(2) by inserting after subsection (f) the following new subsections:

PUBLIC LAW 107-107—DEC. 28, 2001

“(g) JUDICIAL REVIEW.—(1)(A) A court of the United States may review a determination by the Secretary of a military department under subsection (a)(1) or (b)(1) not to convene a special selection board in the case of any person. In any such case, the court may set aside the Secretary’s determination only if the court finds the determination to be—

“(i) arbitrary or capricious;

“(ii) not based on substantial evidence;

“(iii) a result of material error of fact or material administrative error; or

“(iv) otherwise contrary to law.

“(B) If a court sets aside a determination by the Secretary of a military department not to convene a special selection board under this section, it shall remand the case to the Secretary concerned, who shall provide for consideration by such a board.

“(2) A court of the United States may review the action of a special selection board convened under this section or an action of the Secretary of the military department concerned on the report of such a board. In any such case, a court may set aside the action only if the court finds that the action was—

“(A) arbitrary or capricious;

“(B) not based on substantial evidence;

“(C) a result of material error of fact or material administrative error; or

“(D) otherwise contrary to law.

“(3)(A) If, six months after receiving a complete application for consideration by a special selection board under this section in any case, the Secretary concerned has not convened such a board and has not denied consideration by such a board in that case, the Secretary shall be deemed for the purposes of this subsection to have denied the consideration of the case by such a board.

“(B) If, six months after the convening of a special selection board under this section in any case, the Secretary concerned has not taken final action on the report of the board, the Secretary shall be deemed for the purposes of this subsection to have denied relief in such case.

“(C) Under regulations prescribed under subsection (j), the Secretary of a military department may waive the applicability of subparagraph (A) or (B) in a case if the Secretary determines that a longer period for consideration of the case is warranted. Such a waiver may be for an additional period of not more than six months. The Secretary concerned may not delegate authority to make a determination under this subparagraph.

“(h) LIMITATIONS OF OTHER JURISDICTION.—No official or court of the United States may, with respect to a claim based to any extent on the failure of a person to be selected for promotion by a promotion board—

“(1) consider the claim unless the person has first been referred by the Secretary concerned to a special selection board convened under this section and acted upon by that board and the report of the board has been approved by the President; or

“(2) except as provided in subsection (g), grant any relief on the claim unless the person has been selected for promotion by a special selection board convened under this section to consider the person for recommendation for promotion and the report of the board has been approved by the President.

“(i) EXISTING JURISDICTION.—Nothing in this section limits—

“(1) the jurisdiction of any court of the United States under any provision of law to determine the validity of any law, regulation, or policy relating to selection boards; or

“(2) the authority of the Secretary of a military department to correct a military record under section 1552 of this title.

PUBLIC LAW 107-107—DEC. 28, 2001

“(j) REGULATIONS.—(1) The Secretary of each military department shall prescribe regulations to carry out this section. Regulations under this subsection may not apply to subsection (g), other than to paragraph (3)(C) of that subsection.

“(2) The Secretary may prescribe in the regulations under paragraph (1) the circumstances under which consideration by a special selection board may be provided for under this section, including the following:

“(A) The circumstances under which consideration of a person’s case by a special selection board is contingent upon application by or for that person.

“(B) Any time limits applicable to the filing of an application for such consideration.

“(3) Regulations prescribed by the Secretary of a military department under this subsection may not take effect until approved by the Secretary of Defense.”

(c) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply with respect to any proceeding pending on or after the date of the enactment of this Act without regard to whether a challenge to an action of a selection board of any of the Armed Forces being considered in the proceeding was initiated before, on, or after that date.

(2) The amendments made by this section shall not apply with respect to any action commenced in a court of the United States before the date of the enactment of this Act.

Applicability.
10 USC 628 note.

SEC. 504. TEMPORARY REDUCTION OF TIME-IN-GRADE REQUIREMENT FOR ELIGIBILITY FOR PROMOTION FOR CERTAIN ACTIVE-DUTY LIST OFFICERS IN GRADES OF FIRST LIEUTENANT AND LIEUTENANT (JUNIOR GRADE).

(a) AUTHORITY.—Subsection (a)(1)(B) of section 619 of title 10, United States Code, is amended by inserting before the period at the end the following: “, except that the minimum period of service in effect under this subparagraph before October 1, 2005, shall be eighteen months”.

(b) STYLISTIC AMENDMENTS.—Such section is further amended as follows:

(1) Subsection (a) is amended by striking “(a)(1)” and inserting “(a) TIME-IN-GRADE REQUIREMENTS.—(1)”.

(2) Subsection (b) is amended by striking “(b)(1)” and inserting “(b) CONTINUED ELIGIBILITY FOR CONSIDERATION FOR PROMOTION OF OFFICERS WHO HAVE PREVIOUSLY FAILED OF SELECTION.—(1)”.

(3) Subsection (c) is amended by striking “(c)(1)” and inserting “(c) OFFICERS TO BE CONSIDERED BY PROMOTION BOARDS.—(1)”.

(4) Subsection (d) is amended by inserting “CERTAIN OFFICERS NOT TO BE CONSIDERED.—” after “(d)”.

(c) TECHNICAL AMENDMENT.—Subsection (a)(4) of such section is amended by striking “clause (A)” and inserting “subparagraph (A)”.

SEC. 505. AUTHORITY FOR PROMOTION WITHOUT SELECTION BOARD CONSIDERATION FOR ALL FULLY QUALIFIED OFFICERS IN GRADE OF FIRST LIEUTENANT OR LIEUTENANT (JUNIOR GRADE) IN THE NAVY.

(a) ACTIVE-DUTY LIST PROMOTIONS.—(1) Section 624(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(3)(A) Except as provided in subsection (d), officers on the active-duty list in the grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) who are on an approved all-fully-qualified-officers list shall be promoted to the next higher grade in accordance with regulations prescribed by the Secretary concerned.

PUBLIC LAW 107-107—DEC. 28, 2001

President.

“(B) An all-fully-qualified-officers list shall be considered to be approved for purposes of subparagraph (A) when the list is approved by the President. When so approved, such a list shall be treated in the same manner as a promotion list under this chapter.

“(C) The Secretary of a military department may make a recommendation to the President for approval of an all-fully-qualified-officers list only when the Secretary determines that all officers on the list are needed in the next higher grade to accomplish mission objectives.

“(D) For purposes of this paragraph, an all-fully-qualified-officers list is a list of all officers on the active-duty list in a grade who the Secretary of the military department concerned determines—

“(i) are fully qualified for promotion to the next higher grade; and

“(ii) would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 611(a) of this title upon the convening of such a board.”.

(2) Section 631 of such title is amended by adding at the end the following new subsection:

“(d) For the purposes of this chapter, an officer of the Army, Air Force, or Marine Corps who holds the grade of first lieutenant, and an officer of the Navy who holds the grade of lieutenant (junior grade), shall be treated as having failed of selection for promotion if the Secretary of the military department concerned determines that the officer would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 611(a) of this title if such a board were convened but is not fully qualified for promotion when recommending for promotion under section 624(a)(3) of this title all fully qualified officers of the officer’s armed force in such grade who would be eligible for such consideration.”.

(3) Section 611 of such title is amended—

(A) in subsection (a)—

(i) by striking “Under” and all that follows through “require,” and inserting “Whenever the needs of the service require, the Secretary of the military department concerned”; and

(ii) by adding at the end the following new sentence: “The preceding sentence does not require the convening of a selection board in the case of officers in the permanent grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) when the Secretary concerned recommends for promotion to the next higher grade under section 624(a)(3) of this title all such officers whom the Secretary finds to be fully qualified for promotion.”;

(B) in subsection (b), by striking “Under” and all that follows through “require,” and inserting “Whenever the needs of the service require, the Secretary of the military department concerned”; and

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

“(c) The convening of selection boards under subsections (a) and (b) shall be under regulations prescribed by the Secretary of Defense.”.

(b) RESERVE ACTIVE-STATUS LIST PROMOTIONS.—(1) Section 14308(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(4)(A) Officers in the permanent grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) who are on an approved all-fully-qualified-officers list shall be promoted to the next higher grade in accordance with regulations prescribed by the Secretary concerned. Such promotions shall be in the manner specified in section 12203 of this title.

Regulations.

PUBLIC LAW 107-107—DEC. 28, 2001

“(B) An all-fully-qualified-officers list shall be considered to be approved for purposes of subparagraph (A) when the list is approved by the President. When so approved, such a list shall be treated in the same manner as a promotion list under this chapter and chapter 1403 of this title. President.

“(C) The Secretary of a military department may make a recommendation to the President for approval of an all-fully-qualified-officers list only when the Secretary determines that all officers on the list are needed in the next higher grade to accomplish mission objectives.

“(D) For purposes of this paragraph, an all-fully-qualified-officers list is a list of all officers on the reserve active-status list in a grade who the Secretary of the military department concerned determines—

“(i) are fully qualified for promotion to the next higher grade; and

“(ii) would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 14101(a) of this title upon the convening of such a board.”

(2) Section 14504 of such title is amended by adding at the end the following new subsection:

“(c) OFFICERS IN GRADE OF FIRST LIEUTENANT OR LIEUTENANT (JUNIOR GRADE) FOUND NOT FULLY QUALIFIED FOR PROMOTION.—For the purposes of this chapter, an officer of the Army, Air Force, or Marine Corps on a reserve active-status list who holds the grade of first lieutenant, and an officer of the Navy on a reserve active-status list who holds the grade of lieutenant (junior grade), shall be treated as having failed of selection for promotion if the Secretary of the military department concerned determines that the officer would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 14101(a) of this title if such a board were convened but is not fully qualified for promotion when recommending for promotion under section 14308(b)(4) of this title all fully qualified officers of the officer’s armed force in such grade who would be eligible for such consideration.”

(3) Section 14101(a) of such title is amended by adding at the end the following new paragraph:

“(3) Paragraph (1) does not require the convening of a selection board in the case of officers in the permanent grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) when the Secretary concerned recommends for promotion to the next higher grade under section 14308(b)(4) of this title all such officers whom the Secretary finds to be fully qualified for promotion.”

(c) CONFORMING AMENDMENTS.—Title 10, United States Code, is amended as follows:

(1)(A) Section 619(d) is amended by adding at the end the following new paragraph:

“(4) An officer in the grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) who is on an approved all-fully-qualified-officers list under section 624(a)(3) of this title.”

(B) Section 14301(c) is amended by adding at the end the following new paragraph:

“(5) An officer in the grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) who is on an approved all-fully-qualified-officers list under section 14308(b)(4) of this title.”

(2)(A) Section 624(d) is amended—

(i) in the second sentence of paragraph (1), by inserting after “on the promotion list” the following: “(including an approved all-fully-qualified-officers list, if applicable); and

(ii) in the second sentence of paragraph (2), by inserting after “to such grade, the officer” the following: “shall be

PUBLIC LAW 107-107—DEC. 28, 2001

retained on the promotion list (including an approved all-fully-qualified-officers list, if applicable) and”.

(B) Section 14311 is amended—

(i) in subsection (a)(2), by inserting after “on the promotion list” the following: “(including an approved all-fully-qualified-officers list, if applicable)”; and

(ii) in subsection (b), by inserting in the second sentence after “on the promotion list” the following: “(including an approved all-fully-qualified-officers list, if applicable)”.

(3)(A) Section 628(a)(1) is amended by inserting after “not so considered,” the following: “or the name of a person that should have been placed on an all-fully-qualified-officers list under section 624(a)(3) of this title was not so placed,”.

(B) Section 14502(a)(1) is amended by inserting after “because of administrative error,” the following: “or whose name was not placed on an all-fully-qualified-officers list under section 14308(b)(4) of this title because of administrative error,”.

(4) Section 1211(e) is amended by inserting after “a promotion list,” the following: “an approved all-fully-qualified-officers list,”.

(d) TECHNICAL AMENDMENTS TO STRIKE CERTAIN DOPMA REFERENCES TO REGULAR OFFICERS.—Chapter 36 of such title is amended as follows:

(1) Section 624(c) is amended—

(A) by inserting “, in the case of officers of the Army, Air Force, or Marine Corps,” after “captain”; and

(B) by inserting “, in the case of officers of the Navy,” after “or lieutenant” the second place it appears.

(2) Section 630 is amended by striking “regular” both places it appears.

(3) Sections 631(a) and 632(a) are each amended—

(A) by striking “Regular Army, Regular Air Force, or Regular Marine Corps” and inserting “Army, Air Force, or Marine Corps on the active-duty list”;

(B) by striking “Regular Navy” and inserting “Navy on the active-duty list”; and

(C) by striking “regular” each place it appears.

(4)(A) The heading of section 630 and the item relating to that section in the table of sections at the beginning of subchapter III are each amended by striking the third word.

(B) The heading of section 631 and the item relating to that section in the table of sections at the beginning of subchapter III are each amended by striking the eighth word.

(C) The heading of section 632 and the item relating to that section in the table of sections at the beginning of subchapter III are each amended by striking the eighth and twenty-first words.

SEC. 506. AUTHORITY TO ADJUST DATE OF RANK OF CERTAIN PROMOTIONS DELAYED BY REASON OF UNUSUAL CIRCUMSTANCES.

(a) ACTIVE DUTY OFFICERS.—Subsection 741(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(4)(A) The Secretary concerned may adjust the date of rank of an officer appointed under section 624(a) of this title to a higher grade that is not a general officer or flag officer grade if the appointment of that officer to that grade is delayed from the date on which (as determined by the Secretary) it would otherwise have been made by reason of unusual circumstances (as determined by the Secretary) that cause an unintended delay in—

“(i) the processing or approval of the report of the selection board recommending the appointment of that officer to that grade; or

PUBLIC LAW 107-107—DEC. 28, 2001

“(ii) the processing or approval of the promotion list established on the basis of that report.

“(B) The adjusted date of rank applicable to the grade of an officer under subparagraph (A) shall be consistent—

“(i) with the officer’s position on the promotion list for that grade and competitive category when additional officers in that grade and competitive category were needed; and

“(ii) with compliance with the applicable authorized strengths for officers in that grade and competitive category.

“(C) The adjusted date of rank applicable to the grade of an officer under subparagraph (A) shall be the effective date for—

“(i) the officer’s pay and allowances for that grade; and

“(ii) the officer’s position on the active-duty list.

“(D) When under subparagraph (A) the Secretary concerned adjusts the date of rank of an officer in a grade to which the officer was appointed by and with the advice and consent of the Senate and the adjustment is to a date before the date of the advice and consent of the Senate to that appointment, the Secretary shall promptly transmit to the Committee on Armed Services of the Senate a notification of that adjustment. Any such notification shall include the name of the officer and a discussion of the reasons for the adjustment of date of rank.

“(E) Any adjustment in date of rank under this paragraph shall be made under regulations prescribed by the Secretary of Defense, which shall apply uniformly among the Army, Navy, Air Force, and Marine Corps.”.

(b) RESERVE OFFICERS.—(1) Section 14308(c) of such title is amended—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following new paragraph (2):

“(2) The date of rank of an officer appointed to a higher grade under this section may be adjusted in the same manner as an adjustment may be made under section 741(d)(4) of this title in the date of rank of an officer appointed to a higher grade under section 624(a) of this title. In any use of the authority under the preceding sentence, subparagraph (C)(ii) of such section shall be applied by substituting ‘reserve active-status list’ for ‘active-duty list’.”.

(2) Paragraph (3) of such section, as redesignated by paragraph (1)(A), is amended by inserting “provided in paragraph (2) or as otherwise” after “Except as”.

(c) EFFECTIVE DATE.—(1) Paragraph (4) of section 741(d) of title 10, United States Code, as added by subsection (a), and paragraph (2) of section 14308(c) of such title, as added by subsection (b), shall apply with respect to any report of a selection board recommending officers for promotion to the next higher grade that is submitted to the Secretary of the military department concerned on or after the date of the enactment of this Act.

(2) The Secretary of the military department concerned may apply the applicable paragraph referred to in paragraph (1) in the case of an appointment of an officer to a higher grade resulting from a report of a selection board submitted to the Secretary before the date of the enactment of this Act if the Secretary determines that such appointment would have been made on an earlier date that is on or after October 1, 2001, and was delayed under the circumstances specified in paragraph (4) of section 741(d) of title 10, United States Code, as added by subsection (a).

SEC. 507. AUTHORITY FOR LIMITED EXTENSION OF MEDICAL DEFERMENT OF MANDATORY RETIREMENT OR SEPARATION.

The text of section 640 of title 10, United States Code, is amended to read as follows:

“(a) If the Secretary of the military department concerned determines that the evaluation of the physical condition of an officer

Effective date.

Notification.

Regulations.
Applicability.

10 USC 741 note.

PUBLIC LAW 107-107—DEC. 28, 2001

and determination of the officer's entitlement to retirement or separation for physical disability require hospitalization or medical observation and that such hospitalization or medical observation cannot be completed with confidence in a manner consistent with the member's well being before the date on which the officer would otherwise be required to retire or be separated under this title, the Secretary may defer the retirement or separation of the officer under this title.

“(b) A deferral of retirement or separation under subsection (a) may not extend for more than 30 days after completion of the evaluation requiring hospitalization or medical observation.”.

SEC. 508. AUTHORITY FOR LIMITED EXTENSION ON ACTIVE DUTY OF MEMBERS SUBJECT TO MANDATORY RETIREMENT OR SEPARATION.

(a) **SECTION 12305 STOP-LOSS AUTHORITY.**—Section 12305 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(c) Upon the termination of a suspension made under the authority of subsection (a) of a provision of law otherwise requiring the separation or retirement of officers on active duty because of age, length of service or length of service in grade, or failure of selection for promotion, the Secretary concerned shall extend by up to 90 days the otherwise required separation or retirement date of any officer covered by the suspended provision whose separation or retirement date, but for the suspension, would have been before the date of the termination of the suspension or within 90 days after the date of such termination.”.

(b) **SECTION 123 STOP-LOSS AUTHORITY.**—Section 123 of such title is amended by adding at the end the following new subsection:

“(d) Upon the termination of a suspension made under the authority of subsection (a) of a provision of law otherwise requiring the separation or retirement of officers on active duty because of age, length of service or length of service in grade, or failure of selection for promotion, the Secretary concerned shall extend by up to 90 days the otherwise required separation or retirement date of any officer covered by the suspended provision whose separation or retirement date, but for the suspension, would have been before the date of the termination of the suspension or within 90 days after the date of such termination.”.

SEC. 509. EXEMPTION FROM CERTAIN ADMINISTRATIVE LIMITATIONS FOR RETIRED OFFICERS ORDERED TO ACTIVE DUTY AS DEFENSE OR SERVICE ATTACHÉS.

(a) **LIMITATION OF PERIOD OF RECALLED SERVICE.**—Section 688(e)(2) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

“(D) An officer who is assigned to duty as a defense attaché or service attaché for the period of active duty to which ordered.”.

(b) **LIMITATION ON NUMBER OF RECALLED OFFICERS ON ACTIVE DUTY.**—Section 690(b)(2) of such title is amended by adding at the end the following new subparagraph:

“(E) An officer who is assigned to duty as a defense attaché or service attaché for the period of active duty to which ordered.”.

10 USC 688 note.

(c) **APPLICABILITY.**—The amendments made by subsections (a) and (b) shall apply with respect to officers serving on active duty as a defense attaché or service attaché on or after the date of the enactment of this Act.

SEC. 510. OFFICER IN CHARGE OF UNITED STATES NAVY BAND.

(a) **DETAIL AND GRADE.**—Section 6221 of title 10, United States Code, is amended to read as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

“§ 6221. United States Navy Band; officer in charge

“(a) There is a Navy band known as the United States Navy Band.

“(b)(1) An officer of the Navy designated for limited duty under section 5589 or 5596 of this title who is serving in a grade above lieutenant may be detailed by the Secretary of the Navy as Officer in Charge of the United States Navy Band.

“(2) While serving as Officer in Charge of the United States Navy Band, an officer shall hold the grade of captain if appointed to that grade by the President, by and with the advice and consent of the Senate. Such an appointment may be made notwithstanding section 5596(d) of this title.”.

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 565 of such title is amended to read as follows:

“6221. United States Navy Band; officer in charge.”.

Subtitle B—Reserve Component Personnel Policy

SEC. 511. PLACEMENT ON ACTIVE-DUTY LIST OF CERTAIN RESERVE OFFICERS ON ACTIVE DUTY FOR A PERIOD OF THREE YEARS OR LESS.

(a) CLARIFICATION OF EXEMPTION.—Section 641(1)(D) of title 10, United States Code, is amended to read as follows:

“(D) on active duty under section 12301(d) of this title, other than as provided under subparagraph (C), if the call or order to active duty, under regulations prescribed by the Secretary concerned, specifies a period of three years or less and continued placement on the reserve active-status list;”.

(b) RETROACTIVE APPLICATION.—(1) The Secretary of the military department concerned may provide that an officer who was excluded from the active-duty list under section 641(1)(D) of title 10, United States Code, as amended by section 521 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-108), shall be considered to have been on the active-duty list during the period beginning on the date on which the officer was so excluded and ending on the date of the enactment of this Act.

10 USC 641 note.

(2) The Secretary of the military department concerned may provide that a Reserve officer who was placed on the active-duty list on or after October 30, 1997, shall be placed on the reserve active-status list if the officer otherwise meets the conditions specified in section 641(1)(D) of title 10, United States Code, as amended by subsection (a).

SEC. 512. EXCEPTION TO BACCALAUREATE DEGREE REQUIREMENT FOR APPOINTMENT OF RESERVE OFFICERS TO GRADES ABOVE FIRST LIEUTENANT.

(a) REAUTHORIZATION OF WAIVER AUTHORITY FOR ARMY OCS GRADUATES AND INCLUSION OF CERTAIN MARINE OFFICERS.—Section 12205 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(d) WAIVER AUTHORITY FOR ARMY OCS GRADUATES AND CERTAIN MARINE CORPS OFFICERS.—(1) The Secretary of the Army may waive the applicability of subsection (a) to any officer whose original appointment in the Army as a Reserve officer is through the Army Officer Candidate School program.

“(2) The Secretary of the Navy may waive the applicability of subsection (a) to any officer whose original appointment in the Marine Corps as a Reserve officer is through the Marine Corps meritorious commissioning program.

PUBLIC LAW 107-107—DEC. 28, 2001

“(3) Any such waiver shall be made on a case-by-case basis, considering the individual circumstances of the officer involved, and may continue in effect for no more than two years after the waiver is granted. The Secretary concerned may provide for such a waiver to be effective before the date of the waiver, as appropriate in an individual case.”.

Applicability.
10 USC 12205
note.

(b) **EFFECTIVE DATE.**—Subsection (d) of section 12205 of title 10, United States Code, as added by subsection (a), shall apply with respect to officers appointed before, on, or after the date of the enactment of this Act.

SEC. 513. IMPROVED DISABILITY BENEFITS FOR CERTAIN RESERVE COMPONENT MEMBERS.

(a) **MEDICAL AND DENTAL CARE.**—Sections 1074a(a)(3) and 1076(a)(2)(C) of title 10, United States Code, are each amended by striking “, if the” and all that follows through “member’s residence”.

(b) **ELIGIBILITY FOR DISABILITY RETIREMENT OR SEPARATION.**—Sections 1204(2)(B)(iii) and 1206(2)(B)(iii) of title 10, United States Code, are each amended by striking “, if the” and all that follows through “member’s residence”.

(c) **RECOVERY, CARE, AND DISPOSITION OF REMAINS.**—Section 1481(a)(2)(D) of title 10, United States Code, is amended by striking “, if the site is outside reasonable commuting distance from the member’s residence”.

(d) **ENTITLEMENT TO BASIC PAY.**—Subsections (g)(1)(D) and (h)(1)(D) of section 204 of title 37, United States Code, are amended by striking “, if the site is outside reasonable commuting distance from the member’s residence”.

(e) **COMPENSATION FOR INACTIVE-DUTY TRAINING.**—Section 206(a)(3)(C) of title 37, United States Code, is amended by striking “, if the site is outside reasonable commuting distance from the member’s residence”.

SEC. 514. TIME-IN-GRADE REQUIREMENT FOR RESERVE COMPONENT OFFICERS RETIRED WITH A NONSERVICE CONNECTED DISABILITY.

Section 1370(d)(3)(B) of title 10, United States Code, is amended to read as follows:

“(B) A person covered by subparagraph (A) who has completed at least six months of satisfactory service in grade may be credited with satisfactory service in the grade in which serving at the time of transfer or discharge, notwithstanding failure of the person to complete three years of service in that grade, if that person is transferred from an active status or discharged as a reserve commissioned officer—

“(i) solely due to the requirements of a nondiscretionary provision of law requiring that transfer or discharge due to the person’s age or years of service; or

“(ii) because the person no longer meets the qualifications for membership in the Ready Reserve solely because of a physical disability, as determined, at a minimum, by a medical evaluation board and at the time of such transfer or discharge such person (pursuant to section 12731b of this title or otherwise) meets the service requirements established by section 12731(a) of this title for eligibility for retired pay under chapter 1223 of this title, unless the disability is described in section 12731b of this title.”.

SEC. 515. EQUAL TREATMENT OF RESERVES AND FULL-TIME ACTIVE DUTY MEMBERS FOR PURPOSES OF MANAGING PERSONNEL DEPLOYMENTS.

(a) **RESIDENCE OF RESERVES AT HOME STATION.**—Paragraph (2) of section 991(b) of title 10, United States Code, is amended to read as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

“(2) In the case of a member of a reserve component who is performing active service pursuant to orders that do not establish a permanent change of station, the housing referred to in paragraph (1) is any housing (which may include the member’s residence) that the member usually occupies for use during off-duty time when on garrison duty at the member’s permanent duty station or homeport, as the case may be.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to duty performed on or after October 1, 2001.

Applicability.
10 USC 991 note.

SEC. 516. MODIFICATION OF PHYSICAL EXAMINATION REQUIREMENTS FOR MEMBERS OF THE INDIVIDUAL READY RESERVE.

(a) IRR REQUIREMENT.—Section 10206 of title 10, United States Code, is amended—

(1) in the matter in subsection (a) preceding paragraph (1), by striking “Ready Reserve” and inserting “Selected Reserve”;

(2) by designating the second sentence of subsection (a) as subsection (c);

(3) by redesignating subsection (b) as subsection (d); and

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

“(b) A member of the Individual Ready Reserve or inactive National Guard shall be examined for physical fitness as necessary to determine the member’s physical fitness for—

“(1) military duty or promotion;

“(2) attendance at a school of the armed forces; or

“(3) other action related to career progression.”

(b) TECHNICAL AMENDMENT.—Subsection (a)(1) of such section is amended by striking “his” and inserting “the member’s”.

SEC. 517. RETIREMENT OF RESERVE MEMBERS WITHOUT REQUIREMENT FOR FORMAL APPLICATION OR REQUEST.

(a) RETIRED RESERVE.—Section 10154(2) of title 10, United States Code, is amended by striking “upon their request”.

(b) RETIREMENT FOR FAILURE OF SELECTION OF PROMOTION.—(1) Paragraph (2) of section 14513 of such title is amended by striking “, if the officer is qualified and applies for such transfer” and inserting “if the officer is qualified for such transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve”.

(2)(A) The heading for such section is amended to read as follows:

“§ 14513. Failure of selection for promotion: transfer, retirement, or discharge”.

(B) The item relating to such section in the table of sections at the beginning of chapter 1407 of such title is amended to read as follows:

“14513. Failure of selection for promotion: transfer, retirement, or discharge.”

(c) RETIREMENT FOR YEARS OF SERVICE OR AFTER SELECTION FOR EARLY REMOVAL.—Section 14514 of such title is amended—

(1) in paragraph (1), by striking “, if the officer is qualified and applies for such transfer” and inserting “if the officer is qualified for such transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve”; and

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

“(2) be discharged from the officer’s reserve appointment if the officer is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.”

PUBLIC LAW 107-107—DEC. 28, 2001

(d) RETIREMENT FOR AGE.—Section 14515 of such title is amended—

(1) in paragraph (1), by striking “, if the officer is qualified and applies for such transfer” and inserting “if the officer is qualified for such transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve”; and

(2) by striking paragraph (2) and inserting the following: “(2) be discharged from the officer’s reserve appointment if the officer is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.”.

(e) DISCHARGE OR RETIREMENT OF WARRANT OFFICERS FOR YEARS OF SERVICE OR AGE.—(1) Chapter 1207 of such title is amended by adding at the end the following new section:

“§ 12244. Warrant officers: discharge or retirement for years of service or for age

“Each reserve warrant officer of the Army, Navy, Air Force, or Marine Corps who is in an active status and has reached the maximum years of service or age prescribed by the Secretary concerned shall—

“(1) be transferred to the Retired Reserve if the warrant officer is qualified for such transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve; or

“(2) be discharged if the warrant officer is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.”.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“12244. Warrant officers: discharge or retirement for years of service or for age.”.

(f) DISCHARGE OR RETIREMENT OF ENLISTED MEMBERS FOR YEARS OF SERVICE OR AGE.—(1) Chapter 1203 of such title is amended by adding at the end the following new section:

“§ 12108. Enlisted members: discharge or retirement for years of service or for age

“Each reserve enlisted member of the Army, Navy, Air Force, or Marine Corps who is in an active status and has reached the maximum years of service or age prescribed by the Secretary concerned shall—

“(1) be transferred to the Retired Reserve if the member is qualified for such transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve; or

“(2) be discharged if the member is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.”.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“12108. Enlisted members: discharge or retirement for years of service or for age.”.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first month that begins more than 180 days after the date of the enactment of this Act.

SEC. 518. SPACE-REQUIRED TRAVEL BY RESERVES ON MILITARY AIRCRAFT.

(a) CORRECTION OF IMPAIRMENT TO AUTHORIZED TRAVEL WITH ALLOWANCES.—Subsection (a) of section 18505 of title 10, United States Code, is amended by striking “annual training duty or” each place it appears.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) **CONFORMING AMENDMENTS.**—The heading for such section, and the item relating to such section in the table of sections at the beginning of chapter 1805 of such title, are each amended by striking the fourth, fifth, sixth, and seventh words.

SEC. 519. PAYMENT OF FEDERAL EMPLOYEE HEALTH BENEFIT PROGRAM PREMIUMS FOR CERTAIN RESERVISTS CALLED TO ACTIVE DUTY IN SUPPORT OF CONTINGENCY OPERATIONS.

(a) **IN GENERAL.**—Subsection (e) of section 8906 of title 5, United States Code, is amended by adding at the end the following new paragraph:

“(3)(A) An employing agency may pay both the employee and Government contributions, and any additional administrative expenses otherwise chargeable to the employee, with respect to health care coverage for an employee described in subparagraph (B) and the family of such employee.

“(B) An employee referred to in subparagraph (A) is an employee who—

“(i) is enrolled in a health benefits plan under this chapter;

“(ii) is a member of a reserve component of the armed forces;

“(iii) is called or ordered to active duty in support of a contingency operation (as defined in section 101(a)(13) of title 10);

“(iv) is placed on leave without pay or separated from service to perform active duty; and

“(v) serves on active duty for a period of more than 30 consecutive days.

“(C) Notwithstanding the one-year limitation on coverage described in paragraph (1)(A), payment may be made under this paragraph for a period not to exceed 18 months.”.

(b) **CONFORMING AMENDMENT.**—The matter preceding paragraph (1) in subsection (f) of such section is amended to read as follows:

“(f) The Government contribution, and any additional payments under subsection (e)(3)(A), for health benefits for an employee shall be paid—”.

(c) **APPLICABILITY.**—The amendments made by this section apply with respect to employees called to active duty on or after December 8, 1995, and an agency may make retroactive payments to such employees for premiums paid on or after such date.

5 USC 8906 note.

Subtitle C—Joint Specialty Officers and Joint Professional Military Education

SEC. 521. NOMINATIONS AND PROMOTIONS FOR JOINT SPECIALTY OFFICERS.

(a) **SELECTION OF OFFICERS FOR THE JOINT SPECIALTY.**—Paragraph (2) of section 661(b) of title 10, United States Code, is amended by striking “The Secretaries” and all that follows through “officers—” and inserting “Each officer on the active-duty list on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002 who has not before that date been nominated for the joint specialty by the Secretary of a military department, and each officer who is placed on the active-duty list after such date, who meets the requirements of subsection (c) shall automatically be considered to have been nominated for the joint specialty. From among those officers considered to be nominated for the joint specialty, the Secretary may select for the joint specialty only officers—”.

(b) **PROMOTION RATE FOR OFFICERS WITH THE JOINT SPECIALTY.**—Paragraph (2) of section 662(a) of such title is amended by striking “promoted at a rate” and inserting “promoted—”.

PUBLIC LAW 107-107—DEC. 28, 2001

“(A) during the three-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002, at a rate not less than the rate for officers of the same armed force in the same grade and competitive category; and

“(B) after the end of the period specified in subparagraph (A), at a rate”.

SEC. 522. JOINT DUTY CREDIT.

Paragraph (4) of section 664(i) of title 10, United States Code, is amended—

(1) in subparagraph (E), by striking “The” and inserting “Except as provided in subparagraph (F), the”; and

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

“(F) Service in a temporary joint task force assignment not involved in combat or combat-related operations may not be credited for the purposes of joint duty, unless, and only if—

“(i) the service of the officer and the nature of the joint task force not only meet all criteria of this section, except subparagraph (E), but also any additional criteria the Secretary may establish;

“(ii) the Secretary has specifically approved the operation conducted by the joint task force as one that qualifies for joint service credit, and notifies Congress upon each approval, providing the criteria that led to that approval; and

“(iii) the operation is conducted by the joint task force in an environment where an extremely fragile state of peace and high potential for hostilities coexist.”.

10 USC 664 note.

SEC. 523. RETROACTIVE JOINT SERVICE CREDIT FOR DUTY IN CERTAIN JOINT TASK FORCES.

(a) **AUTHORITY.**—In accordance with section 664(i) of title 10, United States Code, as amended by section 522, the Secretary of Defense may award joint service credit to any officer who served on the staff of a United States joint task force headquarters in an operation and during the period set forth in subsection (b) and who meets the criteria specified in such section. To determine which officers qualify for such retroactive credit, the Secretary shall undertake a case-by-case review of the records of officers.

(b) **ELIGIBLE OPERATIONS.**—Service in the following operations, during the specified periods, may be counted for credit under subsection (a):

(1) Operation Northern Watch, during the period beginning on August 1, 1992, and ending on a date to be determined.

(2) Operation Southern Watch, during the period beginning on August 27, 1992, and ending on a date to be determined.

(3) Operation Able Sentry, during the period beginning on June 26, 1993, and ending on February 28, 1999.

(4) Operation Joint Endeavor, during the period beginning on December 25, 1995, and ending on December 19, 1996.

(5) Operation Joint Guard, during the period beginning on December 20, 1996, and ending on June 20, 1998.

(6) Operation Desert Thunder, beginning on January 24, 1998, and ending on December 15, 1998.

(7) Operation Joint Forge, beginning on June 20, 1998, and ending on June 10, 1999.

(8) Operation Noble Anvil, beginning on March 24, 1999, and ending on July 20, 1999.

(9) Operation Joint Guardian, beginning on June 11, 1999, and ending on a date to be determined.

Deadline.

(c) **REPORT.**—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report of the numbers, by service, grade, and operation,

PUBLIC LAW 107-107—DEC. 28, 2001

of the officers given joint service credit in accordance with this section.

SEC. 524. REVISION TO ANNUAL REPORT ON JOINT OFFICER MANAGEMENT.

Section 667 of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting “(A)” after “(1)”; and

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

“(B) The number of officers who meet the criteria for selection for the joint specialty but were not selected, together with the reasons why.”;

(2) by amending paragraph (2) to read as follows:

“(2) The number of officers with the joint specialty, shown by grade and branch or specialty and by education.”;

(3) in paragraph (3)—

(A) in subparagraph (A) and (B), by striking “nominated” and inserting “selected”;

(B) by inserting “and” at the end of subparagraph (D);

(C) by striking subparagraph (E); and

(D) by redesignating subparagraph (F) as subparagraph (E);

(4) in paragraph (4)(A), by striking “nominated” and inserting “selected”;

(5) in paragraph (14)—

(A) by inserting “(A)” after “(14)”; and

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

“(B) An assessment of the extent to which the Secretary of each military department is assigning personnel to joint duty assignments in accordance with this chapter and the policies, procedures, and practices established by the Secretary of Defense under section 661(a) of this title.”; and

(6) in paragraph (16), by striking “section 664(i)” in the matter preceding subparagraph (A) and in subparagraph (B) and inserting “subparagraphs (E) and (F) of section 664(i)(4)”.

SEC. 525. REQUIREMENT FOR SELECTION FOR JOINT SPECIALTY BEFORE PROMOTION TO GENERAL OR FLAG OFFICER GRADE.

(a) **REQUIREMENT.**—Subsection (a) of section 619a of title 10, United States Code, is amended by striking “unless” and all that follows and inserting “unless—

“(1) the officer has completed a full tour of duty in a joint duty assignment (as described in section 664(f) of this title); and

“(2) for appointments after September 30, 2007, the officer has been selected for the joint specialty in accordance with section 661 of this title.”.

(b) **WAIVER AUTHORITY.**—Subsection (b) of that section is amended by striking “may waive subsection (a) in the following circumstances:” and inserting “may waive paragraph (1) or paragraph (2) of subsection (a), or both paragraphs (1) and (2) of subsection (a), in the following circumstances:”.

(c) **PROPOSED LEGISLATIVE CHANGES.**—Not later than December 1, 2002, the Secretary of Defense shall submit to Congress a draft proposal for such legislative changes as the Secretary considers needed to implement the amendment made by subsections (a) and (b).

Deadline.
10 USC 619a
note.

PUBLIC LAW 107-107—DEC. 28, 2001

10 USC 661 note. **SEC. 526. INDEPENDENT STUDY OF JOINT OFFICER MANAGEMENT AND JOINT PROFESSIONAL MILITARY EDUCATION REFORMS.**Reports.
Deadline.

(a) **STUDY.**—The Secretary of Defense shall provide for an independent study of the joint officer management system and the joint professional military education system. The Secretary shall ensure that the entity conducting the study is provided such information and support as required. The Secretary shall include in the contract for the study a requirement that the entity conducting the study submit a report to Congress on the study not later than one year after the date of the enactment of this Act.

(b) **MATTERS TO BE INCLUDED WITH RESPECT TO JOINT OFFICER MANAGEMENT.**—With respect to the joint officer management system, the entity conducting the independent study shall provide for the following:

(1) Assessment of implications for joint officer education, development, and management that would result from proposed joint organizational operational concepts (such as standing joint task forces) and from emerging officer management and personnel reforms (such as longer careers and more stabilization), that are under consideration by the Secretary of Defense.

(2) Assessment of the effectiveness of the current joint officer management system to develop and use joint specialty qualified officers in meeting both current and future requirements for joint specialty officers.

(3) Recommendations, based on empirical and other data, to improve the effectiveness of the joint officer management system, especially with regard to the following:

(A) The proper mix and sequencing of education assignments and experience assignments (to include, with respect to both types of assignments, consideration of the type and quality, and the length, of such assignments) to qualify an officer as a joint specialty officer, as well as the implications of adopting a variable joint duty tour length and the advisability and implications of a system of qualifying officers as joint specialty officers that uses multiple shorter qualification tracks to selection as a joint specialty officer than are now codified.

(B) The system of using joint specialty officers, including the continued utility of such measures as—

(i) the required fill of positions on the joint duty assignment list, as specified in paragraphs (1) and (4) of section 661(d) of title 10, United States Code;

(ii) the fill by such officers of a required number of critical billets, as prescribed by section 661(d)(2) of such title;

(iii) the mandated fill by general and flag officers of a minimum number of critical billets, as prescribed by section 661(d)(3) of such title; and

(iv) current promotion policy objectives for officers with the joint specialty, officers serving on the Joint Staff, and officers serving in joint duty assignment list positions, as prescribed by section 662 of such title.

(C) Changes in policy and law required to provide officers the required joint specialty qualification before promotion to general or flag officer grade.

(D) A determination of the number of reserve component officers who would be qualified for designation as a joint specialty officer by reason of experience or education if the standards of existing law, including waiver authorities, were applied to them, and recommendations for a process for qualifying and employing future reserve component officers as joint specialty officers.

PUBLIC LAW 107-107—DEC. 28, 2001

(c) **MATTERS TO BE INCLUDED WITH RESPECT TO JOINT PROFESSIONAL MILITARY EDUCATION.**—With respect to the joint professional military education system, the entity conducting the independent study shall provide for the following:

(1) The number of officers who under the current system (A) qualified as joint specialty officers by attending joint professional military education programs before their first joint duty assignment, (B) qualified as joint specialty officers after arriving at their first joint duty assignment but before completing that assignment, and (C) qualified as joint specialty officers without any joint professional military education.

(2) Recommended initiatives (include changes in officer personnel management law, if necessary) to provide incentives and otherwise facilitate attendance at joint professional military education programs before an officer's first joint duty assignment.

(3) Recommended goals for attendance at the Joint Forces Staff College en route to a first joint duty assignment.

(4) An assessment of the continuing utility of statutory requirements for use of officers following joint professional military education, as prescribed by section 662(d) of title 10, United States Code.

(5) Determination of whether joint professional military education programs should remain principally an in-resident, multi-service experience and what role non-resident or distributive learning can or should play in future joint professional military education programs.

(6) Examination of options for the length of and increased capacity at Joint Forces Staff College, and whether other in-resident joint professional military education sources should be opened, and if opened, how they might be properly accredited and overseen to provide instruction at the level of the program designated as "joint professional military education".

(d) **CHAIRMAN OF JOINT CHIEFS OF STAFF.**—With respect to the roles of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, the entity conducting the independent study shall—

(1) provide for an evaluation of the current roles of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and joint staff in law, policy, and implementation with regard to establishing and maintaining oversight of joint officer management, career guidelines, and joint professional military education; and

(2) make recommendations to improve and strengthen those roles.

(e) **REQUIREMENTS FOR STUDY ENTITY.**—In providing for the independent study required by subsection (a), the Secretary of Defense shall ensure that the entity conducting the study—

(1) is not a Department of Defense organization; and

(2) shall, at a minimum, involve in the study, in an integral way, the following persons:

(A) The Chairman of the Joint Chiefs of Staff and available former Chairmen of the Joint Chiefs of Staff.

(B) Members and former members of the Joint Staff, the Armed Forces, the Congress, and congressional staff who are or who have been significantly involved in the development, implementation, or modification of joint officer management and joint professional military education.

(C) Experts in joint officer management and education from civilian academic and research centers.

SEC. 527. PROFESSIONAL DEVELOPMENT EDUCATION.

(a) **EXECUTIVE AGENT FOR FUNDING.**—(1) Effective beginning with fiscal year 2003, the Secretary of Defense shall be the executive agent for funding professional development education operations

Effective date.
10 USC 2162
note.

PUBLIC LAW 107-107—DEC. 28, 2001

of all components of the National Defense University, including the Joint Forces Staff College. The Secretary may not delegate the Secretary's functions and responsibilities under the preceding sentence to the Secretary of a military department.

(2) Nothing in this subsection affects policies in effect on the date of the enactment of this Act with respect to—

(A) the reporting of the President of the National Defense University to the Chairman of the Joint Chiefs of Staff; or

(B) provision of logistical and base operations support for components of the National Defense University by the military departments.

(b) PREPARATION OF BUDGET REQUESTS.—Section 2162(b) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

“(2) As executive agent for funding professional development education at the National Defense University, including the Joint Forces Staff College, the Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff, shall prepare the annual budget for professional development education operations at the National Defense University and set forth that request as a separate budget request in the materials submitted to Congress in support of the budget request for the Department of Defense. Nothing in the preceding sentence affects policies in effect on the date of the enactment of this paragraph with respect to budgeting for the funding of logistical and base operations support for components of the National Defense University through the military departments.”.

(c) FUNDING SOURCE.—(1) Section 2165 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(d) SOURCE OF FUNDS FOR PROFESSIONAL DEVELOPMENT EDUCATION OPERATIONS.—Funding for the professional development education operations of the National Defense University shall be provided from funds made available to the Secretary of Defense from the annual appropriation ‘Operation and Maintenance, Defense-wide’.”.

(2) Subsection (d) of section 2165 of title 10, United States Code, as added by paragraph (1), shall become effective beginning with fiscal year 2003.

SEC. 528. AUTHORITY FOR NATIONAL DEFENSE UNIVERSITY TO ENROLL CERTAIN PRIVATE SECTOR CIVILIANS.

(a) IN GENERAL.—(1) Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2167. National Defense University: admission of private sector civilians to professional military education program

“(a) AUTHORITY FOR ADMISSION.—The Secretary of Defense may permit eligible private sector employees who work in organizations relevant to national security to receive instruction at the National Defense University in accordance with this section. No more than the equivalent of 10 full-time student positions may be filled at any one time by private sector employees enrolled under this section. Upon successful completion of the course of instruction in which enrolled, any such private sector employee may be awarded an appropriate diploma or degree under section 2165 of this title.

“(b) ELIGIBLE PRIVATE SECTOR EMPLOYEES.—For purposes of this section, an eligible private sector employee is an individual employed by a private firm that is engaged in providing to the Department of Defense or other Government departments or agencies significant and substantial defense-related systems, products, or services or whose work product is relevant to national security policy or strategy. A private sector employee admitted for instruc-

Effective date.
10 USC 2165
note.

PUBLIC LAW 107-107—DEC. 28, 2001

tion at the National Defense University remains eligible for such instruction only so long as that person remains employed by the same firm.

“(c) ANNUAL CERTIFICATION BY SECRETARY OF DEFENSE.—Private sector employees may receive instruction at the National Defense University during any academic year only if, before the start of that academic year, the Secretary of Defense determines, and certifies to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, that providing instruction to private sector employees under this section during that year will further national security interests of the United States.

“(d) PROGRAM REQUIREMENTS.—The Secretary of Defense shall ensure that—

“(1) the curriculum for the professional military education program in which private sector employees may be enrolled under this section is not readily available through other schools and concentrates on national security relevant issues; and

“(2) the course offerings at the National Defense University continue to be determined solely by the needs of the Department of Defense.

“(e) TUITION.—The President of the National Defense University shall charge students enrolled under this section a rate—

“(1) that is at least the rate charged for employees of the United States outside the Department of Defense, less infrastructure costs, and

“(2) that considers the value to the school and course of the private sector student.

“(f) STANDARDS OF CONDUCT.—While receiving instruction at the National Defense University, students enrolled under this section, to the extent practicable, are subject to the same regulations governing academic performance, attendance, norms of behavior, and enrollment as apply to Government civilian employees receiving instruction at the university.

“(g) USE OF FUNDS.—Amounts received by the National Defense University for instruction of students enrolled under this section shall be retained by the university to defray the costs of such instruction. The source, and the disposition, of such funds shall be specifically identified in records of the university.”

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“2167. National Defense University: admission of private sector civilians to professional military education program.”

(b) EFFECTIVE DATE.—Section 2167 of title 10, United States Code, as added by subsection (a), shall take effect on January 1, 2002.

10 USC 2167
note.

SEC. 529. CONTINUATION OF RESERVE COMPONENT PROFESSIONAL MILITARY EDUCATION TEST.

(a) CONTINUATION OF CONCEPT VALIDATION TEST.—During fiscal year 2002, the Secretary of Defense shall continue the concept validation test of Reserve component joint professional military education that was begun in fiscal year 2001 at the National Defense University.

(b) PILOT PROGRAM.—If the Secretary of Defense determines that the results of the concept validation test referred to in subsection (a) warrant conducting a pilot program of the concept that was the subject of the test, the Secretary shall conduct such a pilot program during fiscal year 2003.

(c) FUNDING.—The Secretary shall provide funds for the concept validation test under subsection (a) and for any pilot program under subsection (b) from funds appropriated to the Secretary of Defense in addition to those appropriated for operations of the National Defense University.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle D—Military Education and Training

SEC. 531. DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER.

(a) **AUTHORITY TO CONFER ASSOCIATE OF ARTS DEGREE.**—Chapter 108 of title 10, United States Code, is amended by adding after section 2167, as added by section 528(a)(1), the following new section:

“§ 2168. Defense Language Institute Foreign Language Center: degree of Associate of Arts in foreign language

“(a) Subject to subsection (b), the Commandant of the Defense Language Institute may confer an Associate of Arts degree in a foreign language upon any graduate of the Foreign Language Center of the Institute who fulfills the requirements for that degree.

“(b) A degree may be conferred upon a student under this section only if the Provost of the Center certifies to the Commandant that the student has satisfied all the requirements prescribed for the degree.

Regulations.

“(c) The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of Defense.”.

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2167, as added by section 528(a)(2), the following new item:

“2168. Defense Language Institute Foreign Language Center: degree of Associate of Arts in foreign language.”.

SEC. 532. AUTHORITY FOR THE MARINE CORPS UNIVERSITY TO AWARD DEGREE OF MASTER OF STRATEGIC STUDIES.

(a) **MARINE CORPS WAR COLLEGE DEGREE.**—Section 7102 of title 10, United States Code, is amended—

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

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

“(b) **MARINE CORPS WAR COLLEGE.**—Upon the recommendation of the Director and faculty of the Marine Corps War College of the Marine Corps University, the President of the Marine Corps University may confer the degree of master of strategic studies upon graduates of the Marine Corps War College who fulfill the requirements for that degree.”.

(b) **CONFORMING AMENDMENTS.**—(1) Subsection (a) of such section is amended by striking “upon graduates” and all that follows and inserting “upon graduates of the Command and Staff College who fulfill the requirements for that degree.”.

(2) Subsection (c) of such section, as redesignated by subsection (a)(1), is amended by striking “subsection (a)” and inserting “subsections (a) and (b)”.

(3)(A) The heading of such section is amended to read as follows:

“§ 7102. Marine Corps University: masters degrees; board of advisors”.

(B) The item relating to such section in the table of sections at the beginning of chapter 609 of such title is amended to read as follows:

“7102. Marine Corps University: masters degrees; board of advisors.”.

(c) **CODIFICATION OF REQUIREMENT FOR BOARD OF ADVISORS.**—(1) Section 7102 of title 10, United States Code, as amended by subsections (a) and (b), is further amended by adding at the end the following new subsection:

PUBLIC LAW 107-107—DEC. 28, 2001

“(d) BOARD OF ADVISORS.—The Secretary of the Navy shall establish a board of advisors for the Marine Corps University. The Secretary shall ensure that the board is established so as to meet all requirements of the appropriate regional accrediting association.” Establishment.

(2) Section 912 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 10 U.S.C. 7102 note) is repealed.

(d) EFFECTIVE DATE.—The authority to confer the degree of master of strategic studies under section 7102(b) of title 10, United States Code (as added by subsection (a)) may not be exercised until the Secretary of Education determines, and certifies to the President of the Marine Corps University, that the requirements established by the Marine Corps War College of the Marine Corps University for that degree are in accordance with generally applicable requirements for a degree of master of arts. Upon receipt of such a certification, the President of the University shall promptly transmit a copy of the certification to the Committee on Armed Services of the Senate and Committee on Armed Services of the House of Representatives. 10 USC 7102 note. Certification.

SEC. 533. FOREIGN STUDENTS ATTENDING THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Subsection (a)(1) of section 4344 of title 10, United States Code, is amended by striking “not more than 40 persons” and inserting “not more than 60 persons”.

(2) Subsection (b) of such section is amended—

(A) in paragraph (2), by striking “unless a written waiver of reimbursement is granted by the Secretary of Defense” in the first sentence; and

(B) by striking paragraph (3) and inserting the following:

“(3) The Secretary of Defense may waive, in whole or in part, the requirement for reimbursement of the cost of instruction for a cadet under paragraph (2). In the case of a partial waiver, the Secretary shall establish the amount waived.”

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Military Academy to receive instruction under section 4344 of title 10, United States Code, before the date of the enactment of this Act. 10 USC 4344 note.

(b) UNITED STATES NAVAL ACADEMY.—(1) Subsection (a)(1) of section 6957 of such title is amended by striking “not more than 40 persons” and inserting “not more than 60 persons”.

(2) Subsection (b) of such section is amended—

(A) in paragraph (2), by striking “unless a written waiver of reimbursement is granted by the Secretary of Defense” in the first sentence; and

(B) by striking paragraph (3) and inserting the following:

“(3) The Secretary of Defense may waive, in whole or in part, the requirement for reimbursement of the cost of instruction for a midshipman under paragraph (2). In the case of a partial waiver, the Secretary shall establish the amount waived.”

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Naval Academy to receive instruction under section 6957 of title 10, United States Code, before the date of the enactment of this Act. 10 USC 6957 note.

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Subsection (a)(1) of section 9344 of such title is amended by striking “not more than 40 persons” and inserting “not more than 60 persons”.

(2) Subsection (b) of such section is amended—

(A) in paragraph (2), by striking “unless a written waiver of reimbursement is granted by the Secretary of Defense” in the first sentence; and

(B) by striking paragraph (3) and inserting the following:

“(3) The Secretary of Defense may waive, in whole or in part, the requirement for reimbursement of the cost of instruction for

PUBLIC LAW 107-107—DEC. 28, 2001

a cadet under paragraph (2). In the case of a partial waiver, the Secretary shall establish the amount waived.”

10 USC 9344
note.

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Air Force Academy to receive instruction under section 9344 of title 10, United States Code, before the date of the enactment of this Act.

10 USC 4344
note.

(d) EFFECTIVE DATE.—The amendments made by this section shall not apply with respect to any academic year that began before the date of the enactment of this Act.

SEC. 534. INCREASE IN MAXIMUM AGE FOR APPOINTMENT AS A CADET OR MIDSHIPMAN IN SENIOR RESERVE OFFICERS’ TRAINING CORPS SCHOLARSHIP PROGRAMS.

(a) GENERAL ROTC SCHOLARSHIP PROGRAM.—Section 2107(a) of title 10, United States Code, is amended—

(1) by striking “27 years of age on June 30” and inserting “31 years of age on December 31”; and

(2) by striking “, except that” and all that follows through “on such date” the second place it appears.

(b) ARMY RESERVE AND ARMY NATIONAL GUARD ROTC SCHOLARSHIP PROGRAM.—Section 2107a(a)(1) of such title is amended—

(1) by striking “27 years of age on June 30” and inserting “31 years of age on December 31”; and

(2) by striking “, except that” and all that follows through “on such date” the second place it appears.

SEC. 535. PARTICIPATION OF REGULAR ENLISTED MEMBERS OF THE ARMED FORCES IN SENIOR RESERVE OFFICERS’ TRAINING CORPS PROGRAM.

(a) ELIGIBILITY.—Section 2104(b)(3) of title 10, United States Code, is amended by striking “a reserve component of”.

(b) PAY RATE WHILE ON FIELD TRAINING OR PRACTICE CRUISE.—Section 209(c) of title 37, United States Code, is amended by inserting before the period at the end the following: “, except that the rate for a cadet or midshipman who is a member of the regular component of an armed force shall be the rate of basic pay applicable to the member under section 203 of this title”.

SEC. 536. AUTHORITY TO MODIFY THE SERVICE OBLIGATION OF CERTAIN ROTC CADETS IN MILITARY JUNIOR COLLEGES RECEIVING FINANCIAL ASSISTANCE.

(a) AUTHORITY TO MODIFY AGREEMENTS.—Subsection (b) of section 2107a of title 10, United States Code, is amended—

(1) by inserting “(1)” after “(b)”;

(2) by redesignating paragraphs (1), (2), (3), (4), (5), and (6) as subparagraphs (A), (B), (C), (D), (E), and (F), respectively;

(3) by designating the sentence following subparagraph (F), as so redesignated, as paragraph (2); and

(4) by adding at the end the following new paragraph:

“(3) In the case of a cadet under this section at a military junior college, the Secretary may, at any time and with the consent of the cadet concerned, modify an agreement described in paragraph (1)(F) submitted by the cadet to reduce or eliminate the troop program unit service obligation specified in the agreement and to establish, in lieu of that obligation, an active duty service obligation. Such a modification may be made only if the Secretary determines that it is in the best interests of the United States to do so.”

10 USC 2107a
note.

(b) RETROACTIVE APPLICATION.—The authority of the Secretary of Defense under paragraph (3) of section 2107a(b) of title 10, United States Code, as added by subsection (a), may be exercised with regard to any agreement described in paragraph (1)(F) of such section (including agreements related to participation in the Advanced Course of the Army Reserve Officers’ Training Corps at a military college or civilian institution) that was entered into

PUBLIC LAW 107-107—DEC. 28, 2001

during the period beginning on January 1, 1991, and ending on July 12, 2000 (in addition to any agreement described in that paragraph that is entered into on or after the date of the enactment of this Act).

(c) TECHNICAL AMENDMENT.—Subsection (h) of such section is amended by striking “military college” in the second sentence and inserting “military junior college”.

SEC. 537. REPEAL OF LIMITATION ON NUMBER OF JUNIOR RESERVE OFFICERS’ TRAINING CORPS UNITS.

Section 2031(a)(1) of title 10, United States Code, is amended by striking the second sentence.

SEC. 538. MODIFICATION OF NURSE OFFICER CANDIDATE ACCESSION PROGRAM RESTRICTION ON STUDENTS ATTENDING EDUCATIONAL INSTITUTIONS WITH SENIOR RESERVE OFFICERS’ TRAINING PROGRAMS.

Section 2130a of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking “that does not have a Senior Reserve Officers’ Training Program established under section 2102 of this title”; and

(2) in subsection (b)(1), by inserting before the semicolon at the end “or that has a Senior Reserve Officers’ Training Program for which the student is ineligible”.

SEC. 539. RESERVE HEALTH PROFESSIONALS STIPEND PROGRAM EXPANSION.

(a) PURPOSE OF PROGRAM.—Subsection (a) of section 16201 of title 10, United States Code, is amended—

(1) by striking “specialties critically needed in wartime”;

(2) by striking “training in such specialties” and inserting “training that leads to a degree in medicine or dentistry or training in a health professions specialty that is critically needed in wartime”; and

(3) by striking “training in certain health care specialties” and inserting “health care education and training”.

(b) MEDICAL AND DENTAL STUDENT STIPEND.—Such section is further amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

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

“(b) MEDICAL AND DENTAL SCHOOL STUDENTS.—(1) Under the stipend program under this chapter, the Secretary of the military department concerned may enter into an agreement with a person who—

“(A) is eligible to be appointed as an officer in a reserve component;

“(B) is enrolled or has been accepted for enrollment in an institution in a course of study that results in a degree in medicine or dentistry;

“(C) signs an agreement that, unless sooner separated, the person will—

“(i) complete the educational phase of the program;

“(ii) accept a reappointment or redesignation within the person’s reserve component, if tendered, based upon the person’s health profession, following satisfactory completion of the educational and intern programs; and

“(iii) participate in a residency program; and

“(D) if required by regulations prescribed by the Secretary of Defense, agrees to apply for, if eligible, and accept, if offered, residency training in a health profession skill which has been designated by the Secretary of Defense as a critically needed wartime skill.

“(2) Under the agreement—

PUBLIC LAW 107-107—DEC. 28, 2001

“(A) the Secretary of the military department concerned shall agree to pay the participant a stipend, in the amount determined under subsection (f), for the period or the remainder of the period that the student is satisfactorily progressing toward a degree in medicine or dentistry while enrolled in an accredited medical or dental school;

“(B) the participant shall not be eligible to receive such stipend before appointment, designation, or assignment as an officer for service in the Ready Reserve;

“(C) the participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

“(D) the participant shall agree to serve in the Selected Reserve, upon successful completion of the program, for the period of service applicable under paragraph (3).

“(3)(A) Subject to subparagraph (B), the period for which a participant is required to serve in the Selected Reserve under the agreement pursuant to paragraph (2)(D) shall be one year for each period of six months, or part thereof, for which the participant is provided a stipend pursuant to the agreement.

“(B) In the case of a participant who enters into a subsequent agreement under subsection (c) and successfully completes residency training in a specialty designated by the Secretary of Defense as a specialty critically needed by the military department in wartime, the requirement to serve in the Selected Reserve may be reduced to one year for each year, or part thereof, for which the stipend was provided while enrolled in medical or dental school.”.

(c) WARTIME CRITICAL SKILLS.—Subsection (c) of such section (as redesignated by subsection (b)(1)) is amended—

(1) by inserting “WARTIME” after “CRITICAL” in the heading; and

(2) by inserting “or has been appointed as a medical or dental officer in the Reserve of the armed force concerned” in paragraph (1)(B) before the semicolon at the end.

(d) SERVICE OBLIGATION REQUIREMENT.—Paragraph (2)(D) of subsection (c) of such section (as redesignated by subsection (b)(1)) and paragraph (2)(D) of subsection (d) of such section (as so redesignated) are amended by striking “two years in the Ready Reserve for each year,” and inserting “one year in the Ready Reserve for each six months,”.

(e) CROSS-REFERENCE.—Paragraph (2)(A) of subsection (c) of such section (as redesignated by subsection (b)(1)) and paragraph (2)(A) of subsection (d) of such section (as so redesignated) are amended by striking “subsection (e)” and inserting “subsection (f)”.

SEC. 540. HOUSING ALLOWANCE FOR THE CHAPLAIN FOR THE CORPS OF CADETS AT THE UNITED STATES MILITARY ACADEMY.

(a) AUTHORITY.—The second sentence of section 4337 of title 10, United States Code, is amended by striking “the same allowances” and all that follows through “captain” and inserting “a monthly housing allowance in the same amount as the basic allowance for housing allowed to a lieutenant colonel”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month beginning on or after the date of the enactment of this Act.

10 USC 4337
note.

Subtitle E—Recruiting and Accession Programs

SEC. 541. 18-MONTH ENLISTMENT PILOT PROGRAM.

(a) IN GENERAL.—(1) Chapter 333 of title 10, United States Code, is amended by adding at the end the following new section:

PUBLIC LAW 107-107—DEC. 28, 2001

“§ 3264. 18-month enlistment pilot program

“(a) During the pilot program period, the Secretary of the Army shall carry out a pilot program with the objective of increasing participation of prior service persons in the Selected Reserve and providing assistance in building the pool of participants in the Individual Ready Reserve.

“(b) Under the program, the Secretary may, notwithstanding section 505(c) of this title, accept persons for original enlistment in the Army for a term of enlistment consisting of 18 months service on active duty, to be followed by three years of service in the Selected Reserve and then service in the Individual Ready Reserve to complete the military service obligation.

“(c) Under regulations and conditions established by the Secretary of the Army, a member enlisting under this section may, at the end of the 18-month period of service on active duty under that enlistment, be permitted to reenlist for continued service on active duty in lieu of the service in the Selected Reserve and the Individual Ready Reserve otherwise required under the terms of the member’s enlistment.

“(d) No more than 10,000 persons may be accepted for enlistment in the Army through the program under this section.

“(e) A person enlisting in the Army through the program under this section is eligible for an enlistment bonus under section 309 of title 37, notwithstanding the enlistment time period specified in subsection (a) of that section.

“(f) For purposes of this section, the pilot program period is the period beginning on the date selected by the Secretary of the Army for the commencement of the pilot program, which date shall be not later than October 1, 2003, and ending on December 31, 2007.

“(g) Not later than December 31, 2007, and December 31, 2012, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the program under this section. In each such report, the Secretary shall set forth the views of the Secretary on the success of the program in meeting the objectives stated in subsection (a) and whether the program should be continued and, if so, whether it should be modified or expanded.”

Deadlines.
Reports.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“3264. 18-month enlistment pilot program.”

(b) IMPLEMENTATION REPORT.—The Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the Secretary’s plan for implementation of section 3264 of title 10, United States Code, as added by subsection (a). Such report shall be submitted not later than March 1, 2002.

10 USC 3264
note.

Deadline.

SEC. 542. IMPROVED BENEFITS UNDER THE ARMY COLLEGE FIRST PROGRAM.

(a) INCREASED MAXIMUM PERIOD OF DELAYED ENTRY.—Section 573 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 623; 10 U.S.C. 513 note) is amended—

(1) in subsection (b)—

(A) by striking the matter preceding paragraph (1) and inserting the following:

“(b) DELAYED ENTRY WITH ALLOWANCE FOR HIGHER EDUCATION.—Under the pilot program, the Secretary may—

“(1) exercise the authority under section 513 of title 10, United States Code—”;

PUBLIC LAW 107-107—DEC. 28, 2001

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and realigning those subparagraphs four ems from the left margin;

(C) at the end of subparagraph (A), as so redesignated, by inserting “and” after the semicolon; and

(D) in subparagraph (B), as so redesignated, by striking “two years after the date of such enlistment as a Reserve under paragraph (1)” and inserting “the maximum period of delay determined for that person under subsection (c)”; and

(2) in subsection (c)—

(A) by striking “paragraph (2)” and inserting “paragraph (1)(B)”; and

(B) by striking “two-year period” and inserting “30-month period”; and

(C) by striking “paragraph (1)” and inserting “paragraph (1)(A)”.

(b) ALLOWANCE ELIGIBILITY AND AMOUNT.—(1) Such section is further amended—

(A) in subsection (b), by striking paragraph (3) and inserting the following:

“(2) subject to paragraph (2) of subsection (d) and except as provided in paragraph (3) of that subsection, pay an allowance to a person accepted for enlistment under paragraph (1)(A) for each month of the period during which that person is enrolled in and pursuing a program described in paragraph (1)(B)”; and

(B) in subsection (d)—

(i) by redesignating paragraph (2) as paragraph (4);

(ii) by striking paragraph (1) and inserting the following new paragraphs:

“(1) The monthly allowance paid under subsection (b)(2) shall be equal to the amount of the subsistence allowance provided for certain members of the Senior Reserve Officers’ Training Corps with the corresponding number of years of participation under section 209(a) of title 37, United States Code.

“(2) An allowance may not be paid to a person under this section for more than 24 months.

“(3) A member of the Selected Reserve of a reserve component may be paid an allowance under this section only for months during which the member performs satisfactorily as a member of a unit of the reserve component that trains as prescribed in section 10147(a)(1) of title 10, United States Code, or section 502(a) of title 32, United States Code. Satisfactory performance shall be determined under regulations prescribed by the Secretary.”

(2) The heading for such subsection is amended by striking “AMOUNT OF”.

(c) INELIGIBILITY FOR LOAN REPAYMENTS; RECOUPMENT.—Such section is further amended—

(1) by redesignating subsections (e), (f), and (g) as subsections (g), (h), and (i), respectively; and

(2) by inserting after subsection (d) the following new subsections:

“(e) INELIGIBILITY FOR LOAN REPAYMENTS.—A person who has received an allowance under this section is not eligible for any benefits under chapter 109 of title 10, United States Code.

“(f) RECOUPMENT OF ALLOWANCE.—(1) A person who, after receiving an allowance under this section, fails to complete the total period of service required of that person in connection with delayed entry authorized for the person under section 513 of title 10, United States Code, shall repay the United States the amount which bears the same ratio to the total amount of that allowance paid to the person as the unserved part of the total required period of service bears to the total period.

PUBLIC LAW 107-107—DEC. 28, 2001

“(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

“(3) A discharge of a person in bankruptcy under title 11, United States Code, that is entered less than five years after the date on which the person was, or was to be, enlisted in the regular Army pursuant to the delayed entry authority under section 513 of title 10, United States Code, does not discharge that person from a debt arising under paragraph (1).

“(4) The Secretary of the Army may waive, in whole or in part, a debt arising under paragraph (1) in any case for which the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to persons who, on or after the date of the enactment of this Act, are enlisted as described in subsection (a) of section 513 of title 10, United States Code, with delayed entry authorized under that section.

Applicability.
10 USC 513 note.

SEC. 543. CORRECTION AND EXTENSION OF CERTAIN ARMY RECRUITING PILOT PROGRAM AUTHORITIES.

10 USC 503 note.

(a) CONTRACT RECRUITING INITIATIVES.—Subsection (d)(2) of section 561 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-130) is amended—

(1) in subparagraphs (A) and (D), by inserting “and Army Reserve” after “Regular Army”; and

(2) in subparagraph (B), by striking “and chain of command”.

(b) EXTENSION OF AUTHORITY.—Subsection (e) of such section is amended by striking “December 31, 2005” and inserting “September 30, 2007”.

(c) EXTENSION OF TIME FOR REPORTS.—Subsection (g) of such section is amended by striking “February 1, 2006” and inserting “February 1, 2008”.

SEC. 544. MILITARY RECRUITER ACCESS TO SECONDARY SCHOOL STUDENTS.

(a) ACCESS TO SECONDARY SCHOOLS.—Paragraph (1) of section 503(c) of title 10, United States Code, is amended to read as follows:

“(c) ACCESS TO SECONDARY SCHOOLS.—(1)(A) Each local educational agency receiving assistance under the Elementary and Secondary Education Act of 1965—

“(i) shall provide to military recruiters the same access to secondary school students as is provided generally to post-secondary educational institutions or to prospective employers of those students; and

“(ii) shall, upon a request made by military recruiters for military recruiting purposes, provide access to secondary school student names, addresses, and telephone listings, notwithstanding section 444(a)(5)(B) of the General Education Provisions Act (20 U.S.C. 1232g(a)(5)(B)).

“(B) A local educational agency may not release a student’s name, address, and telephone listing under subparagraph (A)(ii) without the prior written consent of a parent of the student if the student, or a parent of the student, has submitted a request to the local educational agency that the student’s information not be released for a purpose covered by that subparagraph without prior written parental consent. Each local education agency shall notify parents of the rights provided under the preceding sentence.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 2002, immediately after the amendment to section 503(c) of title 10, United States Code, made, effective that date, by section 563(a) of the Floyd D. Spence National Defense

10 USC 503 note.

PUBLIC LAW 107-107—DEC. 28, 2001

Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-131).

10 USC 503 note.

Deadline.

(c) **NOTIFICATION.**—The Secretary of Education shall provide to local educational agencies notice of the provisions of subsection (c) of section 503 of title 10, United States Code, as in effect upon the amendments made by subsection (a). Such notice shall be provided not later than 120 days after the date of the enactment of this Act and shall be provided in consultation with the Secretary of Defense.

SEC. 545. PERMANENT AUTHORITY FOR USE OF MILITARY RECRUITING FUNDS FOR CERTAIN EXPENSES AT DEPARTMENT OF DEFENSE RECRUITING FUNCTIONS.

(a) **REPEAL OF TERMINATION PROVISION.**—Section 520c of title 10, United States Code, is amended by striking subsection (c).

(b) **TECHNICAL AMENDMENTS.**—Subsection (a) of such section is amended—

(1) in paragraph (4), by striking “recruiting events” and inserting “recruiting functions”; and

(2) in paragraph (5), by striking “recruiting efforts” the first place it appears and inserting “recruiting functions”.

SEC. 546. REPORT ON HEALTH AND DISABILITY BENEFITS FOR PRE-ACCESSION TRAINING AND EDUCATION PROGRAMS.

(a) **STUDY.**—The Secretary of Defense shall conduct a review of the health and disability benefit programs available to recruits and officer candidates engaged in training, education, or other types of programs while not yet on active duty and to cadets and midshipmen attending the service academies. The review shall be conducted with the participation of the Secretaries of the military departments.

Deadline.

(b) **REPORT.**—Not later than March 1, 2002, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the findings of the review. The report shall include the following with respect to persons described in subsection (a):

(1) A statement of the process and detailed procedures followed by each of the Armed Forces under the jurisdiction of the Secretary of a military department to provide health care and disability benefits to all such persons injured in training, education, or other types of programs conducted by the Secretary of a military department.

(2) Information on the total number of cases of such persons requiring health care and disability benefits and the total number of cases and average value of health care and disability benefits provided under the authority for each source of benefits available to those persons.

(3) A discussion of the issues regarding health and disability benefits for such persons that are encountered by the Secretary during the review, to include discussions with individuals who have received those benefits.

(4) A statement of the processes and detailed procedures followed by each of the Armed Forces under the jurisdiction of the Secretary of a military department to provide recruits and officer candidates with succinct information on the eligibility requirements (including information on when they become eligible) for health care benefits under the Defense health care program, and the nature and availability of the benefits under the program.

(5) A discussion of the necessity for legislative changes and specific legislative proposals needed to improve the benefits provided those persons.

(6) An analysis of health and disability benefits under laws administered by the Department of Veterans Affairs and the Department of Labor for which those persons become

PUBLIC LAW 107-107—DEC. 28, 2001

eligible upon being injured in training or education and a discussion of how those benefits compare to the benefits those persons would receive if retired for physical disability by the Department of Defense.

Subtitle F—Decorations, Awards, and Posthumous Commissions

SEC. 551. AUTHORITY FOR AWARD OF THE MEDAL OF HONOR TO HUMBERT R. VERSACE, JON E. SWANSON, AND BEN L. SALOMON FOR VALOR.

(a) **WAIVER OF TIME LIMITATIONS.**—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the military service, the President may award the Medal of Honor under section 3741 of that title to any of the persons named in subsections (b), (c), and (d) for the acts of valor referred to in those respective subsections.

(b) **HUMBERT R. VERSACE.**—Subsection (a) applies with respect to Humbert R. Versace, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty between October 29, 1963, and September 26, 1965, while interned as a prisoner of war by the Vietnamese Communist National Liberation Front (Viet Cong) in the Republic of Vietnam.

(c) **JON E. SWANSON.**—Subsection (a) applies with respect to Jon E. Swanson, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on February 26, 1971, while piloting a Scout helicopter on a close-support reconnaissance mission in support of the Army of the Republic of Vietnam Task Force 333 in the Kingdom of Cambodia.

(d) **BEN L. SALOMON.**—Subsection (a) applies with respect to Ben L. Salomon, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on July 7, 1944, while defending the soldiers under his care as the Surgeon, 2d Battalion, 105th Infantry Regiment, 27th Infantry Division against an overwhelming enemy force at Saipan, Marianas Islands.

SEC. 552. REVIEW REGARDING AWARD OF MEDAL OF HONOR TO CERTAIN JEWISH AMERICAN AND HISPANIC AMERICAN WAR VETERANS.

10 USC 3741
note.

(a) **REVIEW REQUIRED.**—The Secretary of each military department shall review the service records of each Jewish American war veteran or Hispanic American war veteran described in subsection (b) to determine whether that veteran should be awarded the Medal of Honor.

(b) **COVERED JEWISH AMERICAN WAR VETERANS AND HISPANIC AMERICAN WAR VETERANS.**—The Jewish American war veterans and Hispanic American war veterans whose service records are to be reviewed under subsection (a) are the following:

(1) Any Jewish American war veteran or Hispanic American war veteran who was awarded the Distinguished Service Cross, the Navy Cross, or the Air Force Cross before the date of the enactment of this Act.

(2) Any other Jewish American war veteran or Hispanic American war veteran whose name is submitted to the Secretary concerned for such purpose before the end of the one-year period beginning on the date of the enactment of this Act.

(c) **CONSULTATIONS.**—In carrying out the review under subsection (a), the Secretary of each military department shall consult with the Jewish War Veterans of the United States of America and with such other veterans service organizations as the Secretary considers appropriate.

PUBLIC LAW 107-107—DEC. 28, 2001

(d) **RECOMMENDATION BASED ON REVIEW.**—If the Secretary concerned determines, based upon the review under subsection (a) of the service records of any Jewish American war veteran or Hispanic American war veteran, that the award of the Medal of Honor to that veteran is warranted, the Secretary shall submit to the President a recommendation that the President award the Medal of Honor to that veteran.

(e) **AUTHORITY TO AWARD MEDAL OF HONOR.**—A Medal of Honor may be awarded to a Jewish American war veteran or Hispanic American war veteran in accordance with a recommendation of the Secretary concerned under subsection (d).

(f) **WAIVER OF TIME LIMITATIONS.**—An award of the Medal of Honor may be made under subsection (e) without regard to—

(1) section 3744, 6248, or 8744 of title 10, United States Code, as applicable; and

(2) any regulation or other administrative restriction on—

(A) the time for awarding the Medal of Honor; or

(B) the awarding of the Medal of Honor for service for which a Distinguished Service Cross, Navy Cross, or Air Force Cross has been awarded.

(g) **DEFINITION.**—For purposes of this section, the term “Jewish American war veteran” means any person who served in the Armed Forces during World War II or a later period of war and who identified himself or herself as Jewish on his or her military personnel records.

SEC. 553. AUTHORITY TO ISSUE DUPLICATE MEDALS OF HONOR AND TO REPLACE STOLEN MILITARY DECORATIONS.

(a) **ARMY.**—(1)(A) Chapter 357 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 3754. Medal of honor: duplicate medal

“A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Army may determine, as a duplicate or for display purposes only.”.

(B) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“3754. Medal of honor: duplicate medal.”.

(2) Section 3747 of such title is amended by striking “lost” and inserting “stolen, lost,”.

(b) **NAVY AND MARINE CORPS.**—(1)(A) Chapter 567 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 6256. Medal of honor: duplicate medal

“A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Navy may determine, as a duplicate or for display purposes only.”.

(B) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“6256. Medal of honor: duplicate medal.”.

(2) Section 6253 of such title is amended by striking “lost” and inserting “stolen, lost,”.

(c) **AIR FORCE.**—(1)(A) Chapter 857 of title 10, United States Code, is amended by adding at the end the following new section:

PUBLIC LAW 107-107—DEC. 28, 2001

“§ 8754. Medal of honor: duplicate medal

“A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Air Force may determine, as a duplicate or for display purposes only.”.

(B) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“8754. Medal of honor: duplicate medal.”.

(2) Section 8747 of such title is amended by striking “lost” and inserting “stolen, lost,”.

(d) COAST GUARD.—(1)(A) Chapter 13 of title 14, United States Code, is amended by inserting after section 503 the following new section:

“§ 504. Medal of honor: duplicate medal

“A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary may determine, as a duplicate or for display purposes only.”.

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 503 the following new item:

“504. Medal of honor: duplicate medal.”.

(2) Section 501 of such title is amended by inserting “stolen,” before “lost,”.

(e) DEFINITION OF MEDAL OF HONOR FOR PURPOSES OF FEDERAL UNAUTHORIZED-USE CRIME.—Section 704(b)(2)(B) of title 18, United States Code, is amended to read as follows:

“(B) As used in this subsection, ‘Congressional Medal of Honor’ means—

“(i) a medal of honor awarded under section 3741, 6241, or 8741 of title 10 or section 491 of title 14;

“(ii) a duplicate medal of honor issued under section 3754, 6256, or 8754 of title 10 or section 504 of title 14; or

“(iii) a replacement of a medal of honor provided under section 3747, 6253, or 8747 of title 10 or section 501 of title 14.”.

SEC. 554. RETROACTIVE MEDAL OF HONOR SPECIAL PENSION.

(a) ENTITLEMENT.—Notwithstanding any other provision of law, Robert R. Ingram of Jacksonville, Florida, who was awarded the Medal of Honor pursuant to Public Law 105-103 (111 Stat. 2218), shall be entitled to the special pension provided for under section 1562 of title 38, United States Code (and antecedent provisions of law), for months that begin after March 1966.

(b) AMOUNT.—The amount of special pension payable under subsection (a) for a month beginning before the date of the enactment of this Act shall be the amount of special pension provided for by law for that month for persons entered and recorded in the Army, Navy, Air Force, and Coast Guard Medal of Honor Roll (or antecedent Medal of Honor Roll required by law).

SEC. 555. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in this section, the award of each such decoration having been determined by the Secretary concerned to

Robert R.
Ingram.

PUBLIC LAW 107-107—DEC. 28, 2001

be warranted in accordance with section 1130 of title 10, United States Code.

Wayne T.
Alderson.

(b) **SILVER STAR.**—Subsection (a) applies to the award of the Silver Star to Wayne T. Alderson, of Glassport, Pennsylvania, for gallantry in action from March 15 to March 18, 1945, while serving as a member of the Army.

(c) **DISTINGUISHED FLYING CROSS.**—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 30, 2000, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 556. SENSE OF CONGRESS ON ISSUANCE OF CERTAIN MEDALS.

It is the sense of Congress that the Secretary of Defense should consider authorizing—

(1) the issuance of a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Armed Forces served in the Republic of Korea, or the waters adjacent thereto, during the period beginning on July 28, 1954, and ending on such date thereafter as the Secretary considers appropriate;

(2) the issuance of a campaign medal, to be known as the Cold War Service Medal, to each person who while a member of the Armed Forces served satisfactorily on active duty during the Cold War; and

(3) the award of the Vietnam Service Medal to any member or former member of the Armed Forces who was awarded the Armed Forces Expeditionary Medal for participation in military operations designated as Operation Frequent Wind arising from the evacuation of Vietnam on April 29 and 30, 1975.

SEC. 557. SENSE OF CONGRESS ON DEVELOPMENT OF A MORE COMPREHENSIVE, UNIFORM POLICY FOR THE AWARD OF DECORATIONS TO MILITARY AND CIVILIAN PERSONNEL OF THE DEPARTMENT OF DEFENSE.

(a) **FINDINGS.**—Congress makes the following findings:

(1) The role and importance of civilian nationals of the United States as Federal employees and contractors in support of operations of the Armed Forces worldwide has continued to expand.

(2) The expanded role performed by those civilians, both in the United States and overseas, has greatly increased the risk to those civilians of injury and death from hostile actions taken against United States Armed Forces, as demonstrated by the terrorist attack on the Pentagon on September 11, 2001, in which scores of Department of Defense civilian and contractor personnel were killed or wounded.

(3) On September 20, 2001, the Deputy Secretary of Defense approved the creation of a new award, a medal for the defense of freedom, to be awarded to civilians employed by the Department of Defense who are killed or wounded as a result of hostile action and at the same time directed that a comprehensive review be conducted to develop a more uniform approach to the award of decorations to military and civilian personnel of the Department of Defense.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) **COMMENDATION OF CREATION OF NEW AWARD.**—Congress commends the decision announced by the Deputy Secretary of Defense on September 20, 2001, to approve the creation of a new award, a medal for the defense of freedom, to be awarded to civilians employed by the Department of Defense who are killed or wounded as a result of hostile action.

(c) **SENSE OF CONGRESS.**—It is the sense of Congress that the Secretary of Defense should act expeditiously to develop a more comprehensive, uniform policy for the award of decorations to military and civilian personnel of the Department of Defense.

SEC. 558. POSTHUMOUS ARMY COMMISSION IN THE GRADE OF CAPTAIN IN THE CHAPLAINS CORPS TO ELLA E. GIBSON FOR SERVICE AS CHAPLAIN OF THE FIRST WISCONSIN HEAVY ARTILLERY REGIMENT DURING THE CIVIL WAR.

The President is authorized and requested to posthumously appoint Ella E. Gibson to the grade of captain in the Chaplains Corps of the Army, the commission to issue as of the date of her appointment as chaplain to the First Wisconsin Heavy Artillery regiment during the Civil War and to be considered to have been in effect during the time during which she faithfully performed the services of a chaplain to that regiment and for which Congress by law (Private Resolution 31 of the 40th Congress, approved March 3, 1869) previously provided for her to be paid the full pay and emoluments of a chaplain in the United States Army as if she had been regularly commissioned and mustered into service.

Subtitle G—Funeral Honors Duty

SEC. 561. PARTICIPATION OF MILITARY RETIREES IN FUNERAL HONORS DETAILS.

(a) **AUTHORITY.**—Subsection (b)(2) of section 1491 of title 10, United States Code, is amended—

(1) in the first sentence, by inserting “(other than members in a retired status)” after “members of the armed forces”; and

(2) in the second sentence, by inserting “(including members in a retired status),” after “members of the armed forces”.

(b) **FUNERAL HONORS DUTY ALLOWANCE.**—Section 435(a) of title 37, United States Code, is amended—

(1) by inserting “(1)” after “(a) ALLOWANCE AUTHORIZED.—”; and

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

“(2) The Secretary concerned may also authorize payment of that allowance to a member of the armed forces in a retired status for any day on which the member serves in a funeral honors detail under section 1491 of title 10, if the time required for service in such detail (including time for preparation) is not less than two hours. The amount of an allowance paid to a member under this paragraph shall be in addition to any other compensation to which the member may be entitled under this title or title 10 or 38.”.

SEC. 562. FUNERAL HONORS DUTY PERFORMED BY RESERVE AND GUARD MEMBERS TO BE TREATED AS INACTIVE-DUTY TRAINING FOR CERTAIN PURPOSES.

(a) **RESERVE MEMBERS.**—Section 12503(a) of title 10, United States Code, is amended by adding at the end the following new sentence: “Performance of funeral honors duty by a Reserve not on active duty shall be treated as inactive-duty training (including with respect to travel to and from such duty) for purposes of any provision of law other than sections 206 and 435 of title 37.”.

(b) **NATIONAL GUARD MEMBERS.**—Section 115(a) of title 32, United States Code, is amended by adding at the end the following

PUBLIC LAW 107-107—DEC. 28, 2001

new sentence: “Performance of funeral honors duty by such a member not on active duty or full-time National Guard duty shall be treated as inactive-duty training (including with respect to travel to and from such duty) for purposes of any provision of law other than sections 206 and 435 of title 37.”

Applicability.
10 USC 12503
note.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to funeral honors duty performed on or after October 30, 2000.

SEC. 563. USE OF MILITARY LEAVE FOR FUNERAL HONORS DUTY BY RESERVE MEMBERS AND NATIONAL GUARDSMEN.

Section 6323(a)(1) of title 5, United States Code, is amended by inserting “funeral honors duty (as described in section 12503 of title 10 and section 115 of title 32),” after “(as defined in section 101 of title 37).”

SEC. 564. AUTHORITY TO PROVIDE APPROPRIATE ARTICLES OF CLOTHING AS A CIVILIAN UNIFORM FOR CIVILIANS PARTICIPATING IN FUNERAL HONOR DETAILS.

Section 1491(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(3) Articles of clothing for members of a veterans organization or other organization referred to in subsection (b)(2) that, as determined by the Secretary concerned, are appropriate as a civilian uniform for persons participating in a funeral honors detail.”

Subtitle H—Military Spouses and Family Members

SEC. 571. IMPROVED FINANCIAL AND OTHER ASSISTANCE TO MILITARY SPOUSES FOR JOB TRAINING AND EDUCATION.

(a) **EXAMINATION OF EXISTING EMPLOYMENT ASSISTANCE PROGRAMS.**—(1) The Secretary of Defense shall examine existing Department of Defense and other Federal, State, and nongovernmental programs with the objective of improving retention of military personnel by increasing the employability of military spouses and assisting those spouses in gaining access to financial and other assistance for job training and education.

(2) In conducting the examination, the Secretary shall give priority to facilitating and increasing access of military spouses to existing Department of Defense, Federal, State, and nongovernmental sources for the types of financial assistance set forth in paragraph (3), but shall also specifically assess whether the Department of Defense should begin a program for direct financial assistance to military spouses for some or all of those types of assistance and whether such a program of direct financial assistance would enhance retention.

(3) In conducting the examination pursuant to paragraph (1), the Secretary should focus on financial assistance for military spouses for one or more of the following purposes:

- (A) Career-related education.
- (B) Certification and license fees for employment-related purposes.
- (C) Apprenticeships and internships.
- (D) Technical training.
- (E) Training to improve job skills.
- (F) Career counseling.
- (G) Skills assessment.
- (H) Job-search skills.
- (I) Job-related transportation.
- (J) Child care.

PUBLIC LAW 107-107—DEC. 28, 2001

(K) Any additional employment-related purpose specified by the Secretary for the purposes of the examination under paragraph (1).

(4) Not later than March 30, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the results of the examination under paragraph (1).

Deadline.
Reports.

(b) REVIEW OF DEPARTMENT OF DEFENSE POLICIES.—(1) The Secretary of Defense shall review Department of Defense policies that affect employment and education opportunities for military spouses in the Department of Defense in order to further expand those opportunities. The review shall include the consideration of providing, to the extent authorized by law, separate spouse preferences for employment by appropriated and nonappropriated fund operations.

(2) Not later than March 30, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the results of the review under paragraph (1).

Deadline.
Reports.

(c) SPOUSE EMPLOYMENT ASSISTANCE.—Section 1784 of title 10, United States Code, is amended by adding at the end the following new subsections:

“(d) SPACE-AVAILABLE USE OF FACILITIES FOR SPOUSE TRAINING PURPOSES.—Under regulations prescribed by the Secretary of Defense, the Secretary of a military department may make available to a non-Department of Defense entity space in non-excess facilities controlled by that Secretary for the purpose of the non-Department of Defense entity providing employment-related training for military spouses.

Regulations.

“(e) EMPLOYMENT BY OTHER FEDERAL AGENCIES.—The Secretary of Defense shall work with the Director of the Office of Personnel Management and the heads of other Federal departments and agencies to expand and facilitate the use of existing Federal programs and resources in support of military spouse employment.

“(f) PRIVATE-SECTOR EMPLOYMENT.—The Secretary of Defense—

“(1) shall seek to develop partnerships with firms in the private sector to enhance employment opportunities for spouses of members of the armed forces and to provide for improved job portability for such spouses, especially in the case of the spouse of a member of the armed forces accompanying the member to a new geographical area because of a change of permanent duty station of the member; and

“(2) shall work with the United States Chamber of Commerce and other appropriate private-sector entities to facilitate the formation of such partnerships.

“(g) EMPLOYMENT WITH DOD CONTRACTORS.—The Secretary of Defense shall examine and seek ways for incorporating hiring preferences for qualified spouses of members of the armed forces into contracts between the Department of Defense and private-sector entities.”.

SEC. 572. PERSONS AUTHORIZED TO BE INCLUDED IN SURVEYS OF MILITARY FAMILIES REGARDING FEDERAL PROGRAMS.

(a) EXTENSION OF SURVEY AUTHORITY.—Subsection (a) of section 1782 of title 10, United States Code, is amended to read as follows:

“(a) AUTHORITY.—The Secretary of Defense, in order to determine the effectiveness of Federal programs relating to military families and the need for new programs, may conduct surveys of—

“(1) members of the armed forces who are on active duty, in an active status, or retired;

“(2) family members of such members; and

“(3) survivors of deceased retired members and of members who died while on active duty.”.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) FEDERAL RECORDKEEPING REQUIREMENTS.—Subsection (c) of such section is amended to read as follows:

“(c) FEDERAL RECORDKEEPING REQUIREMENTS.—With respect to a survey authorized under subsection (a) that includes a person referred to in that subsection who is not an employee of the United States or is not otherwise considered an employee of the United States for the purposes of section 3502(3)(A)(i) of title 44, the person shall be considered as being an employee of the United States for the purposes of that section.”.

SEC. 573. CLARIFICATION OF TREATMENT OF CLASSIFIED INFORMATION CONCERNING PERSONS IN A MISSING STATUS.

Section 1506(b)(2) of title 10, United States Code, is amended—

(1) by inserting “(A)” after “(2)”;

(2) by striking the period at the end and inserting “of all missing persons from the conflict or period of war to which the classified information pertains.”; and

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

“(B) For purposes of subparagraph (A), information shall be considered to be made reasonably accessible if placed in a separate and distinct file that is available for review by persons specified in subparagraph (A) upon the request of any such person either to review the separate file or to review the personnel file of the missing person concerned.”.

SEC. 574. TRANSPORTATION TO ANNUAL MEETING OF NEXT-OF-KIN OF PERSONS UNACCOUNTED FOR FROM CONFLICTS AFTER WORLD WAR II.

(a) AUTHORITY FOR DEPARTMENT OF DEFENSE TO PROVIDE TRANSPORTATION.—Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2647. Next-of-kin of persons unaccounted for from conflicts after World War II: transportation to annual meetings

“The Secretary of Defense may provide transportation for the next-of-kin of persons who are unaccounted for from the Korean conflict, the Cold War, Vietnam War era, or the Persian Gulf War to and from an annual meeting in the United States. Such transportation shall be provided under such regulations as the Secretary of Defense may prescribe.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“2647. Next-of-kin of persons unaccounted for from conflicts after World War II: transportation to annual meetings.”.

SEC. 575. AMENDMENTS TO CHARTER OF DEFENSE TASK FORCE ON DOMESTIC VIOLENCE.

(a) MEMBERS APPOINTED FROM PRIVATE SECTOR.—Subsection (h)(1) of section 591 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 639; 10 U.S.C. 1562 note) is amended—

(1) by inserting “who is a member of the Armed Forces or civilian officer or employee of the United States” after “Each member of the task force”;

(2) by striking “, but shall” and all that follows and inserting a period; and

(3) by adding at the end the following new sentence: “Other members of the task force shall be appointed in accordance with, and subject to, section 3161 of title 5, United States Code.”.

(b) EXTENSION OF TERMINATION DATE.—Subsection (j) of such section is amended by striking “three years after the date of the enactment of this Act” and inserting “on April 24, 2003”.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle I—Military Justice and Legal Assistance Matters

SEC. 581. BLOOD ALCOHOL CONTENT LIMIT FOR THE OFFENSE UNDER THE UNIFORM CODE OF MILITARY JUSTICE OF DRUNKEN OPERATION OF A VEHICLE, AIRCRAFT, OR VESSEL.

Section 911 of title 10, United States Code (article 111 of the Uniform Code of Military Justice), is amended—

(1) by inserting “(a)” before “Any person”;

(2) by striking “0.10 grams” the first place it appears and all that follows through “chemical analysis” and inserting “in excess of the applicable limit under subsection (b)”; and

(3) by adding at the end the following:

“(b)(1) For purposes of subsection (a), the applicable limit on the alcohol concentration in a person’s blood or breath is as follows:

“(A) In the case of the operation or control of a vehicle, aircraft, or vessel in the United States, such limit is the blood alcohol content limit under the law of the State in which the conduct occurred, except as may be provided under paragraph (2) for conduct on a military installation that is in more than one State and subject to the maximum blood alcohol content limit specified in paragraph (3).

“(B) In the case of the operation or control of a vehicle, aircraft, or vessel outside the United States, the applicable blood alcohol content limit is the maximum blood alcohol content limit specified in paragraph (3) or such lower limit as the Secretary of Defense may by regulation prescribe.

“(2) In the case of a military installation that is in more than one State, if those States have different blood alcohol content limits under their respective State laws, the Secretary may select one such blood alcohol content limit to apply uniformly on that installation.

“(3) For purposes of paragraph (1), the maximum blood alcohol content limit with respect to alcohol concentration in a person’s blood is 0.10 grams of alcohol per 100 milliliters of blood and with respect to alcohol concentration in a person’s breath is 0.10 grams of alcohol per 210 liters of breath, as shown by chemical analysis.

“(4) In this subsection:

“(A) The term ‘blood alcohol content limit’ means the maximum permissible alcohol concentration in a person’s blood or breath for purposes of operation or control of a vehicle, aircraft, or vessel.

“(B) The term ‘United States’ includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa and the term ‘State’ includes each of those jurisdictions.”

SEC. 582. REQUIREMENT THAT COURTS-MARTIAL CONSIST OF NOT LESS THAN 12 MEMBERS IN CAPITAL CASES.

(a) CLASSIFICATION OF GENERAL COURT-MARTIAL IN CAPITAL CASES.—Section 816(1)(A) of title 10, United States Code (article 16(1)(A) of the Uniform Code of Military Justice) is amended by inserting after “five members” the following: “or, in a case in which the accused may be sentenced to a penalty of death, the number of members determined under section 825a of this title (article 25a)”.

(b) NUMBER OF MEMBERS REQUIRED.—(1) Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 825 (article 25) the following new section:

PUBLIC LAW 107-107—DEC. 28, 2001

“§ 825a. Art. 25a. Number of members in capital cases

“In a case in which the accused may be sentenced to a penalty of death, the number of members shall be not less than 12, unless 12 members are not reasonably available because of physical conditions or military exigencies, in which case the convening authority shall specify a lesser number of members not less than five, and the court may be assembled and the trial held with not less than the number of members so specified. In such a case, the convening authority shall make a detailed written statement, to be appended to the record, stating why a greater number of members were not reasonably available.”

(2) The table of sections at the beginning of subchapter V of such chapter is amended by inserting after the item relating to section 825 (article 25) the following new item:

“825a. 25a. Number of members in capital cases.”

(c) **ABSENT AND ADDITIONAL MEMBERS.**—Section 829(b) of such title (article 29 of the Uniform Code of Military Justice) is amended—

(1) by inserting “(1)” after “(b)”;

(2) by striking “five members” both places it appears and inserting “the applicable minimum number of members”; and

(3) by adding at the end the following new paragraph:

“(2) In this section, the term ‘applicable minimum number of members’ means five members or, in a case in which the death penalty may be adjudged, the number of members determined under section 825a of this title (article 25a).”

10 USC 816 note.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to offenses committed after December 31, 2002.

SEC. 583. ACCEPTANCE OF VOLUNTARY LEGAL ASSISTANCE FOR THE CIVIL AFFAIRS OF MEMBERS AND FORMER MEMBERS OF THE UNIFORMED SERVICES AND THEIR DEPENDENTS.

(a) **AUTHORITY.**—Subsection (a) of section 1588 of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(5) Legal services voluntarily provided as legal assistance under section 1044 of this title.”

(b) **DEFENSE OF LEGAL MALPRACTICE.**—Subsection (d)(1) of that section is amended by adding at the end the following new subparagraph:

“(E) Section 1054 of this title (relating to legal malpractice), for a person voluntarily providing legal services accepted under subsection (a)(5), as if the person were providing the services as an attorney of a legal staff within the Department of Defense.”

Subtitle J—Other Matters

SEC. 591. CONGRESSIONAL REVIEW PERIOD FOR CHANGE IN GROUND COMBAT EXCLUSION POLICY.

Section 542(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 113 note) is amended—

(1) in paragraph (1)—

(A) by striking “not less than 90 days”; and

(B) by adding at the end the following new sentence: “Such a change may then be implemented only after the end of a period of 30 days of continuous session of Congress (excluding any day on which either House of Congress is not in session) following the date on which the report is received.”; and

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

PUBLIC LAW 107-107—DEC. 28, 2001

“(5) For purposes of this subsection, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die.”.

SEC. 592. PER DIEM ALLOWANCE FOR LENGTHY OR NUMEROUS DEPLOYMENTS.

(a) **FUNDING SOURCE FOR ALLOWANCE.**—Section 436(a) of title 37, United States Code, is amended by adding at the end the following new sentence: “The Secretary shall pay the allowance from appropriations available for operation and maintenance for the armed force in which the member serves.”.

(b) **EXPANDED REPORT REGARDING MANAGEMENT OF INDIVIDUAL MEMBER DEPLOYMENTS.**—Section 574(d) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-138) is amended in the second sentence by striking paragraphs (1) and (2) and inserting the following new paragraphs:

10 USC 991 note.

“(1) a discussion of the experience in tracking and recording the deployments of members of the Armed Forces and the payment of the per diem allowance for lengthy or numerous deployments in accordance with section 436 of title 37, United States Code;

“(2) specific comments regarding the effect of section 991 of title 10, United States Code, and section 436 of title 37, United States Code, on the readiness of the Navy and Marine Corps given the deployment intensive mission of these services; and

“(3) any recommendations for revision of section 991 of title 10, United States Code, or section 436 of title 37, United States Code, that the Secretary considers appropriate.”.

SEC. 593. CLARIFICATION OF DISABILITY SEVERANCE PAY COMPUTATION.

(a) **CLARIFICATION.**—Section 1212(a)(2) of title 10, United States Code, is amended by striking “for promotion” in subparagraph (C) and the first place it appears in subparagraph (D).

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply with respect to members separated under section 1203 or 1206 of title 10, United States Code, on or after date of the enactment of this Act.

Applicability.
10 USC 1212
note.

SEC. 594. TRANSPORTATION OR STORAGE OF PRIVATELY OWNED VEHICLES ON CHANGE OF PERMANENT STATION.

(a) **ADVANCE PAYMENT OF STORAGE COSTS.**—Subsection (b) of section 2634 of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(4) Storage costs payable under this subsection may be paid in advance.”.

(b) **SHIPMENT ON PERMANENT CHANGE OF STATION WITHIN CONUS.**—Subsection (h)(1) of such section is amended by striking “includes” in the second sentence and all that follows and inserting “includes the following:

“(A) An authorized change in home port of a vessel.

“(B) A transfer or assignment between two permanent stations in the continental United States when—

“(i) the member cannot, because of injury or the conditions of the order, drive the motor vehicle between the permanent duty stations; or

“(ii) the Secretary concerned determines that it is advantageous and cost-effective to the United States for one motor vehicle of the member to be transported between the permanent duty stations.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section apply to orders to make a change of permanent station that are issued on or after the date of the enactment of this Act.

Applicability.
10 USC 2634
note.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 595. REPEAL OF REQUIREMENT FOR FINAL COMPTROLLER GENERAL REPORT RELATING TO ARMY END STRENGTH ALLOCATIONS.

Section 552 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 319; 10 U.S.C. 115 note) is repealed.

SEC. 596. CONTINUED DEPARTMENT OF DEFENSE ADMINISTRATION OF NATIONAL GUARD CHALLENGE PROGRAM AND DEPARTMENT OF DEFENSE STARBASE PROGRAM.

(a) NATIONAL GUARD CHALLENGE PROGRAM.—Section 509(b) of title 32, United States Code, is amended—

(1) in paragraph (2)(A), by striking “in a fiscal year” and inserting “in fiscal year 2001 or 2002”; and

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

“(4) The Secretary of Defense shall remain the executive agent to carry out the National Guard Challenge Program regardless of the source of funds for the program or any transfer of jurisdiction over the program within the executive branch. As provided in subsection (a), the Secretary may use the National Guard to conduct the program.”.

(b) STARBASE PROGRAM.—Section 2193b(f) of title 10, United States Code, is amended—

(1) by inserting “(1)” before “The Secretary”; and

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

“(2) The Secretary of Defense shall remain the executive agent to carry out the program regardless of the source of funds for the program or any transfer of jurisdiction over the program within the executive branch.”.

(c) REPEAL OF CONTINGENT FUNDING FOR JROTC.—(1) Section 2033 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 102 of such title is amended by striking the item relating to section 2033.

(3) The amendments made by this subsection shall take effect on October 1, 2002.

SEC. 597. REPORT ON DEFENSE SCIENCE BOARD RECOMMENDATION ON ORIGINAL APPOINTMENTS IN REGULAR GRADES FOR ACADEMY GRADUATES AND CERTAIN OTHER NEW OFFICERS.

The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the legislative and policy changes required to implement the recommendation of the Defense Science Board (made in its report entitled “Final Report on Human Resources Strategy” and dated February 28, 2000) that all officers be given initial regular commissions. The Secretary shall include in that report a description of the measures necessary to transition the current active-duty officer corps to an all-regular status, if the Board’s recommendation were adopted, and shall provide the Secretary’s position with regard to implementing that recommendation. The report shall be submitted not later than six months after the date of the enactment of this Act.

SEC. 598. SENSE OF CONGRESS REGARDING THE SELECTION OF OFFICERS FOR RECOMMENDATION FOR APPOINTMENT AS COMMANDER, UNITED STATES TRANSPORTATION COMMAND.

(a) FINDINGS.—Congress makes the following findings:

(1) The Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) envisioned that officers would be selected for recommendation to the President for appointment as the commander of a combatant command under chapter 6 of title 10, United States Code (as added by that Act), on the basis of being the best qualified officer

Effective date.
10 USC 2033
note.

Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

for that position, rather than the best qualified officer of the armed force that had historically supplied officers to serve in that position.

(2) In order to provide for greater competition among the Armed Forces for selection of officers for assignment as the commanders of the combatant commands and assignment to certain other joint positions in the grade of general or admiral, Congress provided temporary relief from the limitation on the number of officers serving on active duty in the grade of general or admiral in section 405 of the National Defense Authorization Act for Fiscal Year 1995 and thereafter extended that relief until September 30, 2003, but has also required that the Secretary of Defense be furnished the name of at least one officer from each of the Armed Forces for consideration for appointment to each such position.

(3) Most of the positions of commanders of the combatant commands have been filled successively by officers of more than one of the Armed Forces since the enactment of the Goldwater-Nichols Department of Defense Reorganization Act of 1986.

(4) However, general officers of the Air Force with only limited experience in the transportation services have usually filled the position of commander of the United States Transportation Command.

(5) The United States Transportation Command could benefit from the appointment of future commanders selected from the Army, Navy and Marine Corps, in addition to the Air Force.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense, when considering officers for recommendation to the President for appointment as commander of the United States Transportation Command, should not rely upon officers of one service which has traditionally provided officers to fill that position but should select for such recommendation the best qualified officer of the Army, Navy, Air Force, or Marine Corps.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

- Sec. 601. Increase in basic pay for fiscal year 2002.
- Sec. 602. Basic pay rate for certain reserve commissioned officers with prior service as an enlisted member or warrant officer.
- Sec. 603. Reserve component compensation for distributed learning activities performed as inactive-duty training.
- Sec. 604. Subsistence allowances.
- Sec. 605. Eligibility for temporary housing allowance while in travel or leave status between permanent duty stations.
- Sec. 606. Uniform allowance for officers.
- Sec. 607. Family separation allowance for members electing unaccompanied tour by reason of health limitations of dependents.

Subtitle B—Bonuses and Special and Incentive Pays

- Sec. 611. One-year extension of certain bonus and special pay authorities for reserve forces.
- Sec. 612. One-year extension of certain bonus and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
- Sec. 613. One-year extension of special pay and bonus authorities for nuclear officers.
- Sec. 614. One-year extension of other bonus and special pay authorities.
- Sec. 615. Hazardous duty pay for members of maritime visit, board, search, and seizure teams.
- Sec. 616. Eligibility for certain career continuation bonuses for early commitment to remain on active duty.
- Sec. 617. Secretarial discretion in prescribing submarine duty incentive pay rates.
- Sec. 618. Conforming accession bonus for dental officers authority with authorities for other special pay and bonuses.
- Sec. 619. Modification of eligibility requirements for Individual Ready Reserve bonus for reenlistment, enlistment, or extension of enlistment.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 620. Installment payment authority for 15-year career status bonus.
 Sec. 621. Accession bonus for new officers in critical skills.
 Sec. 622. Education savings plan to encourage reenlistments and extensions of service in critical specialties.
 Sec. 623. Continuation of payment of special and incentive pay at unreduced rates during stop loss periods.
 Sec. 624. Retroactive authorization for imminent danger pay for service in connection with Operation Enduring Freedom.

Subtitle C—Travel and Transportation Allowances

- Sec. 631. Minimum per diem rate for travel and transportation allowance for travel performed upon a change of permanent station and certain other travel.
 Sec. 632. Eligibility for payment of subsistence expenses associated with occupancy of temporary lodging incident to reporting to first permanent duty station.
 Sec. 633. Reimbursement of members for mandatory pet quarantine fees for household pets.
 Sec. 634. Increased weight allowance for transportation of baggage and household effects for junior enlisted members.
 Sec. 635. Eligibility of additional members for dislocation allowance.
 Sec. 636. Partial dislocation allowance authorized for housing moves ordered for Government convenience.
 Sec. 637. Allowances for travel performed in connection with members taking authorized leave between consecutive overseas tours.
 Sec. 638. Travel and transportation allowances for family members to attend burial of a deceased member of the uniformed services.
 Sec. 639. Funded student travel for foreign study under an education program approved by a United States school.

Subtitle D—Retirement and Survivor Benefit Matters

- Sec. 641. Contingent authority for concurrent receipt of military retired pay and veterans' disability compensation and enhancement of special compensation authority.
 Sec. 642. Survivor Benefit Plan annuities for surviving spouses of members who die while on active duty and not eligible for retirement.

Subtitle E—Other Matters

- Sec. 651. Payment for unused leave in excess of 60 days accrued by members of reserve components on active duty for one year or less.
 Sec. 652. Additional authority to provide assistance for families of members of the Armed Forces.
 Sec. 653. Authorization of transitional compensation and commissary and exchange benefits for dependents of commissioned officers of the Public Health Service and the National Oceanic and Atmospheric Administration who are separated for dependent abuse.
 Sec. 654. Transfer of entitlement to educational assistance under Montgomery GI Bill by members of the Armed Forces with critical military skills.

Subtitle A—Pay and Allowances

31 USC 1009
note.

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2002.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2002 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

Effective date.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 2002, the rates of monthly basic pay for members of the uniformed services within each pay grade are as follows:

COMMISSIONED OFFICERS¹

Years of service computed under section 205 of title 37, United States Code

| Pay Grade | 2 or less | Over 2 | Over 3 | Over 4 | Over 6 |
|-------------------|-----------|----------|----------|----------|----------|
| O-10 ² | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| O-9 ... | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| O-8 ... | 7,180.20 | 7,415.40 | 7,571.10 | 7,614.90 | 7,809.30 |
| O-7 ... | 5,966.40 | 6,371.70 | 6,371.70 | 6,418.20 | 6,657.90 |
| O-6 ... | 4,422.00 | 4,857.90 | 5,176.80 | 5,176.80 | 5,196.60 |
| O-5 ... | 3,537.00 | 4,152.60 | 4,440.30 | 4,494.30 | 4,673.10 |
| O-4 ... | 3,023.70 | 3,681.90 | 3,927.60 | 3,982.50 | 4,210.50 |
| O-3 ³ | 2,796.60 | 3,170.40 | 3,421.80 | 3,698.70 | 3,875.70 |
| O-2 ³ | 2,416.20 | 2,751.90 | 3,169.50 | 3,276.30 | 3,344.10 |

PUBLIC LAW 107-107—DEC. 28, 2001

COMMISSIONED OFFICERS¹—Continued

Years of service computed under section 205 of title 37, United States Code

| Pay Grade | 2 or less | Over 2 | Over 3 | Over 4 | Over 6 |
|-------------------|-----------|-------------|-------------|-------------|-------------|
| O-1 ³ | 2,097.60 | 2,183.10 | 2,638.50 | 2,638.50 | 2,638.50 |
| | Over 8 | Over 10 | Over 12 | Over 14 | Over 16 |
| O-10 ² | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| O-9 ... | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| O-8 ... | 8,135.10 | 8,210.70 | 8,519.70 | 8,608.50 | 8,874.30 |
| O-7 ... | 6,840.30 | 7,051.20 | 7,261.80 | 7,472.70 | 8,135.10 |
| O-6 ... | 5,418.90 | 5,448.60 | 5,448.60 | 5,628.60 | 6,305.70 |
| O-5 ... | 4,673.10 | 4,813.50 | 5,073.30 | 5,413.50 | 5,755.80 |
| O-4 ... | 4,395.90 | 4,696.20 | 4,930.20 | 5,092.50 | 5,255.70 |
| O-3 ³ | 4,070.10 | 4,232.40 | 4,441.20 | 4,549.50 | 4,549.50 |
| O-2 ³ | 3,344.10 | 3,344.10 | 3,344.10 | 3,344.10 | 3,344.10 |
| O-1 ³ | 2,638.50 | 2,638.50 | 2,638.50 | 2,638.50 | 2,638.50 |
| | Over 18 | Over 20 | Over 22 | Over 24 | Over 26 |
| O-10 ² | \$0.00 | \$11,601.90 | \$11,659.20 | \$11,901.30 | \$12,324.00 |
| O-9 ... | 0.00 | 10,147.50 | 10,293.60 | 10,504.80 | 10,873.80 |
| O-8 ... | 9,259.50 | 9,614.70 | 9,852.00 | 9,852.00 | 9,852.00 |
| O-7 ... | 8,694.90 | 8,694.90 | 8,694.90 | 8,694.90 | 8,738.70 |
| O-6 ... | 6,627.00 | 6,948.30 | 7,131.00 | 7,316.10 | 7,675.20 |
| O-5 ... | 5,919.00 | 6,079.80 | 6,262.80 | 6,262.80 | 6,262.80 |
| O-4 ... | 5,310.60 | 5,310.60 | 5,310.60 | 5,310.60 | 5,310.60 |
| O-3 ³ | 4,549.50 | 4,549.50 | 4,549.50 | 4,549.50 | 4,549.50 |
| O-2 ³ | 3,344.10 | 3,344.10 | 3,344.10 | 3,344.10 | 3,344.10 |
| O-1 ³ | 2,638.50 | 2,638.50 | 2,638.50 | 2,638.50 | 2,638.50 |

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

²Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is \$13,598.10, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

Years of service computed under section 205 of title 37, United States Code

| Pay Grade | 2 or less | Over 2 | Over 3 | Over 4 | Over 6 |
|-----------|------------|------------|------------|------------|------------|
| O-3E | \$0.00 | \$0.00 | \$0.00 | \$3,698.70 | \$3,875.70 |
| O-2E | 0.00 | 0.00 | 0.00 | 3,276.30 | 3,344.10 |
| O-1E | 0.00 | 0.00 | 0.00 | 2,638.50 | 2,818.20 |
| | Over 8 | Over 10 | Over 12 | Over 14 | Over 16 |
| O-3E | \$4,070.10 | \$4,232.40 | \$4,441.20 | \$4,617.00 | \$4,717.50 |
| O-2E | 3,450.30 | 3,630.00 | 3,768.90 | 3,872.40 | 3,872.40 |
| O-1E | 2,922.30 | 3,028.50 | 3,133.20 | 3,276.30 | 3,276.30 |
| | Over 18 | Over 20 | Over 22 | Over 24 | Over 26 |
| O-3E | \$4,855.20 | \$4,855.20 | \$4,855.20 | \$4,855.20 | \$4,855.20 |
| O-2E | 3,872.40 | 3,872.40 | 3,872.40 | 3,872.40 | 3,872.40 |
| O-1E | 3,276.30 | 3,276.30 | 3,276.30 | 3,276.30 | 3,276.30 |

PUBLIC LAW 107-107—DEC. 28, 2001

WARRANT OFFICERS ¹

Years of service computed under section 205 of title 37, United States Code

| Pay Grade | 2 or less | Over 2 | Over 3 | Over 4 | Over 6 |
|-----------|-----------|------------|------------|------------|------------|
| W-5 ... | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| W-4 ... | 2,889.60 | 3,108.60 | 3,198.00 | 3,285.90 | 3,437.10 |
| W-3 ... | 2,638.80 | 2,862.00 | 2,862.00 | 2,898.90 | 3,017.40 |
| W-2 ... | 2,321.40 | 2,454.00 | 2,569.80 | 2,654.10 | 2,726.40 |
| W-1 ... | 2,049.90 | 2,217.60 | 2,330.10 | 2,402.70 | 2,511.90 |
| | Over 8 | Over 10 | Over 12 | Over 14 | Over 16 |
| W-5 ... | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| W-4 ... | 3,586.50 | 3,737.70 | 3,885.30 | 4,038.00 | 4,184.40 |
| W-3 ... | 3,152.40 | 3,330.90 | 3,439.50 | 3,558.30 | 3,693.90 |
| W-2 ... | 2,875.20 | 2,984.40 | 3,093.90 | 3,200.40 | 3,318.00 |
| W-1 ... | 2,624.70 | 2,737.80 | 2,850.00 | 2,963.70 | 3,077.10 |
| | Over 18 | Over 20 | Over 22 | Over 24 | Over 26 |
| W-5 ... | \$0.00 | \$4,965.60 | \$5,136.00 | \$5,307.00 | \$5,478.60 |
| W-4 ... | 4,334.40 | 4,480.80 | 4,632.60 | 4,782.00 | 4,935.30 |
| W-3 ... | 3,828.60 | 3,963.60 | 4,098.30 | 4,233.30 | 4,368.90 |
| W-2 ... | 3,438.90 | 3,559.80 | 3,680.10 | 3,801.30 | 3,801.30 |
| W-1 ... | 3,189.90 | 3,275.10 | 3,275.10 | 3,275.10 | 3,275.10 |

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS ¹

Years of service computed under section 205 of title 37, United States Code

| Pay Grade | 2 or less | Over 2 | Over 3 | Over 4 | Over 6 |
|------------------|-----------------------|------------|------------|------------|------------|
| E-9 ² | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| E-8 ... | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| E-7 ... | 1,986.90 | 2,169.00 | 2,251.50 | 2,332.50 | 2,417.40 |
| E-6 ... | 1,701.00 | 1,870.80 | 1,953.60 | 2,033.70 | 2,117.40 |
| E-5 ... | 1,561.50 | 1,665.30 | 1,745.70 | 1,828.50 | 1,912.80 |
| E-4 ... | 1,443.60 | 1,517.70 | 1,599.60 | 1,680.30 | 1,752.30 |
| E-3 ... | 1,303.50 | 1,385.40 | 1,468.50 | 1,468.50 | 1,468.50 |
| E-2 ... | 1,239.30 | 1,239.30 | 1,239.30 | 1,239.30 | 1,239.30 |
| E-1 ... | ³ 1,105.50 | 1,105.50 | 1,105.50 | 1,105.50 | 1,105.50 |
| | Over 8 | Over 10 | Over 12 | Over 14 | Over 16 |
| E-9 ² | \$0.00 | \$3,423.90 | \$3,501.30 | \$3,599.40 | \$3,714.60 |
| E-8 ... | 2,858.10 | 2,940.60 | 3,017.70 | 3,110.10 | 3,210.30 |
| E-7 ... | 2,562.90 | 2,645.10 | 2,726.40 | 2,808.00 | 2,892.60 |
| E-6 ... | 2,254.50 | 2,337.30 | 2,417.40 | 2,499.30 | 2,558.10 |
| E-5 ... | 2,030.10 | 2,110.20 | 2,193.30 | 2,193.30 | 2,193.30 |
| E-4 ... | 1,752.30 | 1,752.30 | 1,752.30 | 1,752.30 | 1,752.30 |
| E-3 ... | 1,468.50 | 1,468.50 | 1,468.50 | 1,468.50 | 1,468.50 |
| E-2 ... | 1,239.30 | 1,239.30 | 1,239.30 | 1,239.30 | 1,239.30 |
| E-1 ... | 1,105.50 | 1,105.50 | 1,105.50 | 1,105.50 | 1,105.50 |
| | Over 18 | Over 20 | Over 22 | Over 24 | Over 26 |
| E-9 ² | \$3,830.40 | \$3,944.10 | \$4,098.30 | \$4,251.30 | \$4,467.00 |
| E-8 ... | 3,314.70 | 3,420.30 | 3,573.00 | 3,724.80 | 3,937.80 |
| E-7 ... | 2,975.10 | 3,057.30 | 3,200.40 | 3,292.80 | 3,526.80 |
| E-6 ... | 2,602.80 | 2,602.80 | 2,602.80 | 2,602.80 | 2,602.80 |
| E-5 ... | 2,193.30 | 2,193.30 | 2,193.30 | 2,193.30 | 2,193.30 |
| E-4 ... | 1,752.30 | 1,752.30 | 1,752.30 | 1,752.30 | 1,752.30 |
| E-3 ... | 1,468.50 | 1,468.50 | 1,468.50 | 1,468.50 | 1,468.50 |
| E-2 ... | 1,239.30 | 1,239.30 | 1,239.30 | 1,239.30 | 1,239.30 |
| E-1 ... | 1,105.50 | 1,105.50 | 1,105.50 | 1,105.50 | 1,105.50 |

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

PUBLIC LAW 107-107—DEC. 28, 2001

²Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is \$5,382.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,022.70.

SEC. 602. BASIC PAY RATE FOR CERTAIN RESERVE COMMISSIONED OFFICERS WITH PRIOR SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER.

(a) SERVICE CREDIT.—Section 203(d) of title 37, United States Code, is amended—

(1) by inserting “(1)” after “(d)”;

(2) by striking “active service as a warrant officer or as a warrant officer and an enlisted member” and inserting “service described in paragraph (2)”;

(3) by adding at the end the following new paragraph: “(2) Service to be taken into account for purposes of computing basic pay under paragraph (1) is as follows:

“(A) Active service as a warrant officer or as a warrant officer and an enlisted member, in the case of—

“(i) a commissioned officer on active duty who is paid from funds appropriated for active-duty personnel; or

“(ii) a commissioned officer on active Guard and Reserve duty.

“(B) In the case of a commissioned officer (not referred to in subparagraph (A)(ii)) who is paid from funds appropriated for reserve personnel, service as a warrant officer, or as a warrant officer and enlisted member, for which at least 1,460 points have been credited to the officer for the purposes of section 12732(a)(2) of title 10.”

(b) APPLICATION OF AMENDMENTS.—The amendments made by subsection (a) shall apply with respect to months beginning on or after the date of the enactment of this Act.

37 USC 203 note.

SEC. 603. RESERVE COMPONENT COMPENSATION FOR DISTRIBUTED LEARNING ACTIVITIES PERFORMED AS INACTIVE-DUTY TRAINING.

(a) COMPENSATION AUTHORIZED.—Section 206(d) of title 37, United States Code, is amended—

(1) by striking “This section” and inserting “(1) Except as provided in paragraph (2), this section”;

(2) by striking “an armed force” and inserting “a uniformed service”; and

(3) by adding at the end the following new paragraph:

“(2) A member of the Selected Reserve of the Ready Reserve may be paid compensation under this section at a rate and under terms determined by the Secretary of Defense, but not to exceed the rate otherwise applicable to the member under subsection (a), upon the member’s successful completion of a course of instruction undertaken by the member using electronic-based distributed learning methodologies to accomplish training requirements related to unit readiness or mobilization, as directed for the member by the Secretary concerned. The compensation may be paid regardless of whether the course of instruction was under the direct control of the Secretary concerned or included the presence of an instructor.”

(b) DEFINITION OF INACTIVE-DUTY TRAINING.—Section 101(22) of such title is amended by inserting after “but” the following: “(except as provided in section 206(d)(2) of this title)”.

SEC. 604. SUBSISTENCE ALLOWANCES.

(a) BASELINE AMOUNT FOR CALCULATING ALLOWANCE FOR ENLISTED MEMBERS.—Section 402(b) of title 37, United States Code, is amended by adding at the end the following new paragraph:

PUBLIC LAW 107-107—DEC. 28, 2001

“(4) For purposes of implementing paragraph (2), the monthly rate of basic allowance for subsistence that was in effect for an enlisted member for calendar year 2001 is deemed to be \$233.”.

37 USC 402 note.

(b) **RATE FOR ENLISTED MEMBERS WHEN MESSING FACILITIES NOT AVAILABLE.**—(1) Notwithstanding section 402 of title 37, United States Code, the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, may prescribe a rate of basic allowance for subsistence to apply to enlisted members of the uniformed services when messing facilities of the United States are not available. The rate may be higher than the rate of basic allowance for subsistence that would otherwise be applicable to the members under that section, but may not be higher than the highest rate that was in effect for enlisted members of the uniformed services under those circumstances before the date of the enactment of this Act.

Termination date.

(2) Paragraph (1) shall cease to be effective on the first day of the first month for which the basic allowance for subsistence calculated for enlisted members of the uniformed services under section 402 of title 37, United States Code, exceeds the rate of the basic allowance for subsistence prescribed under paragraph (1).

37 USC 402 note.

(c) **CONTINUATION OF BAS TRANSITIONAL AUTHORITY.**—Notwithstanding the repeal of subsections (c) through (f) of section 602 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 37 U.S.C. 402 note) by section 603(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-145), the basic allowance for subsistence shall be paid in accordance with such subsections for October, November, and December of 2001.

(d) **ELIGIBILITY FOR SUPPLEMENTAL SUBSISTENCE ALLOWANCE.**—Section 402a(b)(1) of title 37, United States Code, is amended by inserting “with dependents” after “a member of the armed forces”.

SEC. 605. ELIGIBILITY FOR TEMPORARY HOUSING ALLOWANCE WHILE IN TRAVEL OR LEAVE STATUS BETWEEN PERMANENT DUTY STATIONS.

(a) **REPEAL OF PAY GRADE LIMITATION.**—Section 403(i) of title 37, United States Code, is amended by striking “who is in a pay grade E-4 (4 or more years of service) or above”.

37 USC 403 note.

(b) **EFFECTIVE DATE; APPLICATION.**—The amendment made by this section shall take effect on January 1, 2003, and apply to members of the uniformed services in a travel or leave status between permanent duty stations on or after that date.

SEC. 606. UNIFORM ALLOWANCE FOR OFFICERS.

(a) **RELATION TO INITIAL UNIFORM ALLOWANCE.**—Section 416(b)(1) of title 37, United States Code, is amended by striking “\$200” and inserting “\$400”.

37 USC 416 note.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall take effect as of October 1, 2000.

SEC. 607. FAMILY SEPARATION ALLOWANCE FOR MEMBERS ELECTING UNACCOMPANIED TOUR BY REASON OF HEALTH LIMITATIONS OF DEPENDENTS.

(a) **ENTITLEMENT TO ALLOWANCE.**—Section 427(c) of title 37, United States Code, is amended—

(1) by striking “A member” in the first sentence and inserting “(1) Except as provided in paragraph (2) or (3), a member”;

(2) in the second sentence, by striking “The Secretary concerned may waive the preceding sentence” and inserting the following:

“(3) The Secretary concerned may waive paragraph (1)”; and

PUBLIC LAW 107-107—DEC. 28, 2001

(3) by inserting after the first sentence the following new paragraph:

“(2) The prohibition in the first sentence of paragraph (1) does not apply to a member who elects to serve an unaccompanied tour of duty because a dependent cannot accompany the member to or at that permanent station for certified medical reasons.”.

(b) APPLICATION OF AMENDMENT.—Paragraph (2) of section 427(c) of title 37, United States Code, as added by subsection (a)(3), shall apply with respect to pay periods beginning on or after January 1, 2002, for a member of the uniformed services covered by such paragraph regardless of the date on which the member first made the election to serve an unaccompanied tour of duty.

37 USC 427 note.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking “January 1, 2002” and inserting “January 1, 2003”.

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS.

(a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(c) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND SPECIAL PAY AUTHORITIES.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(c) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 309(e) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

(d) RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS.—Section 323(i) of such title is amended by striking “December 31, 2001” and inserting “December 31, 2002”.

SEC. 615. HAZARDOUS DUTY PAY FOR MEMBERS OF MARITIME VISIT, BOARD, SEARCH, AND SEIZURE TEAMS.

(a) ADDITIONAL TYPE OF DUTY ELIGIBLE FOR PAY.—Section 301(a) of title 37, United States Code, is amended—

(1) in paragraph (10), by striking “or” at the end;

(2) by redesignating paragraph (11) as paragraph (12);

and

(3) by inserting after paragraph (10) the following new paragraph:

“(11) involving regular participation as a member of a team conducting visit, board, search, and seizure operations aboard vessels in support of maritime interdiction operations; or”.

(b) MONTHLY AMOUNT.—Subsection (c) of such section is amended—

(1) in paragraph (1), by striking “(10)” and inserting “(11)”;

and

(2) in paragraph (2)(A), by striking “(11)” and inserting “(12)”.

(c) APPLICATION OF AMENDMENT.—Paragraph (11) of section 301(a) of title 37, United States Code, as added by subsection (a)(3), shall apply to duty described in such paragraph that is performed on or after January 1, 2002.

37 USC 301 note.

SEC. 616. ELIGIBILITY FOR CERTAIN CAREER CONTINUATION BONUSES FOR EARLY COMMITMENT TO REMAIN ON ACTIVE DUTY.

(a) AVIATION OFFICERS.—Section 301b(b)(4) of title 37, United States Code, is amended by inserting before the period at the end the following: “or is within one year of completing such commitment”.

(b) SURFACE WARFARE OFFICERS.—Section 319(a)(3) of such title is amended by inserting before the period at the end the following: “or is within one year of completing such commitment”.

SEC. 617. SECRETARIAL DISCRETION IN PRESCRIBING SUBMARINE DUTY INCENTIVE PAY RATES.

(a) AUTHORITY OF SECRETARY OF THE NAVY; MAXIMUM RATE.—Subsection (b) of section 301c of title 37, United States Code, is amended to read as follows:

“(b) MONTHLY RATES.—The Secretary of the Navy shall prescribe the monthly rates of submarine duty incentive pay, except that the maximum monthly rate may not exceed \$1,000.”.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) CONFORMING AND CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a)—

(A) by inserting “ELIGIBILITY REQUIREMENTS.—” after “(a)”; and

(B) by striking “set forth in” each place it appears and inserting “prescribed pursuant to”;

(2) in subsection (c), by inserting “EXCEPTIONS.—” after “(c)”; and

(3) in subsection (d)—

(A) by inserting “APPLICABILITY TO CERTAIN NAVAL RESERVE DUTY.—” after “(d)”; and

(B) by striking “authorized by” and inserting “prescribed pursuant to”.

(c) TRANSITION.—The tables set forth in subsection (b) of section 301c of title 37, United States Code, as in effect on the day before the date of the enactment of this Act, shall continue to apply until the later of the following:

(1) January 1, 2002.

(2) The date on which the Secretary of the Navy prescribes new submarine duty incentive pay rates as authorized by the amendment made by subsection (a).

Applicability.
37 USC 301c
note.

SEC. 618. CONFORMING ACCESSION BONUS FOR DENTAL OFFICERS AUTHORITY WITH AUTHORITIES FOR OTHER SPECIAL PAY AND BONUSES.

Section 302h(a)(1) of title 37, United States Code, is amended by striking “the date of the enactment of this section, and ending on September 30, 2002” and inserting “September 23, 1996, and ending on December 31, 2002”.

SEC. 619. MODIFICATION OF ELIGIBILITY REQUIREMENTS FOR INDIVIDUAL READY RESERVE BONUS FOR REENLISTMENT, ENLISTMENT, OR EXTENSION OF ENLISTMENT.

(a) ELIGIBILITY BASED ON QUALIFICATIONS IN CRITICALLY SHORT WARTIME SKILLS OR SPECIALTIES.—Subsection (a) of section 308h of title 37, United States Code, is amended to read as follows:

“(a) AUTHORITY AND ELIGIBILITY REQUIREMENTS.—(1) The Secretary concerned may pay a bonus as provided in subsection (b) to an eligible person who reenlists, enlists, or voluntarily extends an enlistment in a reserve component of an armed force for assignment to an element (other than the Selected Reserve) of the Ready Reserve of that armed force if the reenlistment, enlistment, or extension is for a period of three years, or for a period of six years, beyond any other period the person is obligated to serve.

“(2) A person is eligible for a bonus under this section if the person—

“(A) is or has been a member of an armed force;

“(B) is qualified in a skill or specialty designated by the Secretary concerned as a critically short wartime skill or critically short wartime specialty; and

“(C) has not failed to complete satisfactorily any original term of enlistment in the armed forces.

“(3) For the purposes of this section, the Secretary concerned may designate a skill or specialty as a critically short wartime skill or critically short wartime specialty for an armed force under the jurisdiction of the Secretary if the Secretary determines that—

“(A) the skill or specialty is critical to meet wartime requirements of the armed force; and

“(B) there is a critical shortage of personnel in that armed force who are qualified in that skill or specialty.”

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (b), by inserting “BONUS AMOUNTS; PAYMENT.—” after “(b)”;

PUBLIC LAW 107-107—DEC. 28, 2001

(2) in subsection (c), by inserting “REPAYMENT OF BONUS.—” after “(c)”;

(3) in subsection (d), by inserting “TREATMENT OF REIMBURSEMENT OBLIGATION.—” after “(d)”;

(4) in subsection (e), by inserting “EFFECT OF BANKRUPTCY.—” after “(e)”;

(5) in subsection (f), by inserting “REGULATIONS.—” after “(f)”;

(6) in subsection (g), by inserting “TERMINATION OF AUTHORITY.—” after “(g)”.

Deadline.
37 USC 308h
note.

(c) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretaries of the military departments shall prescribe such regulations as may be necessary for administering subsection (a) of section 308h of title 37, United States Code, as amended by this section.

37 USC 308h
note.

(d) APPLICATION OF AMENDMENT.—Subsection (a) of section 308h of title 37, United States Code, as amended by this section, shall apply with respect to reserve component reenlistments, enlistments, and extensions of enlistments that are executed on or after the first day of the first month that begins more than 180 days after the date of the enactment of this Act. Subsection (a) of such section 308h, as in effect on the day before the date of the enactment of this Act, shall continue to apply with respect to reserve component reenlistments, enlistments, and extensions of enlistments that are executed before the first day of that first month.

SEC. 620. INSTALLMENT PAYMENT AUTHORITY FOR 15-YEAR CAREER STATUS BONUS.

(a) MEMBER ELECTION.—Section 322(d) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking “paid in a single lump sum of” and inserting “equal to”;

(2) by redesignating paragraph (2) as paragraph (4), and in such paragraph, by striking “The bonus” and inserting “The lump sum payment of the bonus, and the first installment payment in the case of members who elect to receive the bonus in installments,”; and

(3) by inserting after paragraph (1) the following new paragraphs:

“(2) A member electing to receive the bonus under this section shall elect one of the following payment options:

“(A) A single lump sum of \$30,000.

“(B) Two installments of \$15,000 each.

“(C) Three installments of \$10,000 each.

“(D) Four installments of \$7,500 each.

“(E) Five installments of \$6,000 each.

“(3) If a member elects installment payments under paragraph (2), the second installment (and subsequent installments, as applicable) shall be paid on the earlier of the following dates:

“(A) The annual anniversary date of the payment of the first installment.

“(B) January 15 of each succeeding calendar year.”.

37 USC 322 note.

(b) APPLICATION TO EXISTING AGREEMENTS.—The Secretary concerned (as defined in section 101(5) of title 37, United States Code) shall extend to each member of the uniformed services who has executed the written agreement required by subsection (a)(2) of section 322 of such title before the date of the enactment of this Act, but who has not received the lump sum payment by that date, an opportunity to make the election authorized by subsection (d) of such section, as amended by this section.

SEC. 621. ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.

(a) BONUS AUTHORIZED.—Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

PUBLIC LAW 107-107—DEC. 28, 2001

“§ 324. Special pay: accession bonus for new officers in critical skills

“(a) **ACCESSION BONUS AUTHORIZED.**—Under regulations prescribed by the Secretary concerned, a person who executes a written agreement to accept a commission as an officer of the armed forces and serve on active duty in a designated critical officer skill for the period specified in the agreement may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

Regulations.

“(b) **DESIGNATION OF CRITICAL OFFICER SKILLS.**—(1) The Secretary concerned shall designate the critical officer skills for the purposes of this section. A skill may be designated as a critical officer skill for an armed force under this subsection if—

“(1) in order to meet requirements of the armed force, it is critical for the armed force to have a sufficient number of officers who are qualified in that skill; and

“(2) in order to mitigate a current or projected significant shortage of personnel in the armed force who are qualified in that skill, it is critical to access into that armed force in sufficient numbers persons who are qualified in that skill or are to be trained in that skill.

“(c) **LIMITATION ON AMOUNT OF BONUS.**—The amount of an accession bonus under subsection (a) may not exceed \$60,000.

“(d) **PAYMENT METHOD.**—Upon acceptance of a written agreement under subsection (a) by the Secretary concerned, the total amount of the accession bonus payable under the agreement becomes fixed. The agreement shall specify whether the accession bonus will be paid by the Secretary in a lump sum or installments.

“(e) **RELATION TO OTHER ACCESSION BONUS AUTHORITY.**—An individual may not receive an accession bonus under this section and section 302d, 302h, 302j, or 312b of this title for the same period of service.

“(f) **REPAYMENT FOR FAILURE TO COMMENCE OR COMPLETE OBLIGATED SERVICE.**—(1) An individual who, after having received all or part of the accession bonus under an agreement referred to in subsection (a), fails to accept a commission as an officer or to commence or complete the total period of active duty service specified in the agreement shall repay to the United States the amount that bears the same ratio to the total amount of the bonus authorized for such person as the unserved part of the period of agreed active duty service bears to the total period of the agreed active duty service. However, the amount required to be repaid by the individual may not exceed the amount of the accession bonus that was paid to the individual.

“(2) Subject to paragraph (3), an obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States. A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under subsection (a) does not discharge the individual signing the agreement from a debt arising under such agreement or under paragraph (1).

“(3) The Secretary concerned may waive, in whole or in part, the repayment requirement under paragraph (1) on a case-by-case basis if the Secretary concerned determines that repayment would be against equity and good conscience or would be contrary to the best interests of the United States.

“(g) **TERMINATION OF AUTHORITY.**—No agreement under this section may be entered into after December 31, 2002.”.

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“324. Special pay: accession bonus for new officers in critical skills.”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 622. EDUCATION SAVINGS PLAN TO ENCOURAGE REENLISTMENTS AND EXTENSIONS OF SERVICE IN CRITICAL SPECIALTIES.

(a) ESTABLISHMENT OF SAVINGS PLAN.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 324, as added by section 621, the following new section:

“§ 325. Incentive bonus: savings plan for education expenses and other contingencies

“(a) BENEFIT AND ELIGIBILITY.—The Secretary concerned may purchase United States savings bonds under this section for a member of the armed forces who is eligible as follows:

“(1) A member who, before completing three years of service on active duty, enters into a commitment to perform qualifying service.

“(2) A member who, after completing three years of service on active duty, but not more than nine years of service on active duty, enters into a commitment to perform qualifying service.

“(3) A member who, after completing nine years of service on active duty, enters into a commitment to perform qualifying service.

“(b) QUALIFYING SERVICE.—For the purposes of this section, qualifying service is service on active duty in a specialty designated by the Secretary concerned as critical to meet requirements (whether or not such specialty is designated as critical to meet wartime or peacetime requirements) for a period that—

“(1) is not less than six years; and

“(2) does not include any part of a period for which the member is obligated to serve on active duty under an enlistment or other agreement for which a benefit has previously been paid under this section.

“(c) FORMS OF COMMITMENT TO ADDITIONAL SERVICE.—For the purposes of this section, a commitment means—

“(1) in the case of an enlisted member, a reenlistment; and

“(2) in the case of a commissioned officer, an agreement entered into with the Secretary concerned.

“(d) AMOUNTS OF BONDS.—The total of the face amounts of the United States savings bonds authorized to be purchased for a member under this section for a commitment shall be as follows:

“(1) In the case of a purchase for a member under paragraph (1) of subsection (a), \$5,000.

“(2) In the case of a purchase for a member under paragraph (2) of subsection (a), the amount equal to the excess of \$15,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

“(3) In the case of a purchase for a member under paragraph (3) of subsection (a), the amount equal to the excess of \$30,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

“(e) TOTAL AMOUNT OF BENEFIT.—The total amount of the benefit authorized for a member when United States savings bonds are purchased for the member under this section by reason of a commitment by that member shall be the sum of—

“(1) the purchase price of the United States savings bonds; and

“(2) the amounts that would be deducted and withheld for the payment of individual income taxes if the total amount computed under this subsection for that commitment were paid to the member as a bonus.

“(f) AMOUNT WITHHELD FOR TAXES.—The total amount payable for a member under subsection (e)(2) for a commitment by that

PUBLIC LAW 107-107—DEC. 28, 2001

member shall be withheld, credited, and otherwise treated in the same manner as amounts deducted and withheld from the basic pay of the member.

“(g) REPAYMENT FOR FAILURE TO COMPLETE OBLIGATED SERVICE.—(1) If a person fails to complete the qualifying service for which the person is obligated under a commitment for which a benefit has been paid under this section, the person shall refund to the United States the amount that bears the same ratio to the total amount paid for the person (as computed under subsection (e)) for that particular commitment as the uncompleted part of the period of qualifying service bears to the total period of the qualifying service for which obligated.

“(2) Subject to paragraph (3), an obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

“(3) The Secretary concerned may waive, in whole or in part, a refund required under paragraph (1) if the Secretary concerned determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

“(4) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment or other agreement under this section does not discharge the person signing such enlistment or other agreement from a debt arising under the enlistment or agreement, respectively, or this subsection.

“(h) RELATIONSHIP TO OTHER SPECIAL PAYS.—The benefit authorized under this section is in addition to any other bonus or incentive or special pay that is paid or payable to a member under any other provision of this chapter for any portion of the same qualifying service.

“(i) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.”

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 324, as added by section 621(b), the following new item:

“325. Incentive bonus: savings plan for education expenses and other contingencies.”

(b) APPLICATION OF AMENDMENT.—Section 325 of title 37, United States Code, as added by subsection (a), shall apply with respect to reenlistments and other agreements for qualifying service, as described in that section, that are entered into on or after October 1, 2001.

37 USC 325 note.

(c) FUNDING FOR FISCAL YEAR 2002.—Of the amount authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2002 by section 421, \$20,000,000 may be available in that fiscal year for the purchase of United States savings bonds under section 325 of title 37, United States Code, as added by subsection (a).

SEC. 623. CONTINUATION OF PAYMENT OF SPECIAL AND INCENTIVE PAY AT UNREDUCED RATES DURING STOP LOSS PERIODS.

(a) AUTHORITY TO CONTINUE.—(1) Chapter 17 of title 37, United States Code, is amended by adding at the end the following new section:

“§ 909. Special and incentive pay: payment at unreduced rates during suspension of personnel laws

“(a) AUTHORITY TO CONTINUE PAYMENT AT UNREDUCED RATES.—To ensure fairness and recognize the contributions of members of the armed forces to military essential missions, the Secretary of the military department concerned may authorize members who are involuntarily retained on active duty under section 123 or

PUBLIC LAW 107-107—DEC. 28, 2001

12305 of title 10 or any other provision of law and who, immediately before retention on active duty, were entitled or eligible for special pay or incentive pay under chapter 5 of this title, to receive that special pay or incentive pay for qualifying service performed during the retention period, without a reduction in the payment rate below the rate the members received immediately before retention on active duty, notwithstanding any requirement otherwise applicable to that special pay or incentive pay that would reduce the payment rate by reason of the years of service of the members.

“(b) **SUSPENSION DURING TIME OF WAR.**—Subsection (a) does not apply with respect to a special pay or incentive pay under chapter 5 of this title, whenever the authority to provide that special pay or incentive pay is suspended by the President or the Secretary of Defense during a time of war.

“(c) **QUALIFYING SERVICE DEFINED.**—In this section, the term ‘qualifying service’ means service for which a particular special pay or incentive pay is payable under the authority of a provision of chapter 5 of this title.”.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“909. Special and incentive pay: payment at unreduced rates during suspension of personnel laws.”.

37 USC 909 note.

(b) **APPLICATION OF AMENDMENTS.**—Section 909 of title 37, United States Code, as added by subsection (a)(1), shall apply with respect to pay periods beginning after September 11, 2001.

37 USC 310 note.

SEC. 624. RETROACTIVE AUTHORIZATION FOR IMMINENT DANGER PAY FOR SERVICE IN CONNECTION WITH OPERATION ENDURING FREEDOM.

(a) **RETROACTIVE AUTHORIZATION.**—The Secretary of Defense may provide for the payment of imminent danger pay under section 310 of title 37, United States Code, to members of the Armed Forces assigned to duty in the areas specified in subsection (b) in connection with the contingency operation known as Operation Enduring Freedom with respect to periods of duty served in those areas during the period beginning on September 19, 2001, and ending October 31, 2001.

(b) **SPECIFIED AREAS.**—The areas referred to in subsection (a) are the following:

(1) The land areas of Kyrgyzstan, Oman, the United Arab Emirates, and Uzbekistan.

(2) The Red Sea, the Gulf of Aden, the Gulf of Oman, and the Arabian Sea (that portion north of 10° north latitude and west of 68° east longitude).

Subtitle C—Travel and Transportation Allowances

SEC. 631. MINIMUM PER DIEM RATE FOR TRAVEL AND TRANSPORTATION ALLOWANCE FOR TRAVEL PERFORMED UPON A CHANGE OF PERMANENT STATION AND CERTAIN OTHER TRAVEL.

Section 404(d) of title 37, United States Code, is amended by adding at the end the following new paragraph:

Effective date.

“(5) Effective January 1, 2003, the per diem rates established under paragraph (2)(A) for travel performed in connection with a change of permanent station or for travel described in paragraph (2) or (3) of subsection (a) shall be equal to the standard per diem rates established in the Federal travel regulation for travel within the continental United States of civilian employees and their dependents, unless the Secretaries concerned determine that a higher rate for members is more appropriate.”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 632. ELIGIBILITY FOR PAYMENT OF SUBSISTENCE EXPENSES ASSOCIATED WITH OCCUPANCY OF TEMPORARY LODGING INCIDENT TO REPORTING TO FIRST PERMANENT DUTY STATION.

(a) **INCLUSION OF OFFICERS.**—Subsection (a)(2)(C) of section 404a of title 37, United States Code, is amended by striking “an enlisted member” and inserting “a member”.

(b) **INCREASE IN MAXIMUM DAILY AUTHORIZED RATE.**—Subsection (e) of such section is amended by striking “\$110” and inserting “\$180”.

(c) **EFFECTIVE DATE; APPLICATION.**—The amendments made by this section shall take effect on January 1, 2002, and apply with respect to an order issued on or after that date to a member of the uniformed services to report to the member’s first permanent duty station.

37 USC 404a note.

SEC. 633. REIMBURSEMENT OF MEMBERS FOR MANDATORY PET QUARANTINE FEES FOR HOUSEHOLD PETS.

(a) **INCREASE IN MAXIMUM REIMBURSEMENT AMOUNT.**—Section 406(a)(1) of title 37, United States Code, is amended in the last sentence by striking “\$275” and inserting “\$550”.

(b) **APPLICATION OF AMENDMENT.**—The amendment made by subsection (a) shall apply with respect to the reimbursement of members of the uniformed services for mandatory pet quarantine fees incurred in connection with the mandatory quarantine of a household pet underway on the date of the enactment of this Act or beginning on or after that date.

37 USC 406 note.

SEC. 634. INCREASED WEIGHT ALLOWANCE FOR TRANSPORTATION OF BAGGAGE AND HOUSEHOLD EFFECTS FOR JUNIOR ENLISTED MEMBERS.

(a) **INCREASED WEIGHT ALLOWANCES.**—The table in section 406(b)(1)(C) of title 37, United States Code, is amended—

(1) by striking the two footnotes; and

(2) by striking the items relating to pay grade E-1 through E-4 and inserting the following new items:

| | | |
|------------|-------|---------|
| “E-4 | 7,000 | 8,000 |
| “E-3 | 5,000 | 8,000 |
| “E-2 | 5,000 | 8,000 |
| “E-1 | 5,000 | 8,000”. |

(b) **EFFECTIVE DATE; APPLICATION.**—The amendments made by this section shall take effect on January 1, 2003, and apply with respect to an order in connection with a change of temporary or permanent station issued on or after that date.

37 USC 406 note.

SEC. 635. ELIGIBILITY OF ADDITIONAL MEMBERS FOR DISLOCATION ALLOWANCE.

(a) **ELIGIBILITY FOR PRIMARY DISLOCATION ALLOWANCE.**—Subsection (a) of section 407 of title 37, United States Code, is amended—

(1) in paragraph (2), by adding at the end the following new subparagraphs:

“(F) A member whose dependents actually move from the member’s place of residence in connection with the performance of orders for the member to report to the member’s first permanent duty station if the move—

“(i) is to the permanent duty station or a designated location; and

“(ii) is an authorized move.

“(G) Each of two members married to each other who—

“(i) is without dependents;

“(ii) actually moves with the member’s spouse to a new permanent duty station; and

“(iii) is assigned to family quarters of the United States at or in the vicinity of the new duty station.”; and

PUBLIC LAW 107-107—DEC. 28, 2001

(2) by adding at the end the following new paragraph:
 “(4) If a primary dislocation allowance is payable to two members described in paragraph (2)(G) who are married to each other, the amount of the allowance payable to such members shall be the amount otherwise payable under this subsection to the member in the higher pay grade, or to either member if both members are in the same pay grade. The allowance shall be paid jointly to both members.”.

(b) CONFORMING AMENDMENT.—Subsection (e) of such section is amended by inserting “(except as provided in subsection (a)(2)(F))” after “first duty station”.

37 USC 407 note.

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to an order issued on or after January 1, 2002, in connection with a change of permanent station or for a member of the uniformed services to report to the member’s first permanent duty station.

SEC. 636. PARTIAL DISLOCATION ALLOWANCE AUTHORIZED FOR HOUSING MOVES ORDERED FOR GOVERNMENT CONVENIENCE.

(a) AUTHORIZATION OF PARTIAL DISLOCATION ALLOWANCE.—Section 407 of title 37, United States Code, is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following new subsection:

Regulations.

“(f) PARTIAL DISLOCATION ALLOWANCE.—(1) Under regulations prescribed by the Secretary concerned, a member ordered to occupy or vacate family housing provided by the United States to permit the privatization or renovation of housing or for any other reason (other than pursuant to a permanent change of station) may be paid a partial dislocation allowance of \$500.

Effective date.

“(2) Effective on the same date that the monthly rates of basic pay for all members are increased under section 1009 of this title or another provision of law, the Secretary of Defense shall adjust the rate of the partial dislocation allowance authorized by this subsection by the percentage equal to the average percentage increase in the rates of basic pay.

“(3) Subsections (c) and (d) do not apply to the partial dislocation allowance authorized by this subsection.”.

37 USC 407 note.

(b) APPLICATION OF AMENDMENT.—Subsection (f) of title 37, United States Code, as added by subsection (a)(2), shall apply with respect to an order to move for a member of a uniformed service that is issued on or after the date of the enactment of this Act.

SEC. 637. ALLOWANCES FOR TRAVEL PERFORMED IN CONNECTION WITH MEMBERS TAKING AUTHORIZED LEAVE BETWEEN CONSECUTIVE OVERSEAS TOURS.

Section 411b(a)(1) of title 37, United States Code, is amended by striking “, or his designee, or to a place no farther distant than his home of record”.

SEC. 638. TRAVEL AND TRANSPORTATION ALLOWANCES FOR FAMILY MEMBERS TO ATTEND BURIAL OF A DECEASED MEMBER OF THE UNIFORMED SERVICES.

(a) CONSOLIDATION OF AUTHORITIES.—Section 411f of title 37, United States Code, is amended to read as follows:

“§ 411f. Travel and transportation allowances: transportation for survivors of deceased member to attend the member’s burial ceremonies

“(a) ALLOWANCES AUTHORIZED.—(1) The Secretary concerned may provide round trip travel and transportation allowances to eligible relatives of a member of the uniformed services who dies

PUBLIC LAW 107-107—DEC. 28, 2001

while on active duty or inactive duty in order that the eligible relatives may attend the burial ceremony of the deceased member.

“(2) The Secretary concerned may also provide round trip travel and transportation allowances to an attendant who accompanies an eligible relative provided travel and transportation allowances under paragraph (1) for travel to the burial ceremony if the Secretary concerned determines that—

“(A) the accompanied eligible relative is unable to travel unattended because of age, physical condition, or other justifiable reason; and

“(B) there is no other eligible relative of the deceased member traveling to the burial ceremony who is eligible for travel and transportation allowances under paragraph (1) and is qualified to serve as the attendant.

“(b) LIMITATIONS.—(1) Except as provided in paragraphs (2) and (3), allowances under subsection (a) are limited to travel and transportation to a location in the United States, Puerto Rico, and the possessions of the United States and may not exceed the rates for two days and the time necessary for such travel.

“(2) If a deceased member was ordered or called to active duty from a place outside the United States, Puerto Rico, or the possessions of the United States, the allowances authorized under subsection (a) may be provided to and from such place and may not exceed the rates for two days and the time necessary for such travel.

“(3) If a deceased member is interred in a cemetery maintained by the American Battle Monuments Commission, the travel and transportation allowances authorized under subsection (a) may be provided to and from such cemetery and may not exceed the rates for two days and the time necessary for such travel.

“(c) ELIGIBLE RELATIVES.—(1) The following members of the family of a deceased member of the uniformed services are eligible for the travel and transportation allowances under subsection (a)(1):

“(A) The surviving spouse (including a remarried surviving spouse) of the deceased member.

“(B) The unmarried child or children of the deceased member referred to in section 401(a)(2) of this title.

“(C) If no person described in subparagraph (A) or (B) is provided travel and transportation allowances under subsection (a)(1), the parent or parents of the deceased member (as defined in section 401(b)(2) of this title).

“(2) If no person described in paragraph (1) is provided travel and transportation allowances under subsection (a)(1), the travel and transportation allowances may be provided to—

“(A) the person who directs the disposition of the remains of the deceased member under section 1482(c) of title 10, or, in the case of a deceased member whose remains are commingled and buried in a common grave in a national cemetery, the person who would have been designated under such section to direct the disposition of the remains if individual identification had been made; and

“(B) up to two additional persons closely related to the deceased member who are selected by the person referred to in subparagraph (A).

“(d) EXPANDED ALLOWANCES RELATED TO RECOVERY OF REMAINS FROM VIETNAM CONFLICT.—(1) The Secretary of Defense may provide round trip travel and transportation allowances for the family of a deceased member of the armed forces who died while classified as a prisoner of war or as missing in action during the Vietnam conflict and whose remains are returned to the United States in order that the family members may attend the burial ceremony of the deceased member.

“(2) The allowances under paragraph (1) shall include round trip transportation from the places of residence of such family

PUBLIC LAW 107-107—DEC. 28, 2001

members to the burial ceremony and such living expenses and other allowances as the Secretary of Defense considers appropriate.

“(3) For purposes of paragraph (1), eligible family members of the deceased member of the armed forces include the following:

“(A) The surviving spouse (including a remarried surviving spouse) of the deceased member.

“(B) The child or children, including children described in section 401(b)(1) of this title, of the deceased member.

“(C) The parent or parents of the deceased member (as defined in section 401(b)(2) of this title).

“(D) If no person described in subparagraph (A), (B), or (C) is provided travel and transportation allowances under paragraph (1), any brothers, sisters, halfbrothers, halvesisters, stepbrothers, and stepsisters of the deceased member.

“(e) BURIAL CEREMONY DEFINED.—In this section, the term ‘burial ceremony’ includes the following:

“(1) An interment of casketed or cremated remains.

“(2) A placement of cremated remains in a columbarium.

“(3) A memorial service for which reimbursement is authorized under section 1482(d)(2) of title 10.

“(4) A burial of commingled remains that cannot be individually identified in a common grave in a national cemetery.

“(f) REGULATIONS.—The Secretaries concerned shall prescribe uniform regulations to carry out this section.”

(b) REPEAL OF SUPERSEDED LAWS; CONFORMING AMENDMENT.—

(1) Section 1482 of title 10, United States Code, is amended by striking subsection (d) and redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(2) Section 1481(a)(9) of such title is amended by striking “section 1482(g)” and inserting “section 1482(f)”.

(3) The Funeral Transportation and Living Expense Benefits Act of 1974 (Public Law 93-257; 37 U.S.C. 406 note) is repealed.

37 USC 411 note.

(c) APPLICATION OF AMENDMENT.—Section 411f of title 37, United States Code, as amended by subsection (a), shall apply with respect to burial ceremonies of deceased members of the uniformed services that occur on or after the date of the enactment of this Act.

SEC. 639. FUNDED STUDENT TRAVEL FOR FOREIGN STUDY UNDER AN EDUCATION PROGRAM APPROVED BY A UNITED STATES SCHOOL.

(a) AVAILABILITY OF ALLOWANCE.—Subsection (a) of section 430 of title 37, United States Code, is amended to read as follows:

Regulations.

“(a) AVAILABILITY OF ALLOWANCE.—(1) Under regulations prescribed by the Secretary of Defense, a member of a uniformed service may be paid the allowance set forth in subsection (b) if the member—

“(A) is assigned to a permanent duty station outside the continental United States;

“(B) is accompanied by the member’s dependents at or near that duty station (unless the member’s only dependents are in the category of dependent described in paragraph (2)); and

“(C) has an eligible dependent child described in paragraph (2).

“(2) An eligible dependent child of a member referred to in paragraph (1)(C) is a child who—

“(A) is under 23 years of age and unmarried;

“(B) is enrolled in a school in the continental United States for the purpose of obtaining a formal education; and

“(C) is attending that school or is participating in a foreign study program approved by that school and, pursuant to that foreign study program, is attending a school outside the United States for a period of not more than one year.”

PUBLIC LAW 107-107—DEC. 28, 2001

(b) TYPE OF ALLOWANCE AUTHORIZED.—Subsection (b) of such section is amended—

(1) by inserting “ALLOWANCE AUTHORIZED.—” after “(b)”;

(2) in the first sentence of paragraph (1), by striking “each unmarried dependent child,” and all that follows through “the school being attended” and inserting “each eligible dependent child of the member of one annual trip between the school being attended by that child”; and

(3) by adding at the end the following new paragraph:

“(3) The transportation allowance paid under paragraph (1) for an annual trip of an eligible dependent child who is attending a school outside the United States may not exceed the transportation allowance that would be paid under this section for the annual trip of that child between the child’s school in the continental United States and the member’s duty station outside the continental United States and return.”.

(c) CLERICAL AND CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (c), by inserting “USE OF AIRLIFT AND SEALIFT COMMAND.—” after “(c)”;

(2) in subsection (d)—

(A) by inserting “ATTENDANCE AT SCHOOL IN ALASKA OR HAWAII.—” after “(d)”;

(B) by striking “subsection (a)(3)” and inserting “subsection (a)(2)”;

(3) in subsection (e), by inserting “EXCEPTION.—” after “(e)”;

and

(4) in subsection (f), by inserting “DEFINITIONS.—” after “(f)”.

(d) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to travel described in subsection (b) of section 430 of title 37, United States Code, as amended by this section, that commences on or after the date of the enactment of this Act.

37 USC 430 note.

Subtitle D—Retirement and Survivor Benefit Matters

SEC. 641. CONTINGENT AUTHORITY FOR CONCURRENT RECEIPT OF MILITARY RETIRED PAY AND VETERANS’ DISABILITY COMPENSATION AND ENHANCEMENT OF SPECIAL COMPENSATION AUTHORITY.

(a) RESTORATION OF RETIRED PAY BENEFITS.—Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans’ disability compensation; contingent authority

“(a) PAYMENT OF BOTH RETIRED PAY AND COMPENSATION.—Subject to subsection (b), a member or former member of the uniformed services who is entitled to retired pay (other than as specified in subsection (c)) and who is also entitled to veterans’ disability compensation is entitled to be paid both without regard to sections 5304 and 5305 of title 38, subject to the enactment of qualifying offsetting legislation as specified in subsection (f).

“(b) SPECIAL RULE FOR CHAPTER 61 CAREER RETIREES.—The retired pay of a member retired under chapter 61 of this title with 20 years or more of service otherwise creditable under section 1405 of this title at the time of the member’s retirement is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that the amount of the member’s retired pay under

PUBLIC LAW 107-107—DEC. 28, 2001

chapter 61 of this title exceeds the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under chapter 61 of this title.

“(c) EXCEPTION.—Subsection (a) does not apply to a member retired under chapter 61 of this title with less than 20 years of service otherwise creditable under section 1405 of this title at the time of the member's retirement.

“(d) DEFINITIONS.—In this section:

“(1) The term ‘retired pay’ includes retainer pay, emergency officers' retirement pay, and naval pension.

“(2) The term ‘veterans' disability compensation’ has the meaning given the term ‘compensation’ in section 101(12) of title 38.

“(e) EFFECTIVE DATE.—If qualifying offsetting legislation (as defined in subsection (f)) is enacted, the provisions of subsection (a) shall take effect on—

“(1) the first day of the first month beginning after the date of the enactment of such qualifying offsetting legislation; or

“(2) the first day of the fiscal year that begins in the calendar year in which such legislation is enacted, if that date is later than the date specified in paragraph (1).

“(f) EFFECTIVENESS CONTINGENT ON ENACTMENT OF OFFSETTING LEGISLATION.—(1) The provisions of subsection (a) shall be effective only if—

“(A) the President, in the budget for any fiscal year, proposes the enactment of legislation that, if enacted, would be qualifying offsetting legislation; and

“(B) after that budget is submitted to Congress, there is enacted qualifying offsetting legislation.

“(2) In this subsection:

“(A) The term ‘qualifying offsetting legislation’ means legislation (other than an appropriations Act) that includes provisions that—

“(i) offset fully the increased outlays to be made by reason of the provisions of subsection (a) for each of the first 10 fiscal years beginning after the date of the enactment of such legislation;

“(ii) expressly state that they are enacted for the purpose of the offset described in clause (i); and

“(iii) are included in full on the PayGo scorecard.

“(B) The term ‘PayGo scorecard’ means the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)) with respect to the ten fiscal years following the date of the enactment of the legislation that is qualifying offsetting legislation for purposes of this section.”.

(b) CONFORMING TERMINATION OF SPECIAL COMPENSATION PROGRAM.—Section 1413(a) of such title is amended by adding at the end the following new sentence: “If the provisions of subsection (a) of section 1414 of this title become effective in accordance with subsection (f) of that section, payments under this section shall be terminated effective as of the month beginning on the effective date specified in subsection (e) of that section.”.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation; contingent authority.”.

(d) PROHIBITION OF RETROACTIVE BENEFITS.—If the provisions of subsection (a) of section 1414 of title 10, United States Code,

PUBLIC LAW 107-107—DEC. 28, 2001

becomes effective in accordance with subsection (f) of that section, no benefit may be paid to any person by reason of those provisions for any period before the effective date specified in subsection (e) of that section.

(e) ENHANCEMENT OF SPECIAL COMPENSATION AUTHORITY.—

(1) Subsection (b) of section 1413 of title 10, United States Code, is amended by striking paragraphs (1), (2), and (3) and inserting the following:

“(1) For payments for months beginning with February 2002 and ending with December 2002, the following:

“(A) For any month for which the retiree has a qualifying service-connected disability rated as total, \$300.

“(B) For any month for which the retiree has a qualifying service-connected disability rated as 90 percent, \$200.

“(C) For any month for which the retiree has a qualifying service-connected disability rated as 80 percent or 70 percent, \$100.

“(D) For any month for which the retiree has a qualifying service-connected disability rated as 60 percent, \$50.

“(2) For payments for months beginning with January 2003 and ending with September 2004, the following:

“(A) For any month for which the retiree has a qualifying service-connected disability rated as total, \$325.

“(B) For any month for which the retiree has a qualifying service-connected disability rated as 90 percent, \$225.

“(C) For any month for which the retiree has a qualifying service-connected disability rated as 80 percent, \$125.

“(D) For any month for which the retiree has a qualifying service-connected disability rated as 70 percent, \$100.

“(E) For any month for which the retiree has a qualifying service-connected disability rated as 60 percent, \$50.

“(3) For payments for months after September 2004, the following:

“(A) For any month for which the retiree has a qualifying service-connected disability rated as total, \$350.

“(B) For any month for which the retiree has a qualifying service-connected disability rated as 90 percent, \$250.

“(C) For any month for which the retiree has a qualifying service-connected disability rated as 80 percent, \$150.

“(D) For any month for which the retiree has a qualifying service-connected disability rated as 70 percent, \$125.

“(E) For any month for which the retiree has a qualifying service-connected disability rated as 60 percent, \$50.”.

(2) Subsection (d)(2) of such section is amended by striking “70 percent” and inserting “60 percent”.

(3) The amendments made by this subsection shall take effect on February 1, 2002.

Effective date.
10 USC 1413
note.

SEC. 642. SURVIVOR BENEFIT PLAN ANNUITIES FOR SURVIVING SPOUSES OF MEMBERS WHO DIE WHILE ON ACTIVE DUTY AND NOT ELIGIBLE FOR RETIREMENT.

(a) SURVIVING SPOUSE ANNUITY.—Paragraph (1) of section 1448(d) of title 10, United States Code, is amended to read as follows:

“(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of—

“(A) a member who dies while on active duty after—

“(i) becoming eligible to receive retired pay;

“(ii) qualifying for retired pay except that the member has not applied for or been granted that pay; or

“(iii) completing 20 years of active service but before the member is eligible to retire as a commis-

PUBLIC LAW 107-107—DEC. 28, 2001

sioned officer because the member has not completed 10 years of active commissioned service; or

“(B) a member not described in subparagraph (A) who dies in line of duty while on active duty.”

(b) COMPUTATION OF ANNUITY.—Section 1451(c)(1) of such title is amended—

(1) in subparagraph (A)—

(A) by striking “based upon his years of active service when he died.” and inserting “when he died determined as follows:

“(i) In the case of an annuity provided under section 1448(d) of this title (other than in a case covered by clause (ii)), such retired pay shall be computed as if the member had been retired under section 1201 of this title on the date of the member’s death with a disability rated as total.

“(ii) In the case of an annuity provided under section 1448(d)(1)(A) of this title by reason of the death of a member not in line of duty, such retired pay shall be computed based upon the member’s years of active service when he died.

“(iii) In the case of an annuity provided under section 1448(f) of this title, such retired pay shall be computed based upon the member or former member’s years of active service when he died computed under section 12733 of this title.”; and

(2) in subparagraph (B)(i), by striking “if the member or former member” and all that follows and inserting “as determined under subparagraph (A).”.

(c) CONFORMING AMENDMENTS.—(1) The heading for subsection (d) of section 1448 of such title is amended by striking “RETIREMENT-ELIGIBLE”.

(2) Subsection (c)(3) of section 1451 of such title is amended by striking “1448(d)(1)(B) or 1448(d)(1)(C)” and inserting “clause (ii) or (iii) of section 1448(d)(1)(A)”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 10, 2001, and shall apply with respect to deaths of members of the Armed Forces occurring on or after that date.

Applicability.
10 USC 1448
note.

37 USC 501 note.

Subtitle E—Other Matters

SEC. 651. PAYMENT FOR UNUSED LEAVE IN EXCESS OF 60 DAYS ACCRUED BY MEMBERS OF RESERVE COMPONENTS ON ACTIVE DUTY FOR ONE YEAR OR LESS.

(a) ELIGIBILITY.—Section 501(b)(5) of title 37, United States Code, is amended by—

(1) striking “or” at the end of subparagraph (B);

(2) striking the period at the end of subparagraph (C) and inserting “; or”; and

(3) adding at the end the following new subparagraph:

“(D) by a member of a reserve component while serving on active duty, full-time National Guard duty, or active duty for training for a period of more than 30 days but not in excess of 365 days.”.

(b) APPLICATION OF AMENDMENT.—Subparagraph (D) of section 501(b)(5) of title 37, United States Code, as added by subsection (a)(3), shall apply with respect to periods of active duty beginning on or after October 1, 2001.

SEC. 652. ADDITIONAL AUTHORITY TO PROVIDE ASSISTANCE FOR FAMILIES OF MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—During fiscal year 2002, the Secretary of Defense may provide assistance for families of members of the

PUBLIC LAW 107-107—DEC. 28, 2001

Armed Forces serving on active duty in order to ensure that the children of such members obtain needed child care, education, and other youth services.

(b) **PRIMARY PURPOSE OF ASSISTANCE.**—The assistance authorized by this section should be directed primarily toward providing needed family support, including child care, education, and other youth services, for children of members of the Armed Forces who are deployed, assigned to duty, or ordered to active duty in connection with the contingency operation known as Operation Enduring Freedom.

SEC. 653. AUTHORIZATION OF TRANSITIONAL COMPENSATION AND COMMISSARY AND EXCHANGE BENEFITS FOR DEPENDENTS OF COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE AND THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION WHO ARE SEPARATED FOR DEPENDENT ABUSE.

(a) **COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE.**—Section 221(a) of the Public Health Service Act (42 U.S.C. 213a(a)) is amended by adding at the end the following new paragraph:

“(17) Section 1059, Transitional compensation and commissary and exchange benefits for dependents of members separated for dependent abuse.”.

(b) **COMMISSIONED OFFICERS OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.**—Section 3(a) of the Act entitled “An Act to revise, codify, and enact into law, title 10 of the United States Code, entitled ‘Armed Forces’, and title 32 of the United States Code, entitled ‘National Guard’”, approved August 10, 1956 (33 U.S.C. 857a(a)), is amended by adding at the end the following new paragraph:

“(17) Section 1059, Transitional compensation and commissary and exchange benefits for dependents of members separated for dependent abuse.”.

SEC. 654. TRANSFER OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL BY MEMBERS OF THE ARMED FORCES WITH CRITICAL MILITARY SKILLS.

(a) **AUTHORITY TO TRANSFER TO FAMILY MEMBERS.**—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by adding at the end the following new section:

“§ 3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces with critical military skills

“(a) **IN GENERAL.**—Subject to the provisions of this section, each Secretary concerned may, for the purpose of enhancing recruitment and retention of members of the Armed Forces with critical military skills and at such Secretary’s sole discretion, permit an individual described in subsection (b) who is entitled to basic educational assistance under this subchapter to elect to transfer to one or more of the dependents specified in subsection (c) a portion of such individual’s entitlement to such assistance, subject to the limitation under subsection (d).

“(b) **ELIGIBLE INDIVIDUALS.**—An individual referred to in subsection (a) is any member of the Armed Forces who, at the time of the approval by the Secretary concerned of the member’s request to transfer entitlement to basic educational assistance under this section—

“(1) has completed six years of service in the Armed Forces;

“(2) either—

“(A) has a critical military skill designated by the Secretary concerned for purposes of this section; or

“(B) is in a military specialty designated by the Secretary concerned for purposes of this section as requiring critical military skills; and

PUBLIC LAW 107-107—DEC. 28, 2001

“(3) enters into an agreement to serve at least four more years as a member of the Armed Forces.

“(c) ELIGIBLE DEPENDENTS.—An individual approved to transfer an entitlement to basic educational assistance under this section may transfer the individual’s entitlement as follows:

“(1) To the individual’s spouse.

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

“(3) To a combination of the individuals referred to in paragraphs (1) and (2).

“(d) LIMITATION ON MONTHS OF TRANSFER.—The total number of months of entitlement transferred by an individual under this section may not exceed 18 months.

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

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

“(2) designate the number of months of such entitlement to be transferred to each such dependent; and

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

“(f) TIME FOR TRANSFER; REVOCATION AND MODIFICATION.—

(1) Subject to the time limitation for use of entitlement under section 3031 of this title, an individual approved to transfer entitlement to basic educational assistance under this section may transfer such entitlement at any time after the approval of the individual’s request to transfer such entitlement without regard to whether the individual is a member of the Armed Forces when the transfer is executed.

“(2)(A) An individual transferring entitlement under this section may modify or revoke at any time the transfer of any unused portion of the entitlement so transferred.

“(B) The modification or revocation of the transfer of entitlement under this paragraph shall be made by the submittal of written notice of the action to both the Secretary concerned and the Secretary of Veterans Affairs.

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

“(1) in the case of entitlement transferred to a spouse, the completion by the individual making the transfer of six years of service in the Armed Forces; or

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

“(A) the completion by the individual making the transfer of 10 years of service in the Armed Forces; and

“(B) either—

“(i) the completion by the child of the requirements of a secondary school diploma (or equivalency certificate); or

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

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

“(2) Except as provided under subsection (e)(2) and subject to paragraphs (4) and (5), a dependent to whom entitlement is transferred under this section is entitled to basic educational assistance under this subchapter in the same manner and at the same rate as the individual from whom the entitlement was transferred.

“(3) The death of an individual transferring an entitlement under this section shall not affect the use of the entitlement by the dependent to whom the entitlement is transferred.

Notice.

PUBLIC LAW 107-107—DEC. 28, 2001

“(4) Notwithstanding section 3031 of this title, a child to whom entitlement is transferred under this section may not use any entitlement so transferred after attaining the age of 26 years.

“(5) The administrative provisions of this chapter (including the provisions set forth in section 3034(a)(1) of this title) shall apply to the use of entitlement transferred under this section, except that the dependent to whom the entitlement is transferred shall be treated as the eligible veteran for purposes of such provisions.

“(6) The purposes for which a dependent to whom entitlement is transferred under this section may use such entitlement shall include the pursuit and completion of the requirements of a secondary school diploma (or equivalency certificate).

“(i) OVERPAYMENT.—(1) In the event of an overpayment of basic educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the individual making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685 of this title.

“(2) Except as provided in paragraph (3), if an individual transferring entitlement under this section fails to complete the service agreed to by the individual under subsection (b)(3) in accordance with the terms of the agreement of the individual under that subsection, the amount of any transferred entitlement under this section that is used by a dependent of the individual as of the date of such failure shall be treated as an overpayment of basic educational assistance under paragraph (1).

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

“(A) by reason of the death of the individual; or

“(B) for a reason referred to in section 3011(a)(1)(A)(ii)(I) of this title.

“(j) APPROVALS OF TRANSFER SUBJECT TO AVAILABILITY OF APPROPRIATIONS.—The Secretary concerned may approve transfers of entitlement to basic educational assistance under this section in a fiscal year only to the extent that appropriations for military personnel are available in that fiscal year for purposes of making deposits in the Department of Defense Education Benefits Fund under section 2006 of title 10 in that fiscal year to cover the present value of future benefits payable from the Fund for the Department of Defense portion of payments of basic educational assistance attributable to increased usage of benefits as a result of such transfers of entitlement in that fiscal year.

“(k) REGULATIONS.—The Secretary of Defense shall prescribe regulations for purposes of this section. Such regulations shall specify the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (f)(2) and shall specify the manner of the applicability of the administrative provisions referred to in subsection (h)(5) to a dependent to whom entitlement is transferred under this section.

“(l) ANNUAL REPORT.—(1) Not later than January 31 each year (beginning in 2003), the Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the transfers of entitlement to basic educational assistance under this section that were approved by each Secretary concerned during the preceding fiscal year.

Deadline.

“(2) Each report shall set forth—

“(A) the number of transfers of entitlement under this section that were approved by such Secretary during the preceding fiscal year; or

“(B) if no transfers of entitlement under this section were approved by such Secretary during that fiscal year, a justification for such Secretary's decision not to approve any such transfers of entitlement during that fiscal year.

PUBLIC LAW 107-107—DEC. 28, 2001

“(m) SECRETARY CONCERNED DEFINED.—Notwithstanding section 101(25) of this title, in this section, the term ‘Secretary concerned’ means—

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

“(2) the Secretary of the Navy with respect to matters concerning the Navy or the Marine Corps;

“(3) the Secretary of the Air Force with respect to matters concerning the Air Force; and

“(4) the Secretary of Defense with respect to matters concerning the Coast Guard, or the Secretary of Transportation when it is not operating as a service in the Navy.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3019 the following new item:

“3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces with critical military skills.”.

(b) TREATMENT UNDER DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND.—Section 2006(b)(2) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

“(D) The present value of future benefits payable from the Fund for the Department of Defense portion of payments of educational assistance under subchapter II of chapter 30 of title 38 attributable to increased usage of benefits as a result of transfers of entitlement to basic educational assistance under section 3020 of that title during such period.”.

(c) PLAN FOR IMPLEMENTATION.—Not later than June 30, 2002, the Secretary of Defense shall submit to Congress a report describing the manner in which the Secretaries of the military departments and the Secretary of Transportation propose to exercise the authority granted by section 3020 of title 38, United States Code, as added by subsection (a). The report shall include the regulations prescribed under subsection (k) of that section for purposes of the exercise of the authority.

(d) FUNDING FOR FISCAL YEAR 2002.—Of the amount authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2002 by section 421, \$30,000,000 may be available in fiscal year 2002 for deposit into the Department of Defense Education Benefits Fund under section 2006 of title 10, United States Code, for purposes of covering payments of amounts under subparagraph (D) of section 2006(b)(2) of such title (as added by subsection (b)), as a result of transfers of entitlement to basic educational assistance under section 3020 of title 38, United States Code (as added by subsection (a)).

Deadline.
Reports.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—TRICARE Program Improvements

- Sec. 701. Sub-acute and long-term care program reform.
- Sec. 702. Prosthetics and hearing aids.
- Sec. 703. Durable medical equipment.
- Sec. 704. Rehabilitative therapy.
- Sec. 705. Report on mental health benefits.
- Sec. 706. Clarification of eligibility for reimbursement of travel expenses of adult accompanying patient in travel for specialty care.
- Sec. 707. TRICARE program limitations on payment rates for institutional health care providers and on balance billing by institutional and noninstitutional health care providers.
- Sec. 708. Improvements in administration of the TRICARE program.

Subtitle B—Senior Health Care

- Sec. 711. Clarifications and improvements regarding the Department of Defense Medicare-Eligible Retiree Health Care Fund.

Subtitle C—Studies and Reports

- Sec. 721. Comptroller General study of health care coverage of members of the reserve components of the Armed Forces and the National Guard.

PUBLIC LAW 107–107—DEC. 28, 2001

- Sec. 722. Comptroller General study of adequacy and quality of health care provided to women under the defense health program.
 Sec. 723. Repeal of obsolete report requirement.
 Sec. 724. Comptroller General report on requirement to provide screenings, physical examinations, and other care for certain members.

Subtitle D—Other Matters

- Sec. 731. Prohibition against requiring military retirees to receive health care solely through the Department of Defense.
 Sec. 732. Fees for trauma and other medical care provided to civilians.
 Sec. 733. Enhancement of medical product development.
 Sec. 734. Pilot program providing for Department of Veterans Affairs support in the performance of separation physical examinations.
 Sec. 735. Modification of prohibition on requirement of nonavailability statement or preauthorization.
 Sec. 736. Transitional health care for members separated from active duty.
 Sec. 737. Two-year extension of health care management demonstration program.
 Sec. 738. Joint DOD-VA pilot program for providing graduate medical education and training for physicians.

Subtitle A—TRICARE Program Improvements

SEC. 701. SUB-ACUTE AND LONG-TERM CARE PROGRAM REFORM.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074i the following new section:

“§ 1074j. Sub-acute care program

“(a) ESTABLISHMENT.—The Secretary of Defense shall establish an effective, efficient, and integrated sub-acute care benefits program under this chapter (hereinafter referred to in this section as the ‘program’). Except as otherwise provided in this section, the types of health care authorized under the program shall be the same as those provided under section 1079 of this title. The Secretary, after consultation with the other administering Secretaries, shall promulgate regulations to carry out this section.

Regulations.

“(b) BENEFITS.—(1) The program shall include a uniform skilled nursing facility benefit that shall be provided in the manner and under the conditions described in section 1861 (h) and (i) of the Social Security Act (42 U.S.C. 1395x (h) and (i)), except that the limitation on the number of days of coverage under section 1812 (a) and (b) of such Act (42 U.S.C. 1395d (a) and (b)) shall not be applicable under the program. Skilled nursing facility care for each spell of illness shall continue to be provided for as long as medically necessary and appropriate.

“(2) In this subsection:

“(A) The term ‘skilled nursing facility’ has the meaning given such term in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a)).

“(B) The term ‘spell of illness’ has the meaning given such term in section 1861(a) of such Act (42 U.S.C. 1395x(a)).

“(3) The program shall include a comprehensive, part-time or intermittent home health care benefit that shall be provided in the manner and under the conditions described in section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)).”

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074i the following new item:

“1074j. Sub-acute care program.”

(b) EXTENDED BENEFITS FOR DISABLED BENEFICIARIES.—Section 1079 of title 10, United States Code, is amended by striking subsections (d), (e), and (f) and inserting the following new subsections:

“(d)(1) The Secretary of Defense shall establish a program to provide extended benefits for eligible dependents, which may include the provision of comprehensive health care services, including case management services, to assist in the reduction of the

PUBLIC LAW 107-107—DEC. 28, 2001

disabling effects of a qualifying condition of an eligible dependent. Registration shall be required to receive the extended benefits.

Regulations.

“(2) The Secretary of Defense, after consultation with the other administering Secretaries, shall promulgate regulations to carry out this subsection.

“(3) In this subsection:

“(A) The term ‘eligible dependent’ means a dependent of a member of the uniformed services on active duty for a period of more than 30 days, as described in subparagraph (A), (D), or (I) of section 1072(2) of this title, who has a qualifying condition.

“(B) The term ‘qualifying condition’ means the condition of a dependent who is moderately or severely mentally retarded, has a serious physical disability, or has an extraordinary physical or psychological condition.

“(e) Extended benefits for eligible dependents under subsection (d) may include comprehensive health care services (including services necessary to maintain, or minimize or prevent deterioration of, function of the patient) and case management services with respect to the qualifying condition of such a dependent, and include, to the extent such benefits are not provided under provisions of this chapter other than under this section, the following:

“(1) Diagnosis.

“(2) Inpatient, outpatient, and comprehensive home health care supplies and services which may include cost effective and medically appropriate services other than part-time or intermittent services (within the meaning of such terms as used in the second sentence of section 1861(m) of the Social Security Act).

“(3) Training, rehabilitation, special education, and assistive technology devices.

“(4) Institutional care in private nonprofit, public, and State institutions and facilities and, if appropriate, transportation to and from such institutions and facilities.

“(5) Custodial care, notwithstanding the prohibition in section 1077(b)(1) of this title.

“(6) Respite care for the primary caregiver of the eligible dependent.

“(7) Such other services and supplies as determined appropriate by the Secretary, notwithstanding the limitations in subsection (a)(13).

“(f)(1) Members shall be required to share in the cost of any benefits provided to their dependents under subsection (d) as follows:

“(A) Members in the lowest enlisted pay grade shall be required to pay the first \$25 incurred each month, and members in the highest commissioned pay grade shall be required to pay the first \$250 incurred each month. The amounts to be paid by members in all other pay grades shall be determined under regulations to be prescribed by the Secretary of Defense in consultation with the administering Secretaries.

Regulations.

“(B) A member who has more than one dependent incurring expenses in a given month under a plan covered by subsection (d) shall not be required to pay an amount greater than would be required if the member had only one such dependent.

“(2) In the case of extended benefits provided under paragraph (3) or (4) of subsection (e) to a dependent of a member of the uniformed services—

“(A) the Government’s share of the total cost of providing such benefits in any month shall not exceed \$2,500, except for costs that a member is exempt from paying under paragraph (3); and

“(B) the member shall pay (in addition to any amount payable under paragraph (1)) the amount, if any, by which

PUBLIC LAW 107-107—DEC. 28, 2001

the amount of such total cost for the month exceeds the Government's maximum share under subparagraph (A).

“(3) A member of the uniformed services who incurs expenses under paragraph (2) for a month for more than one dependent shall not be required to pay for the month under subparagraph (B) of that paragraph an amount greater than the amount the member would otherwise be required to pay under that subparagraph for the month if the member were incurring expenses under that subparagraph for only one dependent.

“(4) To qualify for extended benefits under paragraph (3) or (4) of subsection (e), a dependent of a member of the uniformed services shall be required to use public facilities to the extent such facilities are available and adequate, as determined under joint regulations of the administering Secretaries.

“(5) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations to carry out this subsection.”

Regulations.

(c) DEFINITIONS OF CUSTODIAL CARE AND DOMICILIARY CARE.—Section 1072 of title 10, United States Code, is amended by adding at the end the following new paragraphs:

“(8) The term ‘custodial care’ means treatment or services, regardless of who recommends such treatment or services or where such treatment or services are provided, that—

“(A) can be rendered safely and reasonably by a person who is not medically skilled; or

“(B) is or are designed mainly to help the patient with the activities of daily living.

“(9) The term ‘domiciliary care’ means care provided to a patient in an institution or homelike environment because—

“(A) providing support for the activities of daily living in the home is not available or is unsuitable; or

“(B) members of the patient's family are unwilling to provide the care.”

(d) CONTINUATION OF INDIVIDUAL CASE MANAGEMENT SERVICES FOR CERTAIN ELIGIBLE BENEFICIARIES.—(1) Notwithstanding the termination of the Individual Case Management Program by subsection (g), the Secretary of Defense shall, in any case in which the Secretary makes the determination described in paragraph (2), continue to provide payment as if such program were in effect for home health care or custodial care services provided to an eligible beneficiary that would otherwise be excluded from coverage under regulations implementing chapter 55 of title 10, United States Code.

10 USC 1079
note.

(2) The determination referred to in paragraph (1) is a determination that discontinuation of payment for services not otherwise provided under such chapter would result in the provision of services inadequate to meet the needs of the eligible beneficiary and would be unjust to such beneficiary.

(3) For purposes of this subsection, “eligible beneficiary” means a covered beneficiary (as that term is defined in section 1072 of title 10, United States Code) who, before the effective date of this section, was provided custodial care services under the Individual Case Management Program for which the Secretary provided payment.

(e) REPORT ON INITIATIVES REGARDING LONG-TERM CARE.—The Secretary of Defense shall, not later than April 1, 2002, submit to Congress a report on the feasibility and desirability of establishing new initiatives, taking into account chapter 90 of title 5, United States Code, to improve the availability of long-term care for members and retired members of the uniformed services and their families.

Deadline.

(f) REFERENCE IN TITLE 10 TO LONG-TERM CARE PROGRAM IN TITLE 5.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074j (as added by subsection (a)) the following new section:

PUBLIC LAW 107-107—DEC. 28, 2001

“§ 1074k. Long-term care insurance

“Provisions regarding long-term care insurance for members and certain former members of the uniformed services and their families are set forth in chapter 90 of title 5.”

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074j (as added by subsection (a)) the following new item:

“1074k. Long-term care insurance.”

(g) CONFORMING AMENDMENTS.—(1) The following provisions of law are repealed:

(A) Section 703 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 682; 10 U.S.C. 1077 note).

(B) Section 8118 of the Department of Defense Appropriations Act, 2000 (Public Law 106-79; 113 Stat. 1260).

(C) Section 8100 of the Department of Defense Appropriations Act, 2001 (Public Law 106-259; 114 Stat. 696).

(2) Section 1079 of title 10, United States Code, is amended in subsection (a) by striking paragraph (17).

SEC. 702. PROSTHETICS AND HEARING AIDS.

Section 1077 of title 10, United States Code, is amended—

(1) in subsection (a), by adding at the end the following:

“(16) A hearing aid, but only for a dependent of a member of the uniformed services on active duty and only if the dependent has a profound hearing loss, as determined under standards prescribed in regulations by the Secretary of Defense in consultation with the administering Secretaries.”;

(2) in subsection (b)(2), by striking “Hearing aids, orthopedic footwear,” and inserting “Orthopedic footwear”; and

(3) by adding at the end the following new subsection:

“(e)(1) Authority to provide a prosthetic device under subsection (a)(15) includes authority to provide the following:

“(A) Any accessory or item of supply that is used in conjunction with the device for the purpose of achieving therapeutic benefit and proper functioning.

“(B) Services necessary to train the recipient of the device in the use of the device.

“(C) Repair of the device for normal wear and tear or damage.

“(D) Replacement of the device if the device is lost or irreparably damaged or the cost of repair would exceed 60 percent of the cost of replacement.

“(2) An augmentative communication device may be provided as a voice prosthesis under subsection (a)(15).

“(3) A prosthetic device customized for a patient may be provided under this section only by a prosthetic practitioner who is qualified to customize the device, as determined under regulations prescribed by the Secretary of Defense in consultation with the administering Secretaries.”.

SEC. 703. DURABLE MEDICAL EQUIPMENT.

(a) ITEMS AUTHORIZED.—Section 1077 of title 10, United States Code, as amended by section 702, is further amended—

(1) in subsection (a)(12), by striking “such as wheelchairs, iron lungs, and hospital beds” and inserting “which”; and

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

“(f)(1) Items that may be provided to a patient under subsection (a)(12) include the following:

“(A) Any durable medical equipment that can improve, restore, or maintain the function of a malformed, diseased, or injured body part, or can otherwise minimize or prevent the deterioration of the patient’s function or condition.

PUBLIC LAW 107-107—DEC. 28, 2001

“(B) Any durable medical equipment that can maximize the patient’s function consistent with the patient’s physiological or medical needs.

“(C) Wheelchairs.

“(D) Iron lungs.

“(E) Hospital beds.

“(2) In addition to the authority to provide durable medical equipment under subsection (a)(12), any customization of equipment owned by the patient that is durable medical equipment authorized to be provided to the patient under this section or section 1079(a)(5) of this title, and any accessory or item of supply for any such equipment, may be provided to the patient if the customization, accessory, or item of supply is essential for—

“(A) achieving therapeutic benefit for the patient;

“(B) making the equipment serviceable; or

“(C) otherwise assuring the proper functioning of the equipment.”.

(b) PROVISION OF ITEMS ON RENTAL BASIS.—Paragraph (5) of section 1079(a) of such title is amended to read as follows:

“(5) Durable equipment provided under this section may be provided on a rental basis.”.

SEC. 704. REHABILITATIVE THERAPY.

Section 1077(a) of title 10, United States Code, as amended by sections 702 and 703, is further amended by inserting after paragraph (16) the following new paragraph:

“(17) Any rehabilitative therapy to improve, restore, or maintain function, or to minimize or prevent deterioration of function, of a patient when prescribed by a physician.”.

SEC. 705. REPORT ON MENTAL HEALTH BENEFITS.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense shall carry out a study to determine the adequacy of the scope and availability of outpatient mental health benefits provided for members of the Armed Forces and covered beneficiaries under the TRICARE program.

(b) REPORT.—Not later than March 31, 2002, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the study, including the conclusions and any recommendations for legislation that the Secretary considers appropriate.

Deadline.

SEC. 706. CLARIFICATION OF ELIGIBILITY FOR REIMBURSEMENT OF TRAVEL EXPENSES OF ADULT ACCOMPANYING PATIENT IN TRAVEL FOR SPECIALTY CARE.

Section 1074i of title 10, United States Code, is amended by inserting before the period at the end the following: “and, when accompaniment by an adult is necessary, for a parent or guardian of the covered beneficiary or another member of the covered beneficiary’s family who is at least 21 years of age”.

SEC. 707. TRICARE PROGRAM LIMITATIONS ON PAYMENT RATES FOR INSTITUTIONAL HEALTH CARE PROVIDERS AND ON BALANCE BILLING BY INSTITUTIONAL AND NONINSTITUTIONAL HEALTH CARE PROVIDERS.

(a) INSTITUTIONAL PROVIDERS.—Section 1079(j) of title 10, United States Code, is amended—

(1) in paragraph (2)(A)—

(A) by striking “(A)”; and

(B) by striking “may be determined under joint regulations” and inserting “shall be determined under joint regulations”;

(2) by redesignating subparagraph (B) of paragraph (2) as paragraph (4), and, in such paragraph, as so redesignated, by striking “subparagraph (A),” and inserting “this subsection,”; and

PUBLIC LAW 107-107—DEC. 28, 2001

(3) by inserting before paragraph (4), as redesignated by paragraph (2), the following new paragraph (3):

“(3) A contract for a plan covered by this section shall include a clause that prohibits each provider of services under the plan from billing any person covered by the plan for any balance of charges for services in excess of the amount paid for those services under the joint regulations referred to in paragraph (2), except for any unpaid amounts of deductibles or copayments that are payable directly to the provider by the person.”.

(b) NONINSTITUTIONAL PROVIDERS.—Section 1079(h)(4) of such title is amended—

(1) by inserting “(A)” after “(4)”; and

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

Regulations.

“(B) The regulations shall include a restriction that prohibits an individual health care professional (or other noninstitutional health care provider) from billing a beneficiary for services for more than the amount that is equal to—

“(i) the excess of the limiting charge (as defined in section 1848(g)(2) of the Social Security Act (42 U.S.C. 1395w-4(g)(2))) that would be applicable if the services had been provided by the professional (or other provider) as an individual health care professional (or other noninstitutional health care provider) on a nonassignment-related basis under part B of title XVIII of such Act over the amount that is payable by the United States for those services under this subsection, plus

“(ii) any unpaid amounts of deductibles or copayments that are payable directly to the professional (or other provider) by the beneficiary.”.

10 USC 1079
note.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 90 days after the date of the enactment of this Act.

SEC. 708. IMPROVEMENTS IN ADMINISTRATION OF THE TRICARE PROGRAM.

10 USC 1072
note.

(a) FLEXIBILITY IN CONTRACTING.—(1) During the one-year period following the date of the enactment of this Act, section 1072(7) of title 10, United States Code, shall be deemed to be amended by striking “the competitive selection of contractors to financially underwrite”.

(2) The terms and conditions of any contract to provide health care services under the TRICARE program entered into during the period described in paragraph (1) shall not be considered to be modified or terminated as a result of the termination of such period.

(b) REDUCTION OF CONTRACT START-UP TIME.—Section 1095c(b) of such title is amended—

(1) in paragraph (1)—

(A) by striking “The” and inserting “Except as provided in paragraph (3), the”; and

(B) by striking “contract.” and all that follows through “as soon as practicable after the award of the”; and

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

“(3) The Secretary may reduce the nine-month start-up period required under paragraph (1) if—

“(A) the Secretary—

“(i) determines that a shorter period is sufficient to ensure effective implementation of all contract requirements; and

“(ii) submits notification to the Committees on Armed Services of the House of Representatives and the Senate of the Secretary’s intent to reduce the nine-month start-up period; and

“(B) 60 days have elapsed since the date of such notification.”.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle B—Senior Health Care**SEC. 711. CLARIFICATIONS AND IMPROVEMENTS REGARDING THE DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND.**

(a) CLARIFICATION REGARDING COVERAGE.—Subsection (b) of section 1111 of title 10, United States Code, is amended to read as follows:

“(b) In this chapter:

“(1) The term ‘uniformed services retiree health care programs’ means the provisions of this title or any other provision of law creating an entitlement to or eligibility for health care for a member or former member of a participating uniformed service who is entitled to retired or retainer pay, and an eligible dependent under such program.

“(2) The term ‘eligible dependent’ means a dependent described in section 1076(a)(2) (other than a dependent of a member on active duty), 1076(b), 1086(c)(2), or 1086(c)(3) of this title.

“(3) The term ‘medicare-eligible’, with respect to any person, means entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

“(4) The term ‘participating uniformed service’ means the Army, Navy, Air Force, and Marine Corps, and any other uniformed service that is covered by an agreement entered into under subsection (c).”.

(b) PARTICIPATION OF OTHER UNIFORMED SERVICES.—(1) Section 1111 of such title is further amended by adding at the end the following new subsection:

“(c) The Secretary of Defense may enter into an agreement with any other administering Secretary (as defined in section 1072(3) of this title) for participation in the Fund by a uniformed service under the jurisdiction of that Secretary. Any such agreement shall require that Secretary to determine contributions to the Fund on behalf of the members of the uniformed service under the jurisdiction of that Secretary in a manner comparable to the determination with respect to contributions to the Fund made by the Secretary of Defense under section 1116 of this title, and such administering Secretary may make such contributions.”.

(2) Section 1112 of such title is amended by adding at the end the following new paragraph:

“(4) Amounts paid into the Fund pursuant to section 1111(c) of this title.”.

(3) Section 1115 of such title is amended—

(A) in subsection (a), by inserting “participating” before “uniformed services”;

(B) in subparagraphs (A)(ii) and (B)(ii) of subsection (b)(1), by inserting “under the jurisdiction of the Secretary of Defense” after “uniformed services”;

(C) in subsection (b)(2), by inserting “(or to the other executive department having jurisdiction over the participating uniformed service)” after “Department of Defense”; and

(D) in subparagraphs (A) and (B) of subsection (c)(1), by inserting “participating” before “uniformed services”.

(4) Section 1116(a) of such title is amended in paragraphs (1)(B) and (2)(B) by inserting “under the jurisdiction of the Secretary of Defense” after “uniformed services”.

(c) CLARIFICATION OF PAYMENTS FROM THE FUND.—(1) Subsection (a) of section 1113 of such title is amended to read as follows:

“(a) There shall be paid from the Fund amounts payable for the costs of all uniformed service retiree health care programs for the benefit of members or former members of a participating uniformed service who are entitled to retired or retainer pay and

PUBLIC LAW 107-107—DEC. 28, 2001

are medicare eligible, and eligible dependents who are medicare eligible.”.

(2) Such section is further amended by adding at the end the following new subsections:

“(c)(1) In carrying out subsection (a), the Secretary of Defense may transfer periodically from the Fund to applicable appropriations of the Department of Defense, or to applicable appropriations of other departments or agencies, such amounts as the Secretary determines necessary to cover the costs chargeable to those appropriations for uniformed service retiree health care programs for beneficiaries under those programs who are medicare-eligible. Such transfers may include amounts necessary for the administration of such programs. Amounts so transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation to which transferred. Upon a determination that all or part of the funds transferred from the Fund are not necessary for the purposes for which transferred, such amounts may be transferred back to the Fund. This transfer authority is in addition to any other transfer authority that may be available to the Secretary.

“(2) A transfer from the Fund under paragraph (1) may not be made to an appropriation after the end of the second fiscal year after the fiscal year that the appropriation is available for obligation. A transfer back to the Fund under paragraph (1) may not be made after the end of the second fiscal year after the fiscal year for which the appropriation to which the funds were originally transferred is available for obligation.

Regulations.

“(d) The Secretary of Defense shall by regulation establish the method or methods for calculating amounts to be transferred under subsection (c). Such method or methods may be based (in whole or in part) on a proportionate share of the volume (measured as the Secretary determines appropriate) of health care services provided or paid for under uniformed service retiree health care programs for beneficiaries under those programs who are medicare-eligible in relation to the total volume of health care services provided or paid for under Department of Defense health care programs.

Deadlines.

“(e) The regulations prescribed by the Secretary under subsection (d) shall be provided to the Comptroller General not less than 60 days before such regulations become effective. The Comptroller General shall, not later than 30 days after receiving such regulations, report to the Secretary of Defense and Congress on the adequacy and appropriateness of the regulations.

Reports.

“(f) If the Secretary of Defense enters into an agreement with another administering Secretary pursuant to section 1111(c), the Secretary of Defense may take the actions described in subsections (c), (d), and (e) on behalf of the beneficiaries and programs of the other participating uniformed service.”.

(d) SOURCE OF FUNDS FOR MONTHLY ACCRUAL PAYMENTS INTO THE FUND.—Section 1116 of such title is further amended—

(1) in subsection (a)(2)(B) (as amended by subsection (b)(4)), by striking the sentence beginning “Amounts paid into”; and

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

“(c) Amounts paid into the Fund under subsection (a) shall be paid from funds available for the health care programs of the participating uniformed services under the jurisdiction of the respective administering Secretaries.”.

(e) TECHNICAL AMENDMENTS.—(1) Sections 1111(a), 1115(c)(2), 1116(a)(1)(A), and 1116(a)(2)(A) of such title are amended by striking “Department of Defense retiree health care programs” and inserting “uniformed services retiree health care programs”.

(2) The heading for section 1111 of such title is amended to read as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

“§ 1111. Establishment and purpose of Fund; definitions; authority to enter into agreements”.

(3) The item relating to section 1111 in the table of sections at the beginning of chapter 56 of such title is amended to read as follows:

“1111. Establishment and purpose of Fund; definitions; authority to enter into agreements.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of chapter 56 of title 10, United States Code, by section 713(a)(1) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-179). 10 USC 1111 note.

(g) FIRST YEAR CONTRIBUTIONS.—With respect to contributions under section 1116(a) of title 10, United States Code, for the first year that the Department of Defense Medicare-Eligible Retiree Health Care Fund is established under chapter 56 of such title, if the Board of Actuaries is unable to execute its responsibilities with respect to such section, the Secretary of Defense may make contributions under such section using methods and assumptions developed by the Secretary. 10 USC 1116 note.

Subtitle C—Studies and Reports**SEC. 721. COMPTROLLER GENERAL STUDY OF HEALTH CARE COVERAGE OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES AND THE NATIONAL GUARD.**

(a) REQUIREMENT FOR STUDY.—The Comptroller General shall carry out a study of the needs of members of the reserve components of the Armed Forces and the National Guard and their families for health care benefits. The study shall include the following:

(1) An analysis of how members of the reserve components of the Armed Forces and the National Guard currently obtain coverage for health care benefits when not on active duty, together with statistics on enrollments in health care benefits plans, including—

(A) the percentage of such members who are not covered by an employer health benefits plan;

(B) the percentage of such members who are not covered by an individual health benefits plan; and

(C) the percentage of such members who are not covered by any health insurance or other health benefits plan.

(2) An assessment of the disruptions in health benefits coverage that a mobilization of members of the reserve components of the Armed Forces and the National Guard causes for the members and their families.

(3) An assessment of the cost and effectiveness of various options for preventing or reducing disruptions described in paragraph (2), including—

(A) providing health care benefits to all members of the reserve components of the Armed Forces and the National Guard and their families through the TRICARE program, the Federal Employees Health Benefits Program, or otherwise;

(B) revising and extending the program of transitional medical and dental care that is provided under section 1074b of title 10, United States Code, for members of the Armed Forces upon release from active duty served in support of a contingency operation;

(C) requiring the health benefits plans of such members, including individual health benefits plans and group health benefits plans, to permit such members to elect to resume coverage under such health benefits plans upon

PUBLIC LAW 107-107—DEC. 28, 2001

release from active duty in support of a contingency operation;

(D) allowing members of the reserve components of the Armed Forces and the National Guard to participate in TRICARE Standard using various cost-sharing arrangements;

(E) providing employers of members of the reserve components of the Armed Forces and the National Guard with the option of paying the costs of participation in the TRICARE program for such members and their families using various cost-sharing arrangements;

(F) providing financial assistance for paying premiums or other subscription charges for continuation of coverage by private sector health insurance or other health benefits plans; and

(G) any other options that the Comptroller General determines advisable to consider.

Deadline.

(b) REPORT.—Not later than May 1, 2002, the Comptroller General shall submit to Congress a report describing the findings of the study conducted under subsection (a).

SEC. 722. COMPTROLLER GENERAL STUDY OF ADEQUACY AND QUALITY OF HEALTH CARE PROVIDED TO WOMEN UNDER THE DEFENSE HEALTH PROGRAM.

(a) REQUIREMENT FOR STUDY.—The Comptroller General shall carry out a study of the adequacy and quality of the health care provided to women under chapter 55 of title 10, United States Code.

(b) SPECIFIC CONSIDERATION.—The study shall include an intensive review of the availability and quality of reproductive health care services.

Deadline.

(c) REPORT.—The Comptroller General shall submit a report on the results of the study to Congress not later than May 1, 2002.

SEC. 723. REPEAL OF OBSOLETE REPORT REQUIREMENT.

Section 701 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 10 U.S.C. 1074g note) is amended by striking subsection (d).

SEC. 724. COMPTROLLER GENERAL REPORT ON REQUIREMENT TO PROVIDE SCREENINGS, PHYSICAL EXAMINATIONS, AND OTHER CARE FOR CERTAIN MEMBERS.

(a) REPORT REQUIRED.—The Comptroller General shall prepare a report on the advisability, need, and cost effectiveness of the requirements under section 1074a(d) of title 10, United States Code, that the Secretary of the Army provide medical and dental screenings, physical examinations, and certain dental care for early deploying members of the Selected Reserve. The report shall include any recommendations for changes to such requirements based on the most current information available on the value of periodic physical examinations and any role such examinations play in monitoring force and individual member pre-deployment and post-deployment health status.

(b) DEADLINE FOR SUBMISSION.—The report required by subsection (a) shall be provided to the Committees on Armed Services of the Senate and the House of Representatives not later than June 1, 2002.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle D—Other Matters

SEC. 731. PROHIBITION AGAINST REQUIRING MILITARY RETIREES TO RECEIVE HEALTH CARE SOLELY THROUGH THE DEPARTMENT OF DEFENSE.

(a) PROHIBITION.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1086a the following new section:

“§ 1086b. Prohibition against requiring retired members to receive health care solely through the Department of Defense

“The Secretary of Defense may not take any action that would require, or have the effect of requiring, a member or former member of the armed forces who is entitled to retired or retainer pay to enroll to receive health care from the Federal Government only through the Department of Defense.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1086a the following new item:

“1086b. Prohibition against requiring retired members to receive health care solely through the Department of Defense.”.

SEC. 732. FEES FOR TRAUMA AND OTHER MEDICAL CARE PROVIDED TO CIVILIANS.

(a) REQUIREMENT TO IMPLEMENT PROCEDURES.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1079a the following new section:

“§ 1079b. Procedures for charging fees for care provided to civilians; retention and use of fees collected

“(a) REQUIREMENT TO IMPLEMENT PROCEDURES.—The Secretary of Defense shall implement procedures under which a military medical treatment facility may charge civilians who are not covered beneficiaries (or their insurers) fees representing the costs, as determined by the Secretary, of trauma and other medical care provided to such civilians.

“(b) USE OF FEES COLLECTED.—A military medical treatment facility may retain and use the amounts collected under subsection (a) for—

- “(1) trauma consortium activities;
- “(2) administrative, operating, and equipment costs; and
- “(3) readiness training.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1079a the following new item:

“1079b. Procedures for charging fees for care provided to civilians; retention and use of fees collected.”.

(b) DEADLINE FOR IMPLEMENTATION.—The Secretary of Defense shall begin to implement the procedures required by section 1079b(a) of title 10, United States Code (as added by subsection (a)), not later than one year after the date of the enactment of this Act.

10 USC 1079
note.

SEC. 733. ENHANCEMENT OF MEDICAL PRODUCT DEVELOPMENT.

Section 980 of title 10, United States Code, is amended—

(1) by inserting “(a)” before “Funds”; and

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

“(b) The Secretary of Defense may waive the prohibition in this section with respect to a specific research project to advance the development of a medical product necessary to the armed forces if the research project may directly benefit the subject and is carried out in accordance with all other applicable laws.”.

PUBLIC LAW 107-107—DEC. 28, 2001

10 USC 1071
note.

SEC. 734. PILOT PROGRAM PROVIDING FOR DEPARTMENT OF VETERANS AFFAIRS SUPPORT IN THE PERFORMANCE OF SEPARATION PHYSICAL EXAMINATIONS.

(a) **AUTHORITY.**—The Secretary of Defense and the Secretary of Veterans Affairs may jointly carry out a pilot program under which the Secretary of Veterans Affairs may perform the physical examinations required for members of the uniformed services separating from the uniformed services who are in one or more geographic areas designated for the pilot program by the Secretaries.

(b) **REIMBURSEMENT.**—The Secretary of Defense shall reimburse the Secretary of Veterans Affairs for the cost incurred by the Secretary of Veterans Affairs in performing, under the pilot program, the elements of physical examination that are required by the Secretary concerned in connection with the separation of a member of a uniformed service. Reimbursements shall be paid out of funds available for the performance of separation physical examinations of members of that uniformed service in facilities of the uniformed services.

(c) **AGREEMENT.**—(1) If the Secretary of Defense and the Secretary of Veterans Affairs carry out the pilot program authorized by this section, the Secretaries shall enter into an agreement specifying the geographic areas in which the pilot program is carried out and the means for making reimbursement payments under subsection (b).

(2) The other administering Secretaries shall also enter into the agreement to the extent that the Secretary of Defense determines necessary to apply the pilot program, including the requirement for reimbursement, to the uniformed services not under the jurisdiction of the Secretary of a military department.

(d) **CONSULTATION REQUIREMENT.**—In developing and carrying out the pilot program, the Secretary of Defense shall consult with the other administering Secretaries.

(e) **PERIOD OF PROGRAM.**—The Secretary of Defense and the Secretary of Veterans Affairs may carry out the pilot program under this section beginning not later than July 1, 2002, and terminating on December 31, 2005.

Deadlines.

(f) **REPORTS.**—(1) If the Secretary of Defense and the Secretary of Veterans Affairs carry out the pilot program authorized by this section—

(A) not later than January 31, 2004, the Secretaries shall jointly submit to Congress an interim report on the conduct of the pilot program; and

(B) not later than March 1, 2005, the Secretaries shall jointly submit to Congress a final report on the conduct of the pilot program.

(2) Reports under this subsection shall include the Secretaries' assessment, as of the date of the report, of the efficacy of the performance of separation physical examinations as provided for under the pilot program.

(g) **DEFINITIONS.**—In this section:

(1) The term “administering Secretaries” has the meaning given that term in section 1072(3) of title 10, United States Code.

(2) The term “Secretary concerned” has the meaning given that term in section 101(5) of title 37, United States Code.

SEC. 735. MODIFICATION OF PROHIBITION ON REQUIREMENT OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION.

(a) **CLARIFICATION OF COVERED BENEFICIARIES.**—Subsection (a) of section 721 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-184) is amended “covered beneficiary under chapter 55 of title 10, United States Code, who is enrolled in TRICARE Standard,” and inserting “covered bene-

10 USC 1073
note.

PUBLIC LAW 107-107—DEC. 28, 2001

fiary under TRICARE Standard pursuant to chapter 55 of title 10, United States Code.”.

(b) REPEAL OF REQUIREMENT FOR NOTIFICATION REGARDING HEALTH CARE RECEIVED FROM ANOTHER SOURCE.—Subsection (b) of such section is repealed.

(c) WAIVER AUTHORITY.—Such section, as so amended, is further amended by striking subsection (c) and inserting the following new subsections:

“(b) WAIVER AUTHORITY.—The Secretary may waive the prohibition in subsection (a) if—

“(1) the Secretary—

“(A) demonstrates that significant costs would be avoided by performing specific procedures at the affected military medical treatment facility or facilities;

“(B) determines that a specific procedure must be provided at the affected military medical treatment facility or facilities to ensure the proficiency levels of the practitioners at the facility or facilities; or

“(C) determines that the lack of nonavailability statement data would significantly interfere with TRICARE contract administration;

“(2) the Secretary provides notification of the Secretary’s intent to grant a waiver under this subsection to covered beneficiaries who receive care at the military medical treatment facility or facilities that will be affected by the decision to grant a waiver under this subsection;

“(3) the Secretary notifies the Committees on Armed Services of the House of Representatives and the Senate of the Secretary’s intent to grant a waiver under this subsection, the reason for the waiver, and the date that a nonavailability statement will be required; and

“(4) 60 days have elapsed since the date of the notification described in paragraph (3).

“(c) WAIVER EXCEPTION FOR MATERNITY CARE.—Subsection (b) shall not apply with respect to maternity care.”.

(d) EFFECTIVE DATE.—(1) Subsection (a) of such section is amended by striking “under any new contract for the provision of health care services”.

(2) Subsection (d) of such section is amended by striking “take effect on October 1, 2001.” and inserting “take effect on the earlier of the following:

“(1) The date that a new contract entered into by the Secretary to provide health care services under TRICARE Standard takes effect.

“(2) The date that is two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002.”.

(e) REPORT.—Not later than March 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the House of Representatives and the Senate a report on the Secretary’s plans for implementing section 721 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as amended by this section. Deadline.

SEC. 736. TRANSITIONAL HEALTH CARE FOR MEMBERS SEPARATED FROM ACTIVE DUTY.

(a) PERMANENT AUTHORITY FOR INVOLUNTARILY SEPARATED MEMBERS AND MOBILIZED RESERVES.—Subsection (a) of section 1145 of title 10, United States Code, is amended—

(1) in paragraph (1), by striking “paragraph (2), a member” and all that follows through “of the member),” and inserting “paragraph (3), a member of the armed forces who is separated from active duty as described in paragraph (2)”;

(2) by redesignating paragraph (2) as paragraph (3);

PUBLIC LAW 107-107—DEC. 28, 2001

- (3) by inserting after paragraph (1) the following new paragraph (2):
- Applicability. “(2) This subsection applies to the following members of the armed forces:
- “(A) A member who is involuntarily separated from active duty.
- “(B) A member of a reserve component who is separated from active duty to which called or ordered in support of a contingency operation if the active duty is active duty for a period of more than 30 days.
- “(C) A member who is separated from active duty for which the member is involuntarily retained under section 12305 of this title in support of a contingency operation.
- “(D) A member who is separated from active duty served pursuant to a voluntary agreement of the member to remain on active duty for a period of less than one year in support of a contingency operation.”; and
- (4) in paragraph (3), as redesignated by paragraph (2), by striking “involuntarily” each place it appears.
- (b) CONFORMING AMENDMENTS.—Such section 1145 is further amended—
- (1) in subsection (c)(1), by striking “during the period beginning on October 1, 1990, and ending on December 31, 2001”; and
- (2) in subsection (e), by striking the first sentence.
- (c) REPEAL OF SUPERSEDED AUTHORITY.—(1) Section 1074b of title 10, United States Code, is repealed.
- (2) The table of sections at the beginning of chapter 55 of such title is amended by striking the item relating to section 1074b.
- (d) TRANSITION PROVISION.—Notwithstanding the repeal of section 1074b of title 10, United States Code, by subsection (c), the provisions of that section, as in effect before the date of the enactment of this Act, shall continue to apply to a member of the Armed Forces who is released from active duty in support of a contingency operation before that date.
- Applicability. 10 USC 1074b note.
- 10 USC 1071 note.
- SEC. 737. TWO-YEAR EXTENSION OF HEALTH CARE MANAGEMENT DEMONSTRATION PROGRAM.**
- (a) EXTENSION.—Subsection (d) of section 733 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398; 114 Stat. 1654A-191) is amended by striking “December 31, 2001” and inserting “December 31, 2003”.
- (b) REPORT.—Subsection (e) of that section is amended—
- (1) by striking “REPORTS.—” and inserting “REPORT.—”; and
- (2) by striking “March 15, 2002” and inserting “March 15, 2004”.
- 10 USC 1094a note.
- SEC. 738. JOINT DOD-VA PILOT PROGRAM FOR PROVIDING GRADUATE MEDICAL EDUCATION AND TRAINING FOR PHYSICIANS.**
- (a) IN GENERAL.—The Secretary of Defense and the Secretary of Veterans Affairs may jointly carry out a pilot program under which graduate medical education and training is provided to military physicians and physician employees of the Department of Defense and the Department of Veterans Affairs through one or more programs carried out in military medical treatment facilities of the Department of Defense and medical centers of the Department of Veterans Affairs.
- (b) COST-SHARING AGREEMENT.—If the Secretary of Defense and the Secretary of Veterans Affairs carry out a pilot program under subsection (a), the Secretaries shall enter into an agreement for carrying out the pilot program under which means are established for each respective Secretary to assist in paying the costs, with respect to individuals under the jurisdiction of such Secretary,

PUBLIC LAW 107-107—DEC. 28, 2001

incurred by the other Secretary in providing medical education and training under the pilot program.

(c) USE OF EXISTING AUTHORITIES.—To carry out the pilot program, the Secretary of Defense and the Secretary of Veterans Affairs shall exercise authorities provided to the Secretaries, respectively, under other laws relating to the furnishing or support of medical education and the cooperative use of facilities.

(d) PERIOD OF PROGRAM.—If the Secretary of Defense and the Secretary of Veterans Affairs carry out a pilot program under subsection (a), such pilot program shall begin not later than August 1, 2002, and shall terminate on July 31, 2007.

(e) REPORTS.—If the Secretary of Defense and the Secretary of Veterans Affairs carry out a pilot program under subsection (a), not later than January 31, 2003, and January 31 of each year thereafter through 2008, the Secretaries shall jointly submit to Congress a report on the pilot program. The report shall cover the preceding year and shall include each Secretary's assessment of the efficacy of providing education and training under the program.

Deadlines.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Procurement Management and Administration

- Sec. 801. Management of procurement of services.
- Sec. 802. Savings goals for procurements of services.
- Sec. 803. Competition requirement for purchase of services pursuant to multiple award contracts.
- Sec. 804. Reports on maturity of technology at initiation of major defense acquisition programs.

Subtitle B—Use of Preferred Sources

- Sec. 811. Applicability of competition requirements to purchases from a required source.
- Sec. 812. Extension of mentor-protége program.
- Sec. 813. Increase of assistance limitation regarding procurement technical assistance program.

Subtitle C—Amendments to General Contracting Authorities, Procedures, and Related Matters

- Sec. 821. Amendments to conform with administrative changes in acquisition phase and milestone terminology and to make related adjustments in certain requirements applicable at milestone transition points.
- Sec. 822. Follow-on production contracts for products developed pursuant to prototype projects.
- Sec. 823. One-year extension of program applying simplified procedures to certain commercial items.
- Sec. 824. Acquisition workforce qualifications.
- Sec. 825. Report on implementation of recommendations of the acquisition 2005 task force.

Subtitle D—Other Matters

- Sec. 831. Identification of errors made by executive agencies in payments to contractors and recovery of amounts erroneously paid.
- Sec. 832. Codification and modification of provision of law known as the “Berry amendment”.
- Sec. 833. Personal services contracts to be performed by individuals or organizations abroad.
- Sec. 834. Requirements regarding insensitive munitions.
- Sec. 835. Inapplicability of limitation to small purchases of miniature or instrument ball or roller bearings under certain circumstances.
- Sec. 836. Temporary emergency procurement authority to facilitate the defense against terrorism or biological or chemical attack.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle A—Procurement Management and Administration

SEC. 801. MANAGEMENT OF PROCUREMENT OF SERVICES.

(a) RESPONSIBILITY OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS.—Section 133(b)(2) of title 10, United States Code, is amended by inserting “of goods and services” after “procurement”.

(b) REQUIREMENT FOR MANAGEMENT STRUCTURE.—(1) Chapter 137 of such title is amended by inserting after section 2328 the following new section:

“§ 2330. Procurement of services: management structure

“(a) REQUIREMENT FOR MANAGEMENT STRUCTURE.—(1) The Secretary of Defense shall establish and implement a management structure for the procurement of services for the Department of Defense. The management structure shall be comparable to the management structure that applies to the procurement of products by the Department.

“(2) The management structure required by paragraph (1) shall—

“(A) provide for a designated official in each military department to exercise responsibility for the management of the procurement of services for such department;

“(B) provide for a designated official for Defense Agencies and other defense components outside the military departments to exercise responsibility for the management of the procurement of services for such Defense Agencies and components;

“(C) include a means by which employees of the departments, Defense Agencies, and components are accountable to such designated officials for carrying out the requirements of subsection (b); and

“(D) establish specific dollar thresholds and other criteria for advance approvals of purchases under subsection (b)(1)(C) and delegations of activity under subsection (b)(2).

“(b) CONTRACTING RESPONSIBILITIES OF DESIGNATED OFFICIALS.—(1) The responsibilities of an official designated under subsection (a) shall include, with respect to the procurement of services for the military department or Defense Agencies and components by that official, the following:

“(A) Ensuring that the services are procured by means of contracts or task orders that are in the best interests of the Department of Defense and are entered into or issued and managed in compliance with applicable statutes, regulations, directives, and other requirements, regardless of whether the services are procured through a contract or task order of the Department of Defense or through a contract entered into or task order issued by an official of the United States outside the Department of Defense.

“(B) Analyzing data collected under section 2330a of this title on contracts that are entered into for the procurement of services.

“(C) Approving, in advance, any procurement of services above the thresholds established pursuant to subsection (a)(2)(D) that is to be made through the use of—

“(i) a contract or task order that is not a performance-based contract or task order; or

“(ii) a contract entered into, or a task order issued, by an official of the United States outside the Department of Defense.

“(2) The responsibilities of a designated official may be delegated to other employees of the Department of Defense in accordance with the criteria established by the Secretary of Defense.

PUBLIC LAW 107-107—DEC. 28, 2001

“(c) DEFINITION.—In this section, the term ‘performance-based’, with respect to a contract or a task order means that the contract or task order, respectively, includes the use of performance work statements that set forth requirements in clear, specific, and objective terms with measurable outcomes.”.

(2) Not later than 180 days after the date of the enactment of this Act—

(A) the Secretary of Defense shall establish and implement the management structure required under section 2330 of title 10, United States Code (as added by paragraph (1)); and

(B) the Under Secretary of Defense for Acquisition, Technology, and Logistics shall issue guidance for officials in the management structure established under such section 2330 regarding how to carry out their responsibilities under that section.

(c) TRACKING OF PROCUREMENT OF SERVICES.—Chapter 137 of title 10, United States Code, as amended by subsection (b), is further amended by inserting after section 2330 the following new section:

“§ 2330a. Procurement of services: tracking of purchases

“(a) DATA COLLECTION REQUIRED.—The Secretary of Defense shall establish a data collection system to provide management information with regard to each purchase of services by a military department or Defense Agency in excess of the simplified acquisition threshold, regardless of whether such a purchase is made in the form of a contract, task order, delivery order, military interdepartmental purchase request, or any other form of interagency agreement.

“(b) DATA TO BE COLLECTED.—The data required to be collected under subsection (a) includes the following:

“(1) The services purchased.

“(2) The total dollar amount of the purchase.

“(3) The form of contracting action used to make the purchase.

“(4) Whether the purchase was made through—

“(A) a performance-based contract, performance-based task order, or other performance-based arrangement that contains firm fixed prices for the specific tasks to be performed;

“(B) any other performance-based contract, performance-based task order, or performance-based arrangement; or

“(C) any contract, task order, or other arrangement that is not performance based.

“(5) In the case of a purchase made through an agency other than the Department of Defense, the agency through which the purchase is made.

“(6) The extent of competition provided in making the purchase and whether there was more than one offer.

“(7) Whether the purchase was made from—

“(A) a small business concern;

“(B) a small business concern owned and controlled by socially and economically disadvantaged individuals; or

“(C) a small business concern owned and controlled by women.

“(c) COMPATIBILITY WITH DATA COLLECTION SYSTEM FOR INFORMATION TECHNOLOGY PURCHASES.—To the maximum extent practicable, a single data collection system shall be used to collect data under this section and information under section 2225 of this title.

“(d) DEFINITIONS.—In this section:

“(1) The term ‘performance-based’, with respect to a contract, task order, or arrangement, means that the contract, task order, or arrangement, respectively, includes the use of

Deadline.
10 USC 2330
note.

Guidance.

PUBLIC LAW 107-107—DEC. 28, 2001

performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

“(2) The definitions set forth in section 2225(f) of this title for the terms ‘simplified acquisition threshold’, ‘small business concern’, ‘small business concern owned and controlled by socially and economically disadvantaged individuals’, and ‘small business concern owned and controlled by women’ shall apply.”

Deadline.
Policy.
10 USC 2330
note.

(d) REQUIREMENT FOR PROGRAM REVIEW STRUCTURE.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall issue and implement a policy that applies to the procurement of services by the Department of Defense a program review structure that is similar to the one developed for and applied to the procurement of weapon systems by the Department of Defense.

(2) The program review structure for the procurement of services shall, at a minimum, include the following:

(A) Standards for determining which procurements should be subject to review by either the senior procurement executive of a military department or the senior procurement executive of the Department of Defense under such section, including criteria based on dollar thresholds, program criticality, or other appropriate measures.

(B) Appropriate key decision points at which those reviews should take place.

(C) A description of the specific matters that should be reviewed.

Deadline.
Guidance.
10 USC 2330
note.

(e) COMPTROLLER GENERAL REVIEW.—Not later than 90 days after the date on which the Secretary issues the policy required by subsection (d) and the Under Secretary of Defense for Acquisition, Technology, and Logistics issues the guidance required by subsection (b)(2), the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives an assessment of the compliance with the requirements of this section and the amendments made by this section.

(f) DEFINITIONS.—In this section:

(1) The term “senior procurement executive” means the official designated as the senior procurement executive under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

(2) The term “performance-based”, with respect to a contract or a task order means that the contract or task order, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

(g) CLERICAL AMENDMENTS.—(1) The heading for section 2331 of title 10, United States Code, is amended to read as follows:

“§ 2331. Procurement of services: contracts for professional and technical services”.

(2) The table of sections at the beginning of chapter 137 of such title is amended by striking the item relating to section 2331 and inserting the following new items:

“2330. Procurement of services: management structure.

“2330a. Procurement of services: tracking of purchases.

“2331. Procurement of services: contracts for professional and technical services.”.

10 USC 2330
note.

SEC. 802. SAVINGS GOALS FOR PROCUREMENTS OF SERVICES.

(a) GOALS.—(1) It shall be an objective of the Department of Defense to achieve savings in expenditures for procurements of services through the use of—

(A) performance-based services contracting;

(B) appropriate competition for task orders under services contracts; and

PUBLIC LAW 107-107—DEC. 28, 2001

(C) program review, spending analyses, and improved management of services contracts.

(2) In furtherance of such objective, the Department of Defense shall have goals to use improved management practices to achieve, over 10 fiscal years, reductions in the total amount that would otherwise be expended by the Department for the procurement of services (other than military construction) in a fiscal year by the amount equal to 10 percent of the total amount of the expenditures of the Department for fiscal year 2000 for procurement of services (other than military construction), as follows:

- (A) By fiscal year 2002, a three percent reduction.
- (B) By fiscal year 2003, a four percent reduction.
- (C) By fiscal year 2004, a five percent reduction.
- (D) By fiscal year 2011, a ten percent reduction.

(b) ANNUAL REPORT.—Not later than March 1, 2002, and annually thereafter through March 1, 2006, the Secretary of Defense shall submit to the congressional defense committees a report on the progress made toward meeting the objective and goals established in subsection (a). Each report shall include, at a minimum, the following information:

(1) A summary of the steps taken or planned to be taken in the fiscal year of the report to improve the management of procurements of services.

(2) A summary of the steps planned to be taken in the following fiscal year to improve the management of procurements of services.

(3) An estimate of the amount that will be expended by the Department of Defense for procurements of services in the fiscal year of the report.

(4) An estimate of the amount that will be expended by the Department of Defense for procurements of services in the following fiscal year.

(5) An estimate of the amount of savings that, as a result of improvement of the management practices used by the Department of Defense, will be achieved for the procurement of services by the Department in the fiscal year of the report and in the following fiscal year.

SEC. 803. COMPETITION REQUIREMENT FOR PURCHASE OF SERVICES PURSUANT TO MULTIPLE AWARD CONTRACTS.

10 USC 2304
note.

(a) REGULATIONS REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall promulgate in the Department of Defense Supplement to the Federal Acquisition Regulation regulations requiring competition in the purchase of services by the Department of Defense pursuant to multiple award contracts.

Deadline.

(b) CONTENT OF REGULATIONS.—(1) The regulations required by subsection (a) shall provide, at a minimum, that each individual purchase of services in excess of \$100,000 that is made under a multiple award contract shall be made on a competitive basis unless a contracting officer of the Department of Defense—

(A) waives the requirement on the basis of a determination that—

(i) one of the circumstances described in paragraphs (1) through (4) of section 2304c(b) of title 10, United States Code, applies to such individual purchase; or

(ii) a statute expressly authorizes or requires that the purchase be made from a specified source; and

(B) justifies the determination in writing.

(2) For purposes of this subsection, an individual purchase of services is made on a competitive basis only if it is made pursuant to procedures that—

(A) require fair notice of the intent to make that purchase (including a description of the work to be performed and the basis on which the selection will be made) to be provided

PUBLIC LAW 107-107—DEC. 28, 2001

to all contractors offering such services under the multiple award contract; and

(B) afford all contractors responding to the notice a fair opportunity to make an offer and have that offer fairly considered by the official making the purchase.

(3) Notwithstanding paragraph (2), notice may be provided to fewer than all contractors offering such services under a multiple award contract described in subsection (c)(2)(A) if notice is provided to as many contractors as practicable.

(4) A purchase may not be made pursuant to a notice that is provided to fewer than all contractors under paragraph (3) unless—

(A) offers were received from at least three qualified contractors; or

(B) a contracting officer of the Department of Defense determines in writing that no additional qualified contractors were able to be identified despite reasonable efforts to do so.

(c) DEFINITIONS.—In this section:

(1) The term “individual purchase” means a task order, delivery order, or other purchase.

(2) The term “multiple award contract” means—

(A) a contract that is entered into by the Administrator of General Services under the multiple award schedule program referred to in section 2302(2)(C) of title 10, United States Code;

(B) a multiple award task order contract that is entered into under the authority of sections 2304a through 2304d of title 10, United States Code, or sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

(C) any other indefinite delivery, indefinite quantity contract that is entered into by the head of a Federal agency with two or more sources pursuant to the same solicitation.

(3) The term “Defense Agency” has the meaning given that term in section 101(a)(11) of title 10, United States Code.

(d) APPLICABILITY.—The regulations promulgated by the Secretary pursuant to subsection (a) shall take effect not later than 180 days after the date of the enactment of this Act and shall apply to all individual purchases of services that are made under multiple award contracts on or after the effective date, without regard to whether the multiple award contracts were entered into before, on, or after such effective date.

SEC. 804. REPORTS ON MATURITY OF TECHNOLOGY AT INITIATION OF MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) REPORTS REQUIRED.—Not later than March 1 of each of years 2003 through 2006, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the implementation of the requirement in paragraph 4.7.3.2.2.2 of Department of Defense Instruction 5000.2, as in effect on the date of enactment of this Act, that technology must have been demonstrated in a relevant environment (or, preferably, in an operational environment) to be considered mature enough to use for product development in systems integration.

(b) CONTENTS OF REPORTS.—Each report required by subsection (a) shall—

(1) identify each case in which a major defense acquisition program entered system development and demonstration during the preceding calendar year and into which key technology has been incorporated that does not meet the technological maturity requirement described in subsection (a), and provide a justification for why such key technology was incorporated; and

Effective date.
Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) identify any determination of technological maturity with which the Deputy Under Secretary of Defense for Science and Technology did not concur and explain how the issue has been or will be resolved.

(c) MAJOR DEFENSE ACQUISITION PROGRAM DEFINED.—In this section, the term “major defense acquisition program” has the meaning given that term in section 139(a)(2) of title 10, United States Code.

Subtitle B—Use of Preferred Sources

SEC. 811. APPLICABILITY OF COMPETITION REQUIREMENTS TO PURCHASES FROM A REQUIRED SOURCE.

(a) CONDITIONS FOR COMPETITION.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following:

“§ 2410n. Products of Federal Prison Industries: procedural requirements

“(a) MARKET RESEARCH BEFORE PURCHASE.—Before purchasing a product listed in the latest edition of the Federal Prison Industries catalog under section 4124(d) of title 18, the Secretary of Defense shall conduct market research to determine whether the Federal Prison Industries product is comparable in price, quality, and time of delivery to products available from the private sector.

“(b) LIMITED COMPETITION REQUIREMENT.—If the Secretary determines that a Federal Prison Industries product is not comparable in price, quality, and time of delivery to products available from the private sector, the Secretary shall use competitive procedures for the procurement of the product. In conducting such a competition, the Secretary shall consider a timely offer from Federal Prison Industries for award in accordance with the specifications and evaluation factors specified in the solicitation.”

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

“2410n. Products of Federal Prison Industries: procedural requirements.”

(b) APPLICABILITY.—Section 2410n of title 10, United States Code (as added by subsection (a)), shall apply to purchases initiated on or after October 1, 2001.

10 USC 2410n
note.

SEC. 812. EXTENSION OF MENTOR-PROTEGE PROGRAM.

Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2302 note) is amended—

(1) in subsection (j)—

(A) in paragraph (1), by striking “September 30, 2002” and inserting “September 30, 2005”; and

(B) in paragraph (2), by striking “September 30, 2005” and inserting “September 30, 2008”; and

(2) in subsection (1)(3), by striking “2004” and inserting “2007”.

SEC. 813. INCREASE OF ASSISTANCE LIMITATION REGARDING PROCUREMENT TECHNICAL ASSISTANCE PROGRAM.

Section 2414(a)(1) of title 10, United States Code, is amended by striking “\$300,000” and inserting “\$600,000”.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle C—Amendments to General Contracting Authorities, Procedures, and Related Matters

SEC. 821. AMENDMENTS TO CONFORM WITH ADMINISTRATIVE CHANGES IN ACQUISITION PHASE AND MILESTONE TERMINOLOGY AND TO MAKE RELATED ADJUSTMENTS IN CERTAIN REQUIREMENTS APPLICABLE AT MILESTONE TRANSITION POINTS.

(a) ACQUISITION PHASE TERMINOLOGY.—The following provisions of title 10, United States Code, are amended by striking “engineering and manufacturing development” each place it appears and inserting “system development and demonstration”: sections 2366(c) and 2434(a), and subsections (b)(3)(A)(i), (c)(3)(A), and (h)(1) of section 2432.

(b) MILESTONE TRANSITION POINTS.—(1) Section 811(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-211), is amended by striking “Milestone I approval, Milestone II approval, or Milestone III approval (or the equivalent) of a major automated information system” and inserting “approval of a major automated information system at Milestone B or C or for full rate production, or an equivalent approval.”

Deadline.

(2) Department of Defense Directive 5000.1, as revised in accordance with subsection (b) of section 811 of such Act, shall be further revised as necessary to comply with subsection (c) of such section, as amended by paragraph (1), within 60 days after the date of the enactment of this Act.

(c) ADJUSTMENTS TO REQUIREMENT FOR DETERMINATION OF QUANTITY FOR LOW-RATE INITIAL PRODUCTION.—Section 2400(a) of title 10, United States Code, is amended—

(1) by striking “milestone II” each place it appears in paragraphs (1)(A), (2), (4) and (5) and inserting “milestone B”; and

(2) in paragraph (2), by striking “engineering and manufacturing development” and inserting “system development and demonstration”.

(d) ADJUSTMENTS TO REQUIREMENTS FOR BASELINE DESCRIPTION AND THE RELATED LIMITATION.—Section 2435 of title 10, United States Code, is amended—

(1) in subsection (b), by striking “engineering and manufacturing development” and inserting “system development and demonstration”; and

(2) in subsection (c)—

(A) in paragraph (1), by striking “demonstration and validation” and inserting “system development and demonstration”;

(B) in paragraph (2), by striking “engineering and manufacturing development” and inserting “production and deployment”; and

(C) in paragraph (3), by striking “production and deployment” and inserting “full rate production”.

SEC. 822. FOLLOW-ON PRODUCTION CONTRACTS FOR PRODUCTS DEVELOPED PURSUANT TO PROTOTYPE PROJECTS.

Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

“(f) FOLLOW-ON PRODUCTION CONTRACTS.—(1) A transaction entered into under this section for a prototype project that satisfies the conditions set forth in subsection (d)(1)(B)(i) may provide for

PUBLIC LAW 107-107—DEC. 28, 2001

the award of a follow-on production contract to the participants in the transaction for a specific number of units at specific target prices. The number of units specified in the transaction shall be determined on the basis of a balancing of the level of the investment made in the project by the participants other than the Federal Government with the interest of the Federal Government in having competition among sources in the acquisition of the product or products prototyped under the project.

“(2) A follow-on production contract provided for in a transaction under paragraph (1) may be awarded to the participants in the transaction without the use of competitive procedures, notwithstanding the requirements of section 2304 of title 10, United States Code, if—

“(A) competitive procedures were used for the selection of parties for participation in the transaction;

“(B) the participants in the transaction successfully completed the prototype project provided for in the transaction;

“(C) the number of units provided for in the follow-on production contract does not exceed the number of units specified in the transaction for such a follow-on production contract; and

“(D) the prices established in the follow-on production contract do not exceed the target prices specified in the transaction for such a follow-on production contract.”.

SEC. 823. ONE-YEAR EXTENSION OF PROGRAM APPLYING SIMPLIFIED PROCEDURES TO CERTAIN COMMERCIAL ITEMS.

Section 4202 of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104-106; 110 Stat. 652; 10 U.S.C. 2304 note) is amended in subsection (e) by striking “January 1, 2002” and inserting “January 1, 2003”.

SEC. 824. ACQUISITION WORKFORCE QUALIFICATIONS.

(a) **QUALIFICATIONS.**—Section 1724 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking the matter preceding paragraph (1) and inserting the following:

“(a) **CONTRACTING OFFICERS.**—The Secretary of Defense shall require that, in order to qualify to serve in an acquisition position as a contracting officer with authority to award or administer contracts for amounts above the simplified acquisition threshold referred to in section 2304(g) of this title, an employee of the Department of Defense or member of the armed forces (other than the Coast Guard) must, except as provided in subsections (c) and (d)—”;

(B) in paragraph (1)—

(i) by striking “mandatory”; and

(ii) by striking “at the grade level” and all that follows and inserting “(A) in the case of an employee, serving in the position within the grade of the General Schedule in which the employee is serving, and (B) in the case of a member of the armed forces, in the member’s grade;”;

(C) in paragraph (3)(A), by inserting a comma after “business”;

(2) by striking subsection (b) and inserting the following new subsection:

“(b) **GS-1102 SERIES POSITIONS AND SIMILAR MILITARY POSITIONS.**—(1) The Secretary of Defense shall require that in order to qualify to serve in a position in the Department of Defense that is in the GS-1102 occupational series an employee or potential employee of the Department of Defense meet the requirements set forth in paragraph (3) of subsection (a). The Secretary may not require that in order to serve in such a position an employee

PUBLIC LAW 107-107—DEC. 28, 2001

or potential employee meet any of the requirements of paragraphs (1) and (2) of that subsection.

“(2) The Secretary of Defense shall require that in order for a member of the armed forces to be selected for an occupational specialty within the armed forces that (as determined by the Secretary) is similar to the GS-1102 occupational series a member of the armed forces meet the requirements set forth in paragraph (3) of subsection (a). The Secretary may not require that in order to be selected for such an occupational specialty a member meet any of the requirements of paragraphs (1) and (2) of that subsection.”; and

(3) by striking subsections (c) and (d) inserting the following new subsections:

“(c) EXCEPTIONS.—The qualification requirements imposed by the Secretary of Defense pursuant to subsections (a) and (b) shall not apply to an employee of the Department of Defense or member of the armed forces who—

“(1) served as a contracting officer with authority to award or administer contracts in excess of the simplified acquisition threshold on or before September 30, 2000;

“(2) served, on or before September 30, 2000, in a position either as an employee in the GS-1102 series or as a member of the armed forces in a similar occupational specialty;

“(3) is in the contingency contracting force; or

“(4) is described in subsection (e)(1)(B).

“(d) WAIVER.—The acquisition career program board concerned may waive any or all of the requirements of subsections (a) and (b) with respect to an employee of the Department of Defense or member of the armed forces if the board certifies that the individual possesses significant potential for advancement to levels of greater responsibility and authority, based on demonstrated job performance and qualifying experience. With respect to each waiver granted under this subsection, the board shall set forth in a written document the rationale for its decision to waive such requirements. Such document shall be submitted to and retained by the Director of Acquisition Education, Training, and Career Development.

“(e) DEVELOPMENTAL OPPORTUNITIES.—(1) The Secretary of Defense may—

“(A) establish or continue one or more programs for the purpose of recruiting, selecting, appointing, educating, qualifying, and developing the careers of individuals to meet the requirements in subparagraphs (A) and (B) of subsection (a)(3);

“(B) appoint individuals to developmental positions in those programs; and

“(C) separate from the civil service after a three-year probationary period any individual appointed under this subsection who fails to meet the requirements described in subsection (a)(3).

“(2) To qualify for any developmental program described in paragraph (1)(B), an individual shall have—

“(A) been awarded a baccalaureate degree, with a grade point average of at least 3.0 (or the equivalent), from an accredited institution of higher education authorized to grant baccalaureate degrees; or

“(B) completed at least 24 semester credit hours or the equivalent of study from an accredited institution of higher education in any of the disciplines of accounting, business, finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organization and management.

“(f) CONTINGENCY CONTRACTING FORCE.—The Secretary shall establish qualification requirements for the contingency contracting force consisting of members of the armed forces whose mission is to deploy in support of contingency operations and other operations of the Department of Defense, including—

PUBLIC LAW 107-107—DEC. 28, 2001

“(1) completion of at least 24 semester credit hours or the equivalent of study from an accredited institution of higher education or similar educational institution in any of the disciplines of accounting, business, finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organization and management; or

“(2) passing an examination that demonstrates skills, knowledge, or abilities comparable to that of an individual who has completed at least 24 semester credit hours or the equivalent of study in any of the disciplines described in paragraph (1).”.

(b) CLERICAL AMENDMENT.—Section 1732(c)(2) of such title is amended by inserting a comma after “business”.

SEC. 825. REPORT ON IMPLEMENTATION OF RECOMMENDATIONS OF THE ACQUISITION 2005 TASK FORCE.

(a) REQUIREMENT FOR REPORT.—Not later than March 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the extent of the implementation of the recommendations set forth in the final report of the Department of Defense Acquisition 2005 Task Force, entitled “Shaping the Civilian Acquisition Workforce of the Future”. Deadline.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) For each recommendation in the final report that is being implemented or that the Secretary plans to implement—

(A) a summary of all actions that have been taken to implement the recommendation; and

(B) a schedule, with specific milestones, for completing the implementation of the recommendation.

(2) For each recommendation in the final report that the Secretary does not plan to implement—

(A) the reasons for the decision not to implement the recommendation; and

(B) a summary of any alternative actions the Secretary plans to take to address the purposes underlying the recommendation.

(3) A summary of any additional actions the Secretary plans to take to address concerns raised in the final report about the size and structure of the acquisition workforce of the Department of Defense.

(c) COMPTROLLER GENERAL REVIEW.—Not later than 60 days after the date on which the Secretary submits the report required by subsection (a), the Comptroller General shall— Deadline.

(1) review the report; and

(2) submit to the committees referred to in subsection (a) the Comptroller General’s assessment of the extent to which the report—

(A) complies with the requirements of this section; and

(B) addresses the concerns raised in the final report about the size and structure of the acquisition workforce of the Department of Defense.

Subtitle D—Other Matters

SEC. 831. IDENTIFICATION OF ERRORS MADE BY EXECUTIVE AGENCIES IN PAYMENTS TO CONTRACTORS AND RECOVERY OF AMOUNTS ERRONEOUSLY PAID.

(a) PROGRAM REQUIRED.—(1) Chapter 35 of title 31, United States Code, is amended by adding at the end the following new subchapter:

PUBLIC LAW 107-107—DEC. 28, 2001

“SUBCHAPTER VI—RECOVERY AUDITS

“§ 3561. Identification of errors made by executive agencies in payments to contractors and recovery of amounts erroneously paid

“(a) PROGRAM REQUIRED.—The head of each executive agency that enters into contracts with a total value in excess of \$500,000,000 in a fiscal year shall carry out a cost-effective program for identifying any errors made in paying the contractors and for recovering any amounts erroneously paid to the contractors.

“(b) RECOVERY AUDITS AND ACTIVITIES.—A program of an executive agency under subsection (a) shall include recovery audits and recovery activities. The head of the executive agency shall determine, in accordance with guidance provided under subsection (c), the classes of contracts to which recovery audits and recovery activities are appropriately applied.

“(c) OMB GUIDANCE.—The Director of the Office of Management and Budget shall issue guidance for the conduct of programs under subsection (a). The guidance shall include the following:

“(1) Definitions of the terms ‘recovery audit’ and ‘recovery activity’ for the purposes of the programs.

“(2) The classes of contracts to which recovery audits and recovery activities are appropriately applied under the programs.

“(3) Protections for the confidentiality of—

“(A) sensitive financial information that has not been released for use by the general public; and

“(B) information that could be used to identify a person.

“(4) Policies and procedures for ensuring that the implementation of the programs does not result in duplicative audits of contractor records.

“(5) Policies regarding the types of contracts executive agencies may use for the procurement of recovery services, including guidance for use, in appropriate circumstances, of a contingency contract pursuant to which the head of an executive agency may pay a contractor an amount equal to a percentage of the total amount collected for the United States pursuant to that contract.

“(6) Protections for a contractor’s records and facilities through restrictions on the authority of a contractor under a contract for the procurement of recovery services for an executive agency—

“(A) to require the production of any record or information by any person other than an officer, employee, or agent of the executive agency;

“(B) to establish, or otherwise have, a physical presence on the property or premises of any private sector entity for the purposes of performing the contract; or

“(C) to act as agents for the Government in the recovery of funds erroneously paid to contractors.

“(7) Policies for the appropriate types of management improvement programs authorized by section 3564 of this title that executive agencies may carry out to address overpayment problems and the recovery of overpayments.

“§ 3562. Disposition of recovered funds

“(a) AVAILABILITY OF FUNDS FOR RECOVERY AUDITS AND ACTIVITIES PROGRAM.—Funds collected under a program carried out by an executive agency under section 3561 of this title shall be available to the executive agency for the following purposes:

“(1) To reimburse the actual expenses incurred by the executive agency in the administration of the program.

“(2) To pay contractors for services under the program in accordance with the guidance issued under section 3561(c)(5) of this title.

PUBLIC LAW 107-107—DEC. 28, 2001

“(b) FUNDS NOT USED FOR PROGRAM.—Any amounts erroneously paid by an executive agency that are recovered under such a program of an executive agency and are not used to reimburse expenses or pay contractors under subsection (a)—

“(1) shall be credited to the appropriations from which the erroneous payments were made, shall be merged with other amounts in those appropriations, and shall be available for the purposes and period for which such appropriations are available; or

“(2) if no such appropriation remains available, shall be deposited in the Treasury as miscellaneous receipts.

“(c) PRIORITY OF OTHER AUTHORIZED DISPOSITIONS.—Notwithstanding subsection (b), the authority under such subsection may not be exercised to use, credit, or deposit funds collected under such a program as provided in that subsection to the extent that any other provision of law requires or authorizes the crediting of such funds to a nonappropriated fund instrumentality, revolving fund, working-capital fund, trust fund, or other fund or account.

“§ 3563. Sources of recovery services

“(a) CONSIDERATION OF AVAILABLE RECOVERY RESOURCES.—(1) In carrying out a program under section 3561 of this title, the head of an executive agency shall consider all resources available to that official to carry out the program.

“(2) The resources considered by the head of an executive agency for carrying out the program shall include the resources available to the executive agency for such purpose from the following sources:

“(A) The executive agency.

“(B) Other departments and agencies of the United States.

“(C) Private sector sources.

“(b) COMPLIANCE WITH APPLICABLE LAW AND REGULATIONS.—Before entering into a contract with a private sector source for the performance of services under a program of the executive agency carried out under section 3561 of this title, the head of an executive agency shall comply with—

“(1) any otherwise applicable provisions of Office of Management and Budget Circular A-76; and

“(2) any other applicable provision of law or regulation with respect to the selection between employees of the United States and private sector sources for the performance of services.

“§ 3564. Management improvement programs

“In accordance with guidance provided by the Director of the Office of Management and Budget under section 3561 of this title, the head of an executive agency required to carry out a program under such section 3561 may carry out a program for improving management processes within the executive agency—

“(1) to address problems that contribute directly to the occurrence of errors in the paying of contractors of the executive agency; or

“(2) to improve the recovery of overpayments due to the agency.

“§ 3565. Relationship to authority of inspectors general

“Nothing in this subchapter shall be construed as impairing the authority of an Inspector General under the Inspector General Act of 1978 or any other provision of law.

“§ 3566. Privacy protections

“Any nongovernmental entity that, in the course of recovery auditing or recovery activity under this subchapter, obtains information that identifies an individual or with respect to which there is a reasonable basis to believe that the information can be used

PUBLIC LAW 107-107—DEC. 28, 2001

to identify an individual, may not disclose the information for any purpose other than such recovery auditing or recovery activity and governmental oversight of such activity, unless disclosure for that other purpose is authorized by the individual to the executive agency that contracted for the performance of the recovery auditing or recovery activity.

“§ 3567. Definition of executive agency

“Notwithstanding section 102 of this title, in this subchapter, the term ‘executive agency’ has the meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).”

(2) The table of sections at the beginning of chapter 35 of such title is amended by adding at the end the following:

“SUBCHAPTER VI—RECOVERY AUDITS

- “3561. Identification of errors made by executive agencies in payments to contractors and recovery of amounts erroneously paid.
- “3562. Disposition of recovered funds.
- “3563. Sources of recovery services.
- “3564. Management improvement programs.
- “3565. Relationship to authority of inspectors general.
- “3566. Privacy protections.
- “3567. Definition of executive agency.”

Deadline.
31 USC 3561
note.

(b) REPORTS.—(1) Not later than 30 months after the date of the enactment of this Act, and annually for each of the first two years following the year of the first report, the Director of the Office of Management and Budget shall submit to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate, a report on the implementation of subchapter VI of chapter 35 of title 31, United States Code (as added by subsection (a)).

(2) Each report shall include—

(A) a general description and evaluation of the steps taken by the heads of executive agencies to carry out the programs under such subchapter, including any management improvement programs carried out under section 3564 of such title 31;

(B) the costs incurred by executive agencies to carry out the programs under such subchapter; and

(C) the amounts recovered under the programs under such subchapter.

(c) CONFORMING AMENDMENT.—Section 3501 of such title is amended by inserting “and subchapter VI” after “section 3513”.

SEC. 832. CODIFICATION AND MODIFICATION OF PROVISION OF LAW KNOWN AS THE “BERRY AMENDMENT”.

(a) BUY AMERICAN REQUIREMENTS.—(1) Chapter 148 of title 10, United States Code, is amended by inserting after section 2533 the following new section:

“§ 2533a. Requirement to buy certain articles from American sources; exceptions

“(a) REQUIREMENT.—Except as provided in subsections (c) through (h), funds appropriated or otherwise available to the Department of Defense may not be used for the procurement of an item described in subsection (b) if the item is not grown, reprocessed, reused, or produced in the United States.

“(b) COVERED ITEMS.—An item referred to in subsection (a) is any of the following:

“(1) An article or item of—

“(A) food;

“(B) clothing;

“(C) tents, tarpaulins, or covers;

“(D) cotton and other natural fiber products, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric (including

PUBLIC LAW 107-107—DEC. 28, 2001

all textile fibers and yarns that are for use in such fabrics), canvas products, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles); or

“(E) any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials.

“(2) Specialty metals, including stainless steel flatware.

“(3) Hand or measuring tools.

“(c) AVAILABILITY EXCEPTION.—Subsection (a) does not apply to the extent that the Secretary of Defense or the Secretary of the military department concerned determines that satisfactory quality and sufficient quantity of any such article or item described in subsection (b)(1) or specialty metals (including stainless steel flatware) grown, reprocessed, reused, or produced in the United States cannot be procured as and when needed at United States market prices.

“(d) EXCEPTION FOR CERTAIN PROCUREMENTS OUTSIDE THE UNITED STATES.—Subsection (a) does not apply to the following:

“(1) Procurements outside the United States in support of combat operations.

“(2) Procurements by vessels in foreign waters.

“(3) Emergency procurements or procurements of perishable foods by an establishment located outside the United States for the personnel attached to such establishment.

“(e) EXCEPTION FOR SPECIALTY METALS AND CHEMICAL WARFARE PROTECTIVE CLOTHING.—Subsection (a) does not preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States if—

“(1) such procurement is necessary—

“(A) to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States Government or United States firms under approved programs serving defense requirements; or

“(B) in furtherance of agreements with foreign governments in which both such governments agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country; and

“(2) any such agreement with a foreign government complies, where applicable, with the requirements of section 36 of the Arms Export Control Act (22 U.S.C. 2776) and with section 2457 of this title.

“(f) EXCEPTION FOR CERTAIN FOODS.—Subsection (a) does not preclude the procurement of foods manufactured or processed in the United States.

“(g) EXCEPTION FOR COMMISSARIES, EXCHANGES, AND OTHER NONAPPROPRIATED FUND INSTRUMENTALITIES.—Subsection (a) does not apply to items purchased for resale purposes in commissaries, exchanges, or nonappropriated fund instrumentalities operated by the Department of Defense.

“(h) EXCEPTION FOR SMALL PURCHASES.—Subsection (a) does not apply to purchases for amounts not greater than the simplified acquisition threshold referred to in section 2304(g) of this title.

“(i) APPLICABILITY TO CONTRACTS AND SUBCONTRACTS FOR PROCUREMENT OF COMMERCIAL ITEMS.—This section is applicable to contracts and subcontracts for the procurement of commercial items notwithstanding section 34 of the Office of Federal Procurement Policy Act (41 U.S.C. 430).

“(j) GEOGRAPHIC COVERAGE.—In this section, the term ‘United States’ includes the possessions of the United States.”

(2) The table of sections at the beginning of subchapter V of such chapter is amended by inserting after the item relating to section 2533 the following new item:

PUBLIC LAW 107-107—DEC. 28, 2001

“2533a. Requirement to buy certain articles from American sources; exceptions.”.

(b) **REPEAL OF SOURCE PROVISIONS.**—The following provisions of law are repealed:

(1) Section 9005 of the Department of Defense Appropriations Act, 1993 (Public Law 102-396; 10 U.S.C. 2241 note).

(2) Section 8109 of the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104-208; 110 Stat. 3009-111; 10 U.S.C. 2241 note).

SEC. 833. PERSONAL SERVICES CONTRACTS TO BE PERFORMED BY INDIVIDUALS OR ORGANIZATIONS ABROAD.

Section 2 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669) is amended by adding at the end the following:

“(n) exercise the authority provided in subsection (c), upon the request of the Secretary of Defense or the head of any other department or agency of the United States, to enter into personal service contracts with individuals to perform services in support of the Department of Defense or such other department or agency, as the case may be.”.

SEC. 834. REQUIREMENTS REGARDING INSENSITIVE MUNITIONS.

(a) **REQUIREMENT TO ENSURE SAFETY.**—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2388 the following new section:

“§ 2389. Ensuring safety regarding insensitive munitions

“The Secretary of Defense shall ensure, to the extent practicable, that insensitive munitions under development or procurement are safe throughout development and fielding when subject to unplanned stimuli.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2388 the following new item:

“2389. Ensuring safety regarding insensitive munitions.”.

10 USC 2389
note.

(b) **REPORT REQUIREMENT.**—At the same time that the budgets for fiscal years 2003 through 2005 are submitted to Congress under section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on insensitive munitions. The reports shall include the following:

(1) The number of waivers granted pursuant to Department of Defense Regulation 5000.2-R (June 2001) during the preceding fiscal year, together with a discussion of the justifications for the waivers.

(2) Identification of the funding proposed for insensitive munitions in the budget with which the report is submitted, together with an explanation of the proposed funding.

SEC. 835. INAPPLICABILITY OF LIMITATION TO SMALL PURCHASES OF MINIATURE OR INSTRUMENT BALL OR ROLLER BEARINGS UNDER CERTAIN CIRCUMSTANCES.

(a) **IN GENERAL.**—Section 2534 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(j) **INAPPLICABILITY TO CERTAIN CONTRACTS TO PURCHASE BALL BEARINGS OR ROLLER BEARINGS.**—(1) This section does not apply with respect to a contract or subcontract to purchase items described in subsection (a)(5) (relating to ball bearings and roller bearings) for which—

“(A) the amount of the purchase does not exceed \$2,500;

“(B) the precision level of the ball or roller bearings to be procured under the contract or subcontract is rated lower than the rating known as Annual Bearing Engineering Committee (ABEC) 5 or Roller Bearing Engineering Committee (RBEC) 5, or an equivalent of such rating;

PUBLIC LAW 107-107—DEC. 28, 2001

“(C) at least two manufacturers in the national technology and industrial base that are capable of producing the ball or roller bearings have not responded to a request for quotation issued by the contracting activity for that contract or subcontract; and

“(D) no bearing to be procured under the contract or subcontract has a basic outside diameter (exclusive of flange diameters) in excess of 30 millimeters.

“(2) Paragraph (1) does not apply to a purchase if such purchase would result in the total amount of purchases of ball bearings and roller bearings to satisfy requirements under Department of Defense contracts, using the authority provided in such paragraph, to exceed \$200,000 during the fiscal year of such purchase.”.

(b) **APPLICABILITY.**—Subsection (j) of such section 2534 (as added by subsection (a)) shall apply with respect to a contract or subcontract to purchase ball bearings or roller bearings entered into after the date of the enactment of this Act.

10 USC 2534
note.

SEC. 836. TEMPORARY EMERGENCY PROCUREMENT AUTHORITY TO FACILITATE THE DEFENSE AGAINST TERRORISM OR BIOLOGICAL OR CHEMICAL ATTACK.

10 USC 2302
note.

(a) **INCREASED FLEXIBILITY FOR USE OF STREAMLINED PROCEDURES.**—The following special authorities apply to procurements of property and services by or for the Department of Defense for which funds are obligated during fiscal year 2002 and 2003:

Applicability.

(1) **MICROPURCHASE AND SIMPLIFIED ACQUISITION THRESHOLDS.**—For any procurement of property or services for use (as determined by the Secretary of Defense) to facilitate the defense against terrorism or biological or chemical attack against the United States—

(A) the amount specified in subsections (c), (d), and (f) of section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) shall be deemed to be \$15,000 in the administration of that section with respect to such procurement; and

(B) the term “simplified acquisition threshold” means, in the case of any contract to be awarded and performed, or purchase to be made—

(i) inside the United States in support of a contingency operation, \$250,000; or

(ii) outside the United States in support of a contingency operation, \$500,000.

(2) **COMMERCIAL ITEM TREATMENT FOR PROCUREMENTS OF BIOTECHNOLOGY.**—For any procurement of biotechnology property or biotechnology services for use (as determined by the Secretary of Defense) to facilitate the defense against terrorism or biological attack against the United States, the procurement shall be treated as being a procurement of commercial items.

(b) **RECOMMENDATIONS FOR ADDITIONAL EMERGENCY PROCUREMENT AUTHORITY TO SUPPORT ANTI-TERRORISM OPERATIONS.**—Not later than March 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the Secretary’s recommendations for additional emergency procurement authority that the Secretary (subject to the direction of the President) determines necessary to support operations carried out to combat terrorism.

Deadline.
Reports.

(c) **TERMINATION OF AUTHORITY.**—No contract may be entered into pursuant to the authority provided in subsection (a) after September 30, 2003.

PUBLIC LAW 107-107—DEC. 28, 2001

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Duties and Functions of Department of Defense Officers

- Sec. 901. Deputy Under Secretary of Defense for Personnel and Readiness.
 Sec. 902. Sense of Congress on functions of new Office of Force Transformation in the Office of the Secretary of Defense.
 Sec. 903. Suspension of reorganization of engineering and technical authority policy within the Naval Sea Systems Command pending report to congressional committees.

Subtitle B—Space Activities

- Sec. 911. Joint management of space programs.
 Sec. 912. Requirement to establish in the Air Force an officer career field for space.
 Sec. 913. Secretary of Defense report on space activities.
 Sec. 914. Comptroller General assessment of implementation of recommendations of Space Commission.
 Sec. 915. Sense of Congress regarding officers recommended to be appointed to serve as Commander of United States Space Command.

Subtitle C—Reports

- Sec. 921. Revised requirement for Chairman of the Joint Chiefs of Staff to advise Secretary of Defense on the assignment of roles and missions to the Armed Forces.
 Sec. 922. Revised requirements for content of annual report on joint warfighting experimentation.
 Sec. 923. Repeal of requirement for one of three remaining required reports on activities of Joint Requirements Oversight Council.
 Sec. 924. Revised joint report on establishment of national collaborative information analysis capability.

Subtitle D—Other Matters

- Sec. 931. Conforming amendments relating to change of name of Military Airlift Command to Air Mobility Command.
 Sec. 932. Organizational realignment for Navy Director for Expeditionary Warfare.

Subtitle A—Duties and Functions of Department of Defense Officers

SEC. 901. DEPUTY UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS.

(a) ESTABLISHMENT OF POSITION.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 136 the following new section:

“§ 136a. Deputy Under Secretary of Defense for Personnel and Readiness

President.
Congress.

“(a) There is a Deputy Under Secretary of Defense for Personnel and Readiness, appointed from civilian life by the President, by and with the advice and consent of the Senate.

“(b) The Deputy Under Secretary of Defense for Personnel and Readiness shall assist the Under Secretary of Defense for Personnel and Readiness in the performance of the duties of that position. The Deputy Under Secretary of Defense for Personnel and Readiness shall act for, and exercise the powers of, the Under Secretary when the Under Secretary is absent or disabled.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 136 the following new item:

“136a. Deputy Under Secretary of Defense for Personnel and Readiness.”.

(b) EXECUTIVE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by inserting after “Deputy Under Secretary of Defense for Policy.” the following:

“Deputy Under Secretary of Defense for Personnel and Readiness.”.

(c) REDUCTION IN NUMBER OF ASSISTANT SECRETARIES OF DEFENSE.—(1) Section 138(a) of title 10, United States Code, is amended by striking “nine” and inserting “eight”.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) Section 5315 of title 5, United States Code, is amended by striking “(9)” after “Assistant Secretaries of Defense” and inserting “(8)”.

(d) EFFECTIVE DATE.—The amendments made by subsection (c) shall take effect on the date on which a person is first appointed as Deputy Under Secretary of Defense for Personnel and Readiness.

5 USC 5315 note.

SEC. 902. SENSE OF CONGRESS ON FUNCTIONS OF NEW OFFICE OF FORCE TRANSFORMATION IN THE OFFICE OF THE SECRETARY OF DEFENSE.

(a) FINDINGS.—Congress finds the following:

(1) The Armed Forces should give careful consideration to implementing transformation to meet operational challenges and exploit opportunities resulting from changes in the threat environment and the emergence of new technologies.

(2) The Department of Defense 2001 Quadrennial Defense Review Report, issued by the Secretary of Defense on September 30, 2001, states that “The purpose of transformation is to maintain or improve U.S. military preeminence in the face of potential disproportionate discontinuous changes in the strategic environment. Transformation must therefore be focused on emerging strategic and operational challenges and the opportunities created by these challenges.”

(3) That report further states that “To support the transformation effort, and to foster innovation and experimentation, the Department will establish a new office reporting directly to the Secretary and Deputy Secretary of Defense.”

(b) SENSE OF CONGRESS ON FUNCTIONS OF OFFICE OF FORCE TRANSFORMATION.—It is the sense of Congress that the Director of the Office of Force Transformation within the Office of the Secretary of Defense should advise the Secretary on—

(1) development of force transformation strategies to ensure that the military of the future is prepared to dissuade potential military competitors and, if that fails, to fight and win decisively across the spectrum of future conflict;

(2) ensuring a continuous and broadly focused transformation process;

(3) service and joint acquisition and experimentation efforts, funding for experimentation efforts, promising operational concepts and technologies, and other transformation activities, as appropriate; and

(4) development of service and joint operational concepts, transformation implementation strategies, and risk management strategies.

(c) SENSE OF CONGRESS ON FUNDING.—It is the sense of Congress that the Secretary of Defense should consider providing funding adequate for sponsoring selective prototyping efforts, war games, and studies and analyses and for appropriate staffing, as recommended by the Director of the Office of Force Transformation referred to in subsection (b).

SEC. 903. SUSPENSION OF REORGANIZATION OF ENGINEERING AND TECHNICAL AUTHORITY POLICY WITHIN THE NAVAL SEA SYSTEMS COMMAND PENDING REPORT TO CONGRESSIONAL COMMITTEES.

(a) SUSPENSION OF REORGANIZATION.—During the period specified in subsection (b), the Secretary of the Navy may not grant final approval for any reorganization in engineering or technical authority policy for the Naval Sea Systems Command or any of the subsidiary activities of that command.

(b) REPORT.—Subsection (a) applies during the period beginning on the date of the enactment of this Act and ending 45 days after the date on which the Secretary submits to the congressional defense committees a report that sets forth in detail the Navy’s

Applicability.
Effective date.
Termination
date.

PUBLIC LAW 107-107—DEC. 28, 2001

plans and justification for the reorganization of engineering and technical authority policy within the Naval Sea Systems Command.

Subtitle B—Space Activities

SEC. 911. JOINT MANAGEMENT OF SPACE PROGRAMS.

(a) IN GENERAL.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter:

“CHAPTER 135—SPACE PROGRAMS

“Sec.

“2271. Management of space programs: joint program offices and officer management programs.

“§ 2271. Management of space programs: joint program offices and officer management programs

“(a) JOINT PROGRAM OFFICES.—The Secretary of Defense shall take appropriate actions to ensure, to the maximum extent practicable, that space development and acquisition programs of the Department of Defense are carried out through joint program offices.

“(b) OFFICER MANAGEMENT PROGRAMS.—(1) The Secretary of Defense shall take appropriate actions to ensure, to the maximum extent practicable, that—

“(A) Army, Navy, and Marine Corps officers, as well as Air Force officers, are assigned to the space development and acquisition programs of the Department of Defense; and

“(B) Army, Navy, and Marine Corps officers, as well as Air Force officers, are eligible, on the basis of qualification, to hold leadership positions within the joint program offices referred to in subsection (a).

“(2) The Secretary of Defense shall designate those positions in the Office of the National Security Space Architect of the Department of Defense (or any successor office) that qualify as joint duty assignment positions for purposes of chapter 38 of this title.”.

(b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of such subtitle and the beginning of part IV of such subtitle are amended by inserting after the item relating to chapter 134 the following new item:

“135. Space Programs 2271”.

SEC. 912. REQUIREMENT TO ESTABLISH IN THE AIR FORCE AN OFFICER CAREER FIELD FOR SPACE.

(a) IN GENERAL.—Chapter 807 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 8084. Officer career field for space

“The Secretary of the Air Force shall establish and implement policies and procedures to develop a career field for officers in the Air Force with technical competence in space-related matters to have the capability to—

“(1) develop space doctrine and concepts of space operations;

“(2) develop space systems; and

“(3) operate space systems.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“8084. Officer career field for space.”.

SEC. 913. SECRETARY OF DEFENSE REPORT ON SPACE ACTIVITIES.

(a) REPORT.—(1) Not later than March 15, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on problems in the management and

Policies and procedures.

Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

organization of the Department of Defense for space activities that were identified in the report of the Space Commission, including a description of the actions taken by the Secretary to address those problems.

(2) For purposes of paragraph (1), the term “report of the Space Commission” means the report of the Commission To Assess United States National Security Space Management and Organization, dated January 11, 2001, and submitted to Congress under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 815).

(b) MATTERS TO BE INCLUDED.—The report of the Secretary of Defense under subsection (a) shall include a description of, and rationale for, each of the following:

(1) Actions taken by the Secretary of Defense to realign management authorities and responsibilities for space programs of the Department of Defense.

(2) Steps taken to—

(A) establish a career field for officers in the Air Force with technical competence in space-related matters, in accordance with section 8084 of title 10, United States Code, as added by section 912;

(B) ensure that officers in that career field are treated fairly and objectively within the overall Air Force officer personnel system; and

(C) ensure that the primary responsibility for management of that career field is assigned appropriately.

(3) Other steps taken within the Air Force to ensure proper priority for development of space systems.

(4) Steps taken to ensure that the interests of the Army, the Navy, and the Marine Corps in development and acquisition of space systems, and in the operations of space systems, are protected.

(5) Steps taken by the Office of the Secretary of Defense and the military departments to ensure that the Army, Navy, and Marine Corps continue to develop military and civilian personnel with the required expertise in space system development, acquisition, management, and operation.

(6) Steps taken to ensure adequate oversight by the Office of the Secretary of Defense of the actions of the Under Secretary of the Air Force as the acquisition executive for Department of Defense space programs.

(7) Steps taken to improve oversight of the level of funding provided for space programs and the level of personnel resources provided for space programs.

SEC. 914. COMPTROLLER GENERAL ASSESSMENT OF IMPLEMENTATION OF RECOMMENDATIONS OF SPACE COMMISSION.

10 USC 2271
note.

(a) ASSESSMENT.—(1) The Comptroller General shall carry out an assessment through February 15, 2003, of the actions taken by the Secretary of Defense in implementing the recommendations in the report of the Space Commission that are applicable to the Department of Defense.

(2) For purposes of paragraph (1), the term “report of the Space Commission” means the report of the Commission To Assess United States National Security Space Management and Organization, dated January 11, 2001, and submitted to Congress under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 815).

(b) REPORTS.—Not later than February 15 of each of 2002 and 2003, the Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the assessment carried out under subsection (a). Each report shall set forth the results of the assessment as of the date of such report.

Deadlines.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 915. SENSE OF CONGRESS REGARDING OFFICERS RECOMMENDED TO BE APPOINTED TO SERVE AS COMMANDER OF UNITED STATES SPACE COMMAND.

It is the sense of Congress that the position of commander of the United States Space Command, a position of importance and responsibility designated by the President under section 601 of title 10, United States Code, to carry the grade of general or admiral and covered by section 604 of that title, relating to recommendations by the Secretary of Defense for appointment of officers to certain four-star joint officer positions, should be filled by the best qualified officer of the Army, Navy, Air Force, or Marine Corps, rather than by officers from the same armed force that has traditionally provided officers for that position.

Subtitle C—Reports**SEC. 921. REVISED REQUIREMENT FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF TO ADVISE SECRETARY OF DEFENSE ON THE ASSIGNMENT OF ROLES AND MISSIONS TO THE ARMED FORCES.**

(a) ASSESSMENT DURING QUADRENNIAL DEFENSE REVIEW.—Section 118(e) of title 10, United States Code, is amended—

(1) by inserting “(1)” after “(e) CJCS REVIEW.—”;

(2) by designating the second and third sentences as paragraph (3); and

(3) by inserting after paragraph (1), as designated by paragraph (1) of this subsection, the following new paragraph:

“(2) The Chairman shall include as part of that assessment the Chairman’s assessment of the assignment of functions (or roles and missions) to the armed forces, together with any recommendations for changes in assignment that the Chairman considers necessary to achieve maximum efficiency of the armed forces. In preparing the assessment under this paragraph, the Chairman shall consider (among other matters) the following:

“(A) Unnecessary duplication of effort among the armed forces.

“(B) Changes in technology that can be applied effectively to warfare.”

(b) REPEAL OF REQUIREMENT FOR TRIENNIAL REPORT ON ASSIGNMENT OF ROLES AND MISSIONS.—Section 153 of such title is amended—

(1) by striking “(a) PLANNING; ADVICE; POLICY FORMULATION.—”; and

(2) by striking subsection (b).

10 USC 118 note.

(c) ASSESSMENT WITH RESPECT TO 2001 QDR.—With respect to the 2001 Quadrennial Defense Review, the Chairman of the Joint Chiefs of Staff shall submit to Congress a separate assessment of functions (or roles and missions) of the Armed Forces in accordance with paragraph (2) of section 118(e) of title 10, United States Code, as added by subsection (a)(3). Such assessment shall be based on the findings in the 2001 Quadrennial Defense Review, issued by the Secretary of Defense on September 30, 2001, and shall be submitted to Congress not later than one year after the date of the enactment of this Act.

Deadline.

SEC. 922. REVISED REQUIREMENTS FOR CONTENT OF ANNUAL REPORT ON JOINT WARFIGHTING EXPERIMENTATION.

Section 485(b) of title 10, United States Code, is amended—

(1) in paragraph (4)(E)—

(A) by inserting “(by lease or by purchase)” after “acquire”; and

(B) by inserting “(including any prototype)” after “or equipment”; and

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

PUBLIC LAW 107-107—DEC. 28, 2001

“(6) A specific assessment of whether there is a need for a major force program for funding—

“(A) joint warfighting experimentation; and

“(B) the development and acquisition of any technology the value of which has been empirically demonstrated through such experimentation.”.

SEC. 923. REPEAL OF REQUIREMENT FOR ONE OF THREE REMAINING REQUIRED REPORTS ON ACTIVITIES OF JOINT REQUIREMENTS OVERSIGHT COUNCIL. 10 USC 181 note.

Section 916 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-231) is amended—

(1) in the section heading, by striking “SEMIANNUAL REPORT” and inserting “REPORTS”;

(2) in subsection (a)—

(A) by striking “SEMIANNUAL REPORT” in the subsection heading and inserting “REPORTS REQUIRED”; and

(B) by striking “five semiannual”; and

(3) in subsection (b)—

(A) by striking “September 1, 2002,”; and

(B) by striking the period at the end of the last sentence and inserting “, except that the last report shall cover all of the preceding fiscal year.”.

SEC. 924. REVISED JOINT REPORT ON ESTABLISHMENT OF NATIONAL COLLABORATIVE INFORMATION ANALYSIS CAPABILITY.

(a) REVISED REPORT.—At the same time as the submission of the budget for fiscal year 2003 under section 1105 of title 31, United States Code, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees and the congressional intelligence committees a revised report assessing alternatives for the establishment of a national collaborative information analysis capability.

(b) MATTERS INCLUDED.—The revised report shall cover the same matters required to be included in the DOD/CIA report, except that the alternative architectures assessed in the revised report shall be limited to architectures that include the participation of all Federal agencies involved in the collection of intelligence. The revised report shall also identify any issues that would require legislative or regulatory changes in order to implement the preferred architecture identified in the revised report.

(c) OFFICIALS TO BE CONSULTED.—The revised report shall be prepared after consultation with all appropriate Federal officials, including the following:

(1) The Secretary of the Treasury.

(2) The Secretary of Commerce.

(3) The Secretary of State.

(4) The Attorney General.

(5) The Director of the Federal Bureau of Investigation.

(6) The Administrator of the Drug Enforcement Administration.

(d) DEFINITIONS.—In this section:

(1) DOD/CIA REPORT.—The term “DOD/CIA report” means the joint report required by section 933 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-237).

(2) CONGRESSIONAL INTELLIGENCE COMMITTEES.—The term “congressional intelligence committees” means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle D—Other Matters**SEC. 931. CONFORMING AMENDMENTS RELATING TO CHANGE OF NAME OF MILITARY AIRLIFT COMMAND TO AIR MOBILITY COMMAND.**

(a) CURRENT REFERENCES IN TITLE 10, UNITED STATES CODE.—Section 2554(d) of title 10, United States Code, and section 2555(a) of such title (relating to transportation services for international Girl Scout events) are amended by striking “Military Airlift Command” and inserting “Air Mobility Command”.

(b) REPEAL OF OBSOLETE PROVISION.—Section 8074 of such title is amended by striking subsection (c).

(c) REFERENCES IN TITLE 37, UNITED STATES CODE.—Sections 430(c) and 432(b) of title 37, United States Code, are amended by striking “Military Airlift Command” and inserting “Air Mobility Command”.

SEC. 932. ORGANIZATIONAL REALIGNMENT FOR NAVY DIRECTOR FOR EXPEDITIONARY WARFARE.

Section 5038(a) of title 10, United States Code, is amended by striking “Office of the Deputy Chief of Naval Operations for Resources, Warfare Requirements, and Assessments” and inserting “office of the Deputy Chief of Naval Operations with responsibility for warfare requirements and programs”.

TITLE X—GENERAL PROVISIONS**Subtitle A—Department of Defense Civilian Personnel**

- Sec. 1001. Transfer authority.
- Sec. 1002. Incorporation of classified annex.
- Sec. 1003. Authorization of supplemental appropriations for fiscal year 2001.
- Sec. 1004. United States contribution to NATO common-funded budgets in fiscal year 2002.
- Sec. 1005. Limitation on funds for Bosnia and Kosovo peacekeeping operations for fiscal year 2002.
- Sec. 1006. Maximum amount for National Foreign Intelligence Program.
- Sec. 1007. Clarification of applicability of interest penalties for late payment of interim payments due under contracts for services.
- Sec. 1008. Reliability of Department of Defense financial statements.
- Sec. 1009. Financial Management Modernization Executive Committee and financial feeder systems compliance process.
- Sec. 1010. Authorization of funds for ballistic missile defense programs or combating terrorism programs of the Department of Defense.

Subtitle B—Naval Vessels and Shipyards

- Sec. 1011. Authority to transfer naval vessels to certain foreign countries.
- Sec. 1012. Sale of Glomar Explorer to the lessee.
- Sec. 1013. Leasing of Navy ships for university national oceanographic laboratory system.
- Sec. 1014. Increase in limitations on administrative authority of the Navy to settle admiralty claims.

Subtitle C—Counter-Drug Activities

- Sec. 1021. Extension and restatement of authority to provide Department of Defense support for counter-drug activities of other governmental agencies.
- Sec. 1022. Extension of reporting requirement regarding Department of Defense expenditures to support foreign counter-drug activities.
- Sec. 1023. Authority to transfer Tracker aircraft currently used by Armed Forces for counter-drug purposes.
- Sec. 1024. Limitation on use of funds for operation of Tethered Aerostat Radar System pending submission of required report.

Subtitle D—Strategic Forces

- Sec. 1031. Repeal of limitation on retirement or dismantlement of strategic nuclear delivery systems.
- Sec. 1032. Air Force bomber force structure.
- Sec. 1033. Additional element for revised nuclear posture review.
- Sec. 1034. Report on options for modernization and enhancement of missile wing helicopter support.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle E—Other Department of Defense Provisions

- Sec. 1041. Secretary of Defense recommendation on need for Department of Defense review of proposed Federal agency actions to consider possible impact on national defense.
- Sec. 1042. Department of Defense reports to Congress to be accompanied by electronic version upon request.
- Sec. 1043. Department of Defense gift authorities.
- Sec. 1044. Acceleration of research, development, and production of medical countermeasures for defense against biological warfare agents.
- Sec. 1045. Chemical and biological protective equipment for military personnel and civilian employees of the Department of Defense.
- Sec. 1046. Sale of goods and services by Naval Magazine, Indian Island, Alaska.
- Sec. 1047. Report on procedures and guidelines for embarkation of civilian guests on naval vessels for public affairs purposes.
- Sec. 1048. Technical and clerical amendments.
- Sec. 1049. Termination of referendum requirement regarding continuation of military training on island of Vieques, Puerto Rico, and imposition of additional conditions on closure of live-fire training range.

Subtitle F—Other Matters

- Sec. 1061. Assistance for firefighters.
- Sec. 1062. Extension of times for Commission on the Future of the United States Aerospace industry to report and to terminate.
- Sec. 1063. Appropriations to Radiation Exposure Compensation Trust Fund.
- Sec. 1064. Waiver of vehicle weight limits during periods of national emergency.
- Sec. 1065. Repair, restoration, and preservation of Lafayette Escadrille Memorial, Marnes-la-Coquette, France.

Subtitle A—Financial Matters**SEC. 1001. TRANSFER AUTHORITY.**

(a) **AUTHORITY TO TRANSFER AUTHORIZATIONS.**—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2002 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed \$2,000,000,000.

(b) **LIMITATIONS.**—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) **EFFECT ON AUTHORIZATION AMOUNTS.**—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) **NOTICE TO CONGRESS.**—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

10 USC 114 note.

(a) **STATUS OF CLASSIFIED ANNEX.**—The Classified Annex prepared by the committee of conference to accompany the conference report on the bill S. 1438 of the One Hundred Seventh Congress and transmitted to the President is hereby incorporated into this Act.

(b) **CONSTRUCTION WITH OTHER PROVISIONS OF ACT.**—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) **LIMITATION ON USE OF FUNDS.**—Funds appropriated pursuant to an authorization contained in this Act that are made avail-

PUBLIC LAW 107-107—DEC. 28, 2001

able for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

President.

(d) **DISTRIBUTION OF CLASSIFIED ANNEX.**—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2001.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 2001 in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in title I of the Supplemental Appropriations Act, 2001 (Public Law 107-20).

SEC. 1004. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2002.

(a) **FISCAL YEAR 2002 LIMITATION.**—The total amount contributed by the Secretary of Defense in fiscal year 2002 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) **TOTAL AMOUNT.**—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 2001, of funds appropriated for fiscal years before fiscal year 2002 for payments for those budgets.

(2) The amount specified in subsection (c)(1).

(3) The amount specified in subsection (c)(2).

(4) The total amount of the contributions authorized to be made under section 2501.

(c) **AUTHORIZED AMOUNTS.**—Amounts authorized to be appropriated by titles II and III of this Act are available for contributions for the common-funded budgets of NATO as follows:

(1) Of the amount provided in section 201(1), \$708,000 for the Civil Budget.

(2) Of the amount provided in section 301(a)(1), \$175,849,000 for the Military Budget.

(d) **DEFINITIONS.**—For purposes of this section:

(1) **COMMON-FUNDED BUDGETS OF NATO.**—The term “common-funded budgets of NATO” means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) **FISCAL YEAR 1998 BASELINE LIMITATION.**—The term “fiscal year 1998 baseline limitation” means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the ratification of the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 1005. LIMITATION ON FUNDS FOR BOSNIA AND KOSOVO PEACEKEEPING OPERATIONS FOR FISCAL YEAR 2002.

(a) **LIMITATION.**—Of the amounts authorized to be appropriated by section 301(a)(24) for the Overseas Contingency Operations Transfer Fund—

(1) no more than \$1,315,600,000 may be obligated for incremental costs of the Armed Forces for Bosnia peacekeeping operations; and

(2) no more than \$1,528,600,000 may be obligated for incremental costs of the Armed Forces for Kosovo peacekeeping operations.

(b) **PRESIDENTIAL WAIVER.**—The President may waive the limitation in subsection (a)(1), or the limitation in subsection (a)(2), after submitting to Congress the following:

(1) The President's written certification that the waiver is necessary in the national security interests of the United States.

(2) The President's written certification that exercising the waiver will not adversely affect the readiness of United States military forces.

(3) A report setting forth the following:

(A) The reasons that the waiver is necessary in the national security interests of the United States.

(B) The specific reasons that additional funding is required for the continued presence of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be, for fiscal year 2002.

(C) A discussion of the impact on the military readiness of United States Armed Forces of the continuing deployment of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be.

(4) A supplemental appropriations request for the Department of Defense for such amounts as are necessary for the additional fiscal year 2002 costs associated with United States military forces participating in, or supporting, Bosnia or Kosovo peacekeeping operations.

(c) **PEACEKEEPING OPERATIONS DEFINED.**—For the purposes of this section:

(1) The term "Bosnia peacekeeping operations" has the meaning given such term in section 1004(e) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 112 Stat. 2112).

(2) The term "Kosovo peacekeeping operations"—

(A) means the operation designated as Operation Joint Guardian and any other operation involving the participation of any of the Armed Forces in peacekeeping or peace enforcement activities in and around Kosovo; and

(B) includes, with respect to Operation Joint Guardian or any such other operation, each activity that is directly related to the support of the operation.

SEC. 1006. MAXIMUM AMOUNT FOR NATIONAL FOREIGN INTELLIGENCE PROGRAM.

The total amount authorized to be appropriated for the National Foreign Intelligence Program for fiscal year 2002 is the sum of the following:

(1) The total amount set forth for the National Foreign Intelligence Program for fiscal year 2002 in the message of the President to Congress transmitted by the President on June 27, 2001, and printed as House Document 107-92, captioned "Communication of the President of the United States Transmitting Requests for Fiscal Year 2002 Budget Amendments for the Department of Defense".

PUBLIC LAW 107-107—DEC. 28, 2001

(2) The total amount, if any, appropriated for the National Foreign Intelligence Program for fiscal year 2002 pursuant to the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States (Public Law 107-38; 115 Stat. 220-221).

(3) The total amount, if any, appropriated for the National Foreign Intelligence Program for fiscal year 2002 in any law making supplemental appropriations for fiscal year 2002 that is enacted during the second session of the 107th Congress.

31 USC 3902
note.

SEC. 1007. CLARIFICATION OF APPLICABILITY OF INTEREST PENALTIES FOR LATE PAYMENT OF INTERIM PAYMENTS DUE UNDER CONTRACTS FOR SERVICES.

Section 1010(d) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-251) is amended by inserting before the period at the end of the first sentence the following: “, and shall apply with respect to interim payments that are due on or after such date under contracts entered into before, on, or after that date”.

10 USC 2222
note.

SEC. 1008. RELIABILITY OF DEPARTMENT OF DEFENSE FINANCIAL STATEMENTS.

Deadline.

(a) ANNUAL REPORT ON RELIABILITY.—(1) Not later than September 30 of each year but subject to subsection (f), the Secretary of Defense shall submit to the recipients specified in paragraph (3) a report on the reliability of the Department of Defense financial statements, including the financial statements of each component of the Department that is required to prepare a financial statement under section 3515(c) of title 31, United States Code.

(2) The annual report shall contain the following:

(A) A conclusion regarding whether the policies and procedures of the Department of Defense, and the systems used within the Department of Defense, for the preparation of financial statements allow the achievement of reliability in those financial statements.

(B) For each of the financial statements prepared for the Department of Defense for the fiscal year in which the report is submitted, a conclusion regarding the expected reliability of the financial statement (evaluated on the basis of Office of Management and Budget guidance on financial statements), together with a discussion of the major deficiencies to be expected in the statement.

(C) A summary of the specific sections of the annual Financial Management Improvement Plan of the Department of Defense, current as of the date of the report, that—

(i) detail the priorities, milestones, and measures of success that apply to the preparation of the financial statements;

(ii) detail the planned improvements in the process for the preparation of financial statements that are to be implemented within 12 months after the date on which the plan is issued; and

(iii) provide an estimate of when each financial statement will convey reliable information.

(3) The annual report shall be submitted to the following:

(A) The Committee on Armed Services and the Committee on Governmental Affairs of the Senate.

(B) The Committee on Armed Services and the Committee on Government Reform of the House of Representatives.

(C) The Director of the Office of Management and Budget.

(D) The Secretary of the Treasury.

(E) The Comptroller General of the United States.

PUBLIC LAW 107-107—DEC. 28, 2001

(4) The Secretary of Defense shall make a copy of the annual report available to the Inspector General of the Department of Defense.

(b) MINIMIZATION OF USE OF RESOURCES FOR UNRELIABLE FINANCIAL STATEMENTS.—(1) With respect to each financial statement for a fiscal year that the Secretary of Defense assesses as being expected to be unreliable in the annual report under subsection (a), the Under Secretary of Defense (Comptroller) shall take appropriate actions to minimize, consistent with the benefits to be derived, the resources (including contractor support) that are used to develop, compile, and report the financial statement.

(2) With the annual budget justifications for the Department of Defense submitted to Congress each year, the Under Secretary of Defense (Comptroller) shall submit, with respect to the fiscal year in which submitted, the preceding fiscal year, and the following fiscal year, the following information:

(A) An estimate of the resources that the Department of Defense is saving or expects to save as a result of actions taken and to be taken under paragraph (1) with respect to the preparation of financial statements.

(B) A discussion of how the resources saved as estimated under subparagraph (A) have been redirected or are to be redirected from the preparation of financial statements to the improvement of systems underlying financial management within the Department of Defense and to the improvement of financial management policies, procedures, and internal controls within the Department of Defense.

(c) INFORMATION TO AUDITORS.—Not later than October 31 of each year, the Under Secretary of Defense (Comptroller) and the Assistant Secretary of each military department with responsibility for financial management and comptroller functions shall each provide to the auditors of the financial statement of that official's department for the fiscal year ending during the preceding month that official's preliminary management representation, in writing, regarding the expected reliability of the financial statement. The representation shall be consistent with guidance issued by the Director of the Office of Management and Budget and shall include the basis for the reliability assessment stated in the representation.

Deadline.

(d) LIMITATION ON INSPECTOR GENERAL AUDITS.—(1) On each financial statement that an official asserts is unreliable under subsection (b) or (c), the Inspector General of the Department of Defense shall only perform the audit procedures required by generally accepted government auditing standards consistent with any representation made by management.

(2) With the annual budget justifications for the Department of Defense submitted to Congress each year, the Under Secretary of Defense (Comptroller) shall submit, with respect to the fiscal year in which submitted, the preceding fiscal year, and the following fiscal year, information which the Inspector General shall report to the Under Secretary, as follows:

(A) An estimate of the resources that the Inspector General is saving or expects to save as a result of actions taken and to be taken under paragraph (1) with respect to the auditing of financial statements.

(B) A discussion of how the resources saved as estimated under subparagraph (A) have been redirected or are to be redirected from the auditing of financial statements to the oversight and improvement of systems underlying financial management within the Department of Defense and to the oversight and improvement of financial management policies, procedures, and internal controls within the Department of Defense.

(e) EFFECTIVE DATE.—The requirements of this section shall apply with respect to financial statements for fiscal years after fiscal year 2001 and to the auditing of those financial statements.

Applicability.

PUBLIC LAW 107-107—DEC. 28, 2001

(f) **TERMINATION OF APPLICABILITY.**—If the Secretary of Defense certifies to the Inspector General of the Department of Defense that the financial statement for the Department of Defense, or a financial statement for a component of the Department of Defense, for a fiscal year is reliable, this section shall not apply with respect to that financial statement or to any successive financial statement for the Department of Defense, or for that component, as the case may be, for any later fiscal year.

SEC. 1009. FINANCIAL MANAGEMENT MODERNIZATION EXECUTIVE COMMITTEE AND FINANCIAL FEEDER SYSTEMS COMPLIANCE PROCESS.

(a) **EXECUTIVE COMMITTEE.**—(1) Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 185. Financial Management Modernization Executive Committee

“(a) **ESTABLISHMENT OF FINANCIAL MANAGEMENT MODERNIZATION EXECUTIVE COMMITTEE.**—(1) The Secretary of Defense shall establish a Financial Management Modernization Executive Committee.

“(2) The Committee shall be composed of the following:

“(A) The Under Secretary of Defense (Comptroller), who shall be the chairman of the committee.

“(B) The Under Secretary of Defense for Acquisition, Technology, and Logistics.

“(C) The Under Secretary of Defense for Personnel and Readiness.

“(D) The Chief Information Officer of the Department of Defense.

“(E) Such additional personnel of the Department of Defense (including appropriate personnel of the military departments and Defense Agencies) as are designated by the Secretary.

“(3) The Committee shall be accountable to the Senior Executive Council (composed of the Secretary of Defense, the Deputy Secretary of Defense, the Under Secretary of Defense for Acquisition, Technology, and Logistics, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force).

“(b) **DUTIES.**—In addition to other matters assigned to it by the Secretary of Defense, the Committee shall have the following duties:

“(1) To establish a process that ensures that each critical accounting system, financial management system, and data feeder system of the Department of Defense is compliant with applicable Federal financial management and reporting requirements.

“(2) To develop a management plan for the implementation of the financial and data feeder systems compliance process established pursuant to paragraph (1).

“(3) To supervise and monitor the actions that are necessary to implement the management plan developed pursuant to paragraph (2), as approved by the Secretary of Defense.

“(4) To ensure that a Department of Defense financial management enterprise architecture is developed and maintained in accordance with—

“(A) the overall business process transformation strategy of the Department; and

“(B) the architecture framework of the Department for command, control, communications, computers, intelligence, surveillance, and reconnaissance functions.

“(5) To ensure that investments in existing or proposed financial management systems for the Department comply with the overall business practice transformation strategy of the

PUBLIC LAW 107-107—DEC. 28, 2001

Department and the financial management enterprise architecture developed under paragraph (4).

“(6) To provide an annual accounting of each financial and data feeder system investment technology project to ensure that each such project is being implemented at acceptable cost and within a reasonable schedule and is contributing to tangible, observable improvements in mission performance.

“(c) MANAGEMENT PLAN FOR IMPLEMENTATION OF FINANCIAL DATA FEEDER SYSTEMS COMPLIANCE PROCESS.—The management plan developed under subsection (b)(2) shall include among its principal elements at least the following elements:

“(1) A requirement for the establishment and maintenance of a complete inventory of all budgetary, accounting, finance, and data feeder systems that support the transformed business processes of the Department and produce financial statements.

Records.

“(2) A phased process (consisting of the successive phases of Awareness, Evaluation, Renovation, Validation, and Compliance) for improving systems referred to in paragraph (1) that provides for mapping financial data flow from the cognizant Department business function source (as part of the overall business process transformation strategy of the Department) to Department financial statements.

“(3) Periodic submittal to the Secretary of Defense, the Deputy Secretary of Defense, and the Senior Executive Council (or any combination thereof) of reports on the progress being made in achieving financial management transformation goals and milestones included in the annual financial management improvement plan in 2002.

Reports.

“(4) Documentation of the completion of each phase specified in paragraph (2) of improvements made to each accounting, finance, and data feeder system of the Department.

“(5) Independent audit by the Inspector General of the Department, the audit agencies of the military departments, and private sector firms contracted to conduct validation audits (or any combination thereof) at the validation phase for each accounting, finance, and data feeder system.

“(d) DATA FEEDER SYSTEMS.—In this section, the term ‘data feeder system’ has the meaning given that term in section 2222(c)(2) of this title.”

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“185. Financial Management Modernization Executive Committee.”

(b) ANNUAL FINANCIAL MANAGEMENT IMPROVEMENT PLAN.—

(1) Subsection (a) of section 2222 of title 10, United States Code, is amended—

(A) by striking “BIENNIAL” in the subsection heading and inserting “ANNUAL”;

(B) by striking “a biennial” in the first sentence and inserting “an annual”; and

(C) by striking “even-numbered” in the second sentence.

(2) Subsection (c) of such section is amended—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following new paragraph (2):

“(2) In each such plan, the Secretary shall include the following:

“(A) A description of the actions to be taken in the fiscal year beginning in the year in which the plan is submitted to implement the annual performance goals, and the performance milestones, included in the financial management improvement plan submitted in 2002 pursuant to paragraphs (1) and (2), respectively, of section 1009(c) of the National Defense Authorization Act for Fiscal Year 2002.

“(B) An estimate of the amount expended in the fiscal year ending in the year in which the plan is submitted to

PUBLIC LAW 107-107—DEC. 28, 2001

implement the financial management improvement plan in such preceding calendar year, set forth by system.

“(C) If an element of the financial management improvement plan submitted in the fiscal year ending in the year in which the plan is submitted was not implemented, a justification for the lack of implementation of such element.”.

(3)(A) The heading of such section is amended to read as follows:

“§ 2222. Annual financial management improvement plan”.

(B) The item relating to section 2222 in the table of sections at the beginning of chapter 131 of such title is amended to read as follows:

“2222. Annual financial management improvement plan.”.

10 USC 2222
note.

(c) **ADDITIONAL ELEMENTS FOR FINANCIAL MANAGEMENT IMPROVEMENT PLAN IN 2002.**—In the annual financial management improvement plan submitted under section 2222 of title 10, United States Code, in 2002, the Secretary of Defense shall include the following:

(1) Measurable annual performance goals for improvement of the financial management of the Department of Defense.

(2) Performance milestones for initiatives under that plan for transforming the financial management operations of the Department of Defense and for implementing a financial management architecture for the Department.

(3) An assessment of the anticipated annual cost of any plans for transforming the financial management operations of the Department of Defense and for implementing a financial management architecture for the Department.

(4) A discussion of the following:

(A) The roles and responsibilities of appropriate Department officials to ensure the supervision and monitoring of the compliance of each accounting, finance, and data feeder system of the Department with—

(i) the business practice transformation strategy of the Department;

(ii) the financial management architecture of the Department; and

(iii) applicable Federal financial management systems and reporting requirements.

(B) A summary of the actions taken by the Financial Management Modernization Executive Committee to ensure that such systems comply with—

(i) the business practice transformation strategy of the Department;

(ii) the financial management architecture of the Department; and

(iii) applicable Federal financial management systems and reporting requirements.

10 USC 2222
note.

(d) **EFFECTIVE DATE.**—Paragraph (2) of section 2222(c) of title 10, United States Code, as added by subsection (b)(2), shall not apply with respect to the annual financial management improvement plan submitted under section 2222 of title 10, United States Code, in 2002.

SEC. 1010. AUTHORIZATION OF FUNDS FOR BALLISTIC MISSILE DEFENSE PROGRAMS OR COMBATING TERRORISM PROGRAMS OF THE DEPARTMENT OF DEFENSE.

(a) **AUTHORIZATION.**—There is hereby authorized to be appropriated for fiscal year 2002 for the military functions of the Department of Defense, in addition to amounts authorized to be appropriated in titles I, II, and III, the amount of \$1,300,000,000, to be available, in accordance with subsection (b), for the following purposes:

PUBLIC LAW 107-107—DEC. 28, 2001

(1) Research, development, test, and evaluation for ballistic missile defense programs of the Ballistic Missile Defense Organization.

(2) Activities of the Department of Defense for combating terrorism.

(b) ALLOCATION BY PRESIDENT.—(1) The amount authorized to be appropriated by subsection (a) shall be allocated between the purposes stated in paragraphs (1) and (2) of that subsection in such manner as may be determined by the President based upon the national security interests of the United States. The amount authorized in subsection (a) shall not be available for any other purpose.

(2) Upon an allocation of such amount by the President, the amount so allocated shall be transferred to the appropriate regular authorization account under this division in the same manner as provided in section 1001. Transfers under this paragraph shall not be counted for the purposes of section 1001(a)(2).

(3) Not later than 15 days after an allocation is made under this subsection, the Secretary of Defense shall submit to the congressional defense committees a report describing the allocation and the Secretary's plan for the use by the Department of Defense of the funds made available pursuant to such allocation.

Deadline.
Reports.

Subtitle B—Naval Vessels and Shipyards

SEC. 1011. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) TRANSFERS BY GRANT.—The President is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) as follows:

(1) POLAND.—To the Government of Poland, the OLIVER HAZARD PERRY class guided missile frigate WADSWORTH (FFG 9).

(2) TURKEY.—To the Government of Turkey, the KNOX class frigates CAPODANNO (FF 1093), THOMAS C. HART (FF 1092), DONALD B. BEARY (FF 1085), McCANDLESS (FF 1084), REASONER (FF 1063), and BOWEN (FF 1079).

(b) TRANSFERS BY SALE.—The President is authorized to transfer vessels to foreign governments and foreign governmental entities on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) TAIWAN.—To the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act), the KIDD class guided missile destroyers KIDD (DDG 993), CALLAGHAN (DDG 994), SCOTT (DDG 995), and CHANDLER (DDG 996).

(2) TURKEY.—To the Government of Turkey, the OLIVER HAZARD PERRY class guided missile frigates ESTOCIN (FFG 15) and SAMUEL ELIOT MORISON (FFG 13).

(c) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(d) COSTS OF TRANSFERS ON GRANT BASIS.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22

PUBLIC LAW 107-107—DEC. 28, 2001

U.S.C. 2321j(e)(1))) in the case of a transfer authorized to be made on a grant basis under subsection (a).

(e) **WAIVER AUTHORITY.**—For a vessel transferred on a grant basis pursuant to authority provided by subsection (a)(2), the President may waive reimbursement of charges for the lease of that vessel under section 61(a) of the Arms Export Control Act (22 U.S.C. 2796(a)) for a period of one year before the date of the transfer of that vessel.

President.

(f) **REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.**—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(g) **EXPIRATION OF AUTHORITY.**—The authority to transfer a vessel under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

SEC. 1012. SALE OF GLOMAR EXPLORER TO THE LESSEE.

(a) **AUTHORITY.**—The Secretary of the Navy may convey by sale all right, title, and interest of the United States in and to the vessel GLOMAR EXPLORER (AG 193) to the person who, on the date of the enactment of this Act, is the lessee of the vessel.

(b) **CONSIDERATION.**—The price for which the vessel is sold under subsection (a) shall be a fair and reasonable amount determined by the Secretary of the Navy.

(c) **ADDITIONAL TERMS.**—The Secretary may require such additional terms in connection with the conveyance authorized by this section as the Secretary considers appropriate.

(d) **PROCEEDS OF SALE.**—Amounts received by the Secretary from the sale under this section may, to the extent provided in an appropriations Act, be credited to the appropriation available for providing salvage facilities under section 7361 of title 10, United States Code, and are authorized to remain available until expended for that purpose.

SEC. 1013. LEASING OF NAVY SHIPS FOR UNIVERSITY NATIONAL OCEANOGRAPHIC LABORATORY SYSTEM.

Subsection (g) of section 2667 of title 10, United States Code, is amended by adding at the end the following new paragraph:

“(3) Paragraph (1) does not apply to a renewal or extension of a lease by the Secretary of the Navy with a selected institution for operation of a ship within the University National Oceanographic Laboratory System if, under the lease, each of the following applies:

“(A) Use of the ship is restricted to federally supported research programs and to non-Federal uses under specific conditions with approval by the Secretary of the Navy.

“(B) Because of the anticipated value to the Navy of the oceanographic research and training that will result from the ship’s operation, no monetary lease payments are required from the lessee under the initial lease or under any renewal or extension.

“(C) The lessee is required to maintain the ship in a good state of repair, readiness, and efficient operating condition, conform to all applicable regulatory requirements, and assume full responsibility for the safety of the ship, its crew, and scientific personnel aboard.”.

SEC. 1014. INCREASE IN LIMITATIONS ON ADMINISTRATIVE AUTHORITY OF THE NAVY TO SETTLE ADMIRALTY CLAIMS.

(a) **ADMIRALTY CLAIMS AGAINST THE UNITED STATES.**—Section 7622 of title 10, United States Code, is amended—

PUBLIC LAW 107-107—DEC. 28, 2001

(1) in subsections (a) and (b), by striking “\$1,000,000” and inserting “\$15,000,000”; and

(2) in subsection (c), by striking “\$100,000” and inserting “\$1,000,000”.

(b) ADMIRALTY CLAIMS BY THE UNITED STATES.—Section 7623 of such title is amended—

(1) in subsection (a)(2), by striking “\$1,000,000” and inserting “\$15,000,000”; and

(2) in subsection (c), by striking “\$100,000” and inserting “\$1,000,000”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any claim accruing on or after February 1, 2001.

10 USC 7622
note.

Subtitle C—Counter-Drug Activities

SEC. 1021. EXTENSION AND RESTATEMENT OF AUTHORITY TO PROVIDE DEPARTMENT OF DEFENSE SUPPORT FOR COUNTER-DRUG ACTIVITIES OF OTHER GOVERNMENTAL AGENCIES.

Section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 374 note) is amended to read as follows:

“SEC. 1004. ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.

“(a) SUPPORT TO OTHER AGENCIES.—During fiscal years 2002 through 2006, the Secretary of Defense may provide support for the counter-drug activities of any other department or agency of the Federal Government or of any State, local, or foreign law enforcement agency for any of the purposes set forth in subsection (b) if such support is requested—

“(1) by the official who has responsibility for the counter-drug activities of the department or agency of the Federal Government, in the case of support for other departments or agencies of the Federal Government;

“(2) by the appropriate official of a State or local government, in the case of support for State or local law enforcement agencies; or

“(3) by an appropriate official of a department or agency of the Federal Government that has counter-drug responsibilities, in the case of support for foreign law enforcement agencies.

“(b) TYPES OF SUPPORT.—The purposes for which the Secretary of Defense may provide support under subsection (a) are the following:

“(1) The maintenance and repair of equipment that has been made available to any department or agency of the Federal Government or to any State or local government by the Department of Defense for the purposes of—

“(A) preserving the potential future utility of such equipment for the Department of Defense; and

“(B) upgrading such equipment to ensure compatibility of that equipment with other equipment used by the Department of Defense.

“(2) The maintenance, repair, or upgrading of equipment (including computer software), other than equipment referred to in paragraph (1) for the purpose of—

“(A) ensuring that the equipment being maintained or repaired is compatible with equipment used by the Department of Defense; and

“(B) upgrading such equipment to ensure the compatibility of that equipment with equipment used by the Department of Defense.

PUBLIC LAW 107-107—DEC. 28, 2001

“(3) The transportation of personnel of the United States and foreign countries (including per diem expenses associated with such transportation), and the transportation of supplies and equipment, for the purpose of facilitating counter-drug activities within or outside the United States.

“(4) The establishment (including an unspecified minor military construction project) and operation of bases of operations or training facilities for the purpose of facilitating counter-drug activities of the Department of Defense or any Federal, State, or local law enforcement agency within or outside the United States or counter-drug activities of a foreign law enforcement agency outside the United States.

“(5) Counter-drug related training of law enforcement personnel of the Federal Government, of State and local governments, and of foreign countries, including associated support expenses for trainees and the provision of materials necessary to carry out such training.

“(6) The detection, monitoring, and communication of the movement of—

“(A) air and sea traffic within 25 miles of and outside the geographic boundaries of the United States; and

“(B) surface traffic outside the geographic boundary of the United States and within the United States not to exceed 25 miles of the boundary if the initial detection occurred outside of the boundary.

“(7) Construction of roads and fences and installation of lighting to block drug smuggling corridors across international boundaries of the United States.

“(8) Establishment of command, control, communications, and computer networks for improved integration of law enforcement, active military, and National Guard activities.

“(9) The provision of linguist and intelligence analysis services.

“(10) Aerial and ground reconnaissance.

“(c) LIMITATION ON COUNTER-DRUG REQUIREMENTS.—The Secretary of Defense may not limit the requirements for which support may be provided under subsection (a) only to critical, emergent, or unanticipated requirements.

“(d) CONTRACT AUTHORITY.—In carrying out subsection (a), the Secretary of Defense may acquire services or equipment by contract for support provided under that subsection if the Department of Defense would normally acquire such services or equipment by contract for the purpose of conducting a similar activity for the Department of Defense.

“(e) LIMITED WAIVER OF PROHIBITION.—Notwithstanding section 376 of title 10, United States Code, the Secretary of Defense may provide support pursuant to subsection (a) in any case in which the Secretary determines that the provision of such support would adversely affect the military preparedness of the United States in the short term if the Secretary determines that the importance of providing such support outweighs such short-term adverse effect.

“(f) CONDUCT OF TRAINING OR OPERATION TO AID CIVILIAN AGENCIES.—In providing support pursuant to subsection (a), the Secretary of Defense may plan and execute otherwise valid military training or operations (including training exercises undertaken pursuant to section 1206(a) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1564)) for the purpose of aiding civilian law enforcement agencies.

“(g) RELATIONSHIP TO OTHER LAWS.—(1) The authority provided in this section for the support of counter-drug activities by the Department of Defense is in addition to, and except as provided in paragraph (2), not subject to the requirements of chapter 18 of title 10, United States Code.

PUBLIC LAW 107-107—DEC. 28, 2001

“(2) Support under this section shall be subject to the provisions of section 375 and, except as provided in subsection (e), section 376 of title 10, United States Code.

“(h) CONGRESSIONAL NOTIFICATION OF FACILITIES PROJECTS.—

(1) When a decision is made to carry out a military construction project described in paragraph (2), the Secretary of Defense shall submit to the congressional defense committees written notice of the decision, including the justification for the project and the estimated cost of the project. The project may be commenced only after the end of the 21-day period beginning on the date on which the written notice is received by Congress.

“(2) Paragraph (1) applies to an unspecified minor military construction project that—

“(A) is intended for the modification or repair of a Department of Defense facility for the purpose set forth in subsection (b)(4); and

“(B) has an estimated cost of more than \$500,000.”.

SEC. 1022. EXTENSION OF REPORTING REQUIREMENT REGARDING DEPARTMENT OF DEFENSE EXPENDITURES TO SUPPORT FOREIGN COUNTER-DRUG ACTIVITIES.

Section 1022 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-255) is amended—

(1) by inserting “and April 15, 2002,” after “January 1, 2001,”; and

(2) by striking “fiscal year 2000” and inserting “the preceding fiscal year”.

SEC. 1023. AUTHORITY TO TRANSFER TRACKER AIRCRAFT CURRENTLY USED BY ARMED FORCES FOR COUNTER-DRUG PURPOSES.

(a) TRANSFER AUTHORITY.—The Secretary of Defense may transfer to the administrative jurisdiction and operational control of another Federal agency all Tracker aircraft in the inventory of the Department of Defense.

(b) EFFECT OF FAILURE TO TRANSFER.—If the transfer authority provided by subsection (a) is not exercised by the Secretary of Defense by September 30, 2002, any Tracker aircraft remaining in the inventory of the Department of Defense may not be used by the Armed Forces for counter-drug purposes after that date.

SEC. 1024. LIMITATION ON USE OF FUNDS FOR OPERATION OF TETHERED AEROSTAT RADAR SYSTEM PENDING SUBMISSION OF REQUIRED REPORT.

Not more than 50 percent of the funds appropriated or otherwise made available for fiscal year 2002 for operation of the Tethered Aerostat Radar System, which is used by the Armed Forces in maritime, air, and land counter-drug detection and monitoring, may be obligated or expended until such time as the Secretary of Defense submits to Congress the report on the status of the Tethered Aerostat Radar System required by section 1025 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-256).

Subtitle D—Strategic Forces

SEC. 1031. REPEAL OF LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

Section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 111 Stat. 1948) is repealed.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 1032. AIR FORCE BOMBER FORCE STRUCTURE.

Reports.

(a) **LIMITATION.**—None of the funds available to the Department of Defense for fiscal year 2002 may be obligated or expended for retiring or dismantling any of the 93 B-1B Lancer bombers in service as of June 1, 2001, or for transferring or reassigning any of those aircraft from the unit or facility to which assigned as of that date, until 15 days after the Secretary of the Air Force submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the Air Force bomber force structure.

(b) **MATTERS TO BE INCLUDED.**—The report under subsection (a) shall set forth the following:

(1) The Air Force plan for the modernization of the B-1B aircraft fleet, including a transition plan for implementation of that modernization plan and a description of the basing options for the aircraft in that fleet.

(2) The amount and type of bomber force structure in the Air Force appropriate to meet the requirements of the national security strategy of the United States.

(3) Specifications of new missions to be assigned to the National Guard units that currently fly B-1 aircraft and the transition of those units and their facilities from the current B-1 mission to their future missions.

(4) A description of the potential effect of the proposed consolidation and reduction of the B-1 fleet on other National Guard units in the affected States.

(5) A justification of the cost and projected savings of consolidating and reducing the B-1 fleet.

(c) **AMOUNT AND TYPE OF BOMBER FORCE STRUCTURE DEFINED.**—In this section, the term “amount and type of bomber force structure” means the number of B-2 aircraft, B-52 aircraft, and B-1 aircraft that are required to carry out the current national security strategy.

SEC. 1033. ADDITIONAL ELEMENT FOR REVISED NUCLEAR POSTURE REVIEW.

10 USC 118 note.

Section 1041(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-262) is amended by adding at the end the following new paragraph:

“(7) The possibility of deactivating or dealtering nuclear warheads or delivery systems immediately, or immediately after a decision to retire any specific warhead, class of warheads, or delivery system.”.

SEC. 1034. REPORT ON OPTIONS FOR MODERNIZATION AND ENHANCEMENT OF MISSILE WING HELICOPTER SUPPORT.

(a) **REPORT REQUIRED.**—The Secretary of Defense shall prepare a report regarding the options for providing the helicopter support missions for the Air Force intercontinental ballistic missile wings at Minot Air Force Base, North Dakota, Malmstrom Air Force Base, Montana, and F.E. Warren Air Force Base, Wyoming, for as long as these missions are required. The report shall include the Secretary’s recommendations on a preferred option.

(b) **OPTIONS.**—Options to be reviewed under subsection (a) include the following:

(1) The current plan of the Air Force for replacement or modernization of UH-1N helicopters currently flown by the Air Force at the missile wings.

(2) Replacement of the UH-1N helicopters currently flown by the Air Force with UH-60 Black Hawk helicopters, the UH-1Y helicopter, or another platform.

(3) Replacement of the UH-1N helicopters with UH-60 helicopters and transition of the mission to the Army National Guard, as detailed in the Air Force Space Command/Army

PUBLIC LAW 107-107—DEC. 28, 2001

National Guard plan entitled “ARNG Helicopter Support to Air Force Space Command” and dated November 2000.

(4) Replacement of the UH-1N helicopters with UH-60 helicopters or another platform, and establishment of composite units combining active duty Air Force and Army National Guard personnel.

(5) Such other options as the Secretary of Defense considers appropriate.

(c) FACTORS.—Factors to be considered in preparing the report under subsection (a) include the following:

(1) Any implications of transferring the helicopter support missions on the command and control of, and responsibility for, missile field force protection.

(2) Current and future operational requirements, and the capabilities of the UH-1N or UH-60 helicopter or other aircraft to meet such requirements.

(3) Cost, with particular attention to opportunities to realize efficiencies over the long run.

(4) Implications for personnel training and retention.

(5) Evaluation of the assumptions used in the plan specified in subsection (b)(3).

(d) CONSIDERATION.—In preparing the report under subsection (a), the Secretary of Defense shall consider carefully the views of the Secretary of the Army, the Secretary of the Air Force, the commander of the United States Strategic Command, and the Chief of the National Guard Bureau.

(e) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted to the congressional defense committees not later than the date on which the President submits to Congress the budget under section 1105 of title 31, United States Code, for fiscal year 2003.

Deadline.

Subtitle E—Other Department of Defense Provisions

SEC. 1041. SECRETARY OF DEFENSE RECOMMENDATION ON NEED FOR DEPARTMENT OF DEFENSE REVIEW OF PROPOSED FEDERAL AGENCY ACTIONS TO CONSIDER POSSIBLE IMPACT ON NATIONAL DEFENSE.

(a) RECOMMENDATION ON NEED FOR DEFENSE IMPACT REVIEW PROCESS.—The Secretary of Defense shall submit to the President the Secretary’s recommendation as to whether there should be established within the executive branch a defense impact review process. The Secretary shall submit a copy of such recommendation to Congress.

(b) DEFENSE IMPACT REVIEW PROCESS.—(1) For purposes of this section, the term “defense impact review process” means a formal process within the executive branch—

(A) to provide for review by the Department of Defense of certain proposed actions of other Federal departments and agencies to identify any reasonably foreseeable significant adverse impact of such a proposed action on national defense; and

(B) when such a review indicates that a proposed agency action may have such an adverse impact—

(i) to afford the Secretary of Defense a timely opportunity to make recommendations for means to eliminate or mitigate any such adverse impact; and

(ii) to afford an opportunity for those recommendations to be given reasonable and timely consideration by the agency to which provided.

(2) For purposes of such a review process, the proposed agency actions subject to review would be those for which a significant

PUBLIC LAW 107-107—DEC. 28, 2001

adverse impact on national defense is reasonably foreseeable and that meet such additional criteria as may be specified by the Secretary of Defense.

Deadline.

(c) **TIME FOR SUBMISSION OF RECOMMENDATION.**—The Secretary shall submit the Secretary’s recommendation under subsection (a) not later than 180 days after the date of the enactment of this Act.

SEC. 1042. DEPARTMENT OF DEFENSE REPORTS TO CONGRESS TO BE ACCOMPANIED BY ELECTRONIC VERSION UPON REQUEST.

(a) **IN GENERAL.**—Chapter 23 of title 10, United States Code, is amended by inserting after the table of sections the following new section:

“§ 480. Reports to Congress: submission in electronic form

“(a) **REQUIREMENT.**—Whenever the Secretary of Defense or any other official of the Department of Defense submits to Congress (or any committee of either House of Congress) a report that the Secretary (or other official) is required by law to submit, the Secretary (or other official) shall, upon request by any committee of Congress to which the report is submitted or referred, provide to Congress (or each such committee) a copy of the report in an electronic medium.

“(b) **EXCEPTION.**—Subsection (a) does not apply to a report submitted in classified form.

“(c) **DEFINITION.**—In this section, the term ‘report’ includes any certification, notification, or other communication in writing.”.

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 481 the following new item:

“480. Reports to Congress: submission in electronic form.”.

SEC. 1043. DEPARTMENT OF DEFENSE GIFT AUTHORITIES.

(a) **AUTHORITY TO MAKE LOANS AND GIFTS.**—(1) Subsection (a) of section 7545 of title 10, United States Code, is amended by striking “(a) Subject to” and all that follows through “to—” and inserting the following:

“(a) **AUTHORITY TO MAKE LOANS AND GIFTS.**—The Secretary of the Navy may lend or give, without expense to the United States, items described in subsection (b) that are not needed by the Department of the Navy to any of the following:”.

(2) Such subsection is further amended—

(A) by capitalizing the first letter after the paragraph designation in each of paragraphs (1) through (12);

(B) by striking the semicolon at the end of paragraphs (1) through (10) and inserting a period;

(C) by striking “; or” at the end of paragraph (11) and inserting a period;

(D) in paragraph (5), by striking “World War I or World War II” and inserting “a foreign war”;

(E) in paragraph (6), by striking “soldiers’ monument” and inserting “servicemen’s monument”; and

(F) in paragraph (8), by inserting “or memorial” after “museum”.

(b) **ADDITIONAL ITEMS AUTHORIZED TO BE DONATED BY SECRETARY OF THE NAVY.**—Such section is further amended—

(1) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively;

(2) by inserting after subsection (a) the following new subsections:

“(b) **ITEMS ELIGIBLE FOR DISPOSAL.**—This section applies to the following types of property held by the Department of the Navy:

“(1) Captured, condemned, or obsolete ordnance material.

PUBLIC LAW 107-107—DEC. 28, 2001

“(2) Captured, condemned, or obsolete combat or shipboard material.

“(c) REGULATIONS.—A loan or gift made under this section shall be subject to regulations prescribed by the Secretary and to regulations under section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486).”; and

(3) by adding at the end the following new subsection:

“(f) AUTHORITY TO TRANSFER A PORTION OF A VESSEL.—The Secretary may lend, give, or otherwise transfer any portion of the hull or superstructure of a vessel stricken from the Naval Vessel Register and designated for scrapping to a qualified organization specified in subsection (a). The terms and conditions of an agreement for the transfer of a portion of a vessel under this section shall include a requirement that the transferee will maintain the material conveyed in a condition that will not diminish the historical value of the material or bring discredit upon the Navy.”.

(c) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (d) (as redesignated by subsection (b)(1)), by inserting “MAINTENANCE OF THE RECORDS OF THE GOVERNMENT.—” after the subsection designation; and

(2) in subsection (e) (as redesignated by subsection (b)(1)), by inserting “ALTERNATIVE AUTHORITIES TO MAKE GIFTS OR LOANS.—” after the subsection designation.

(d) CONFORMING AMENDMENTS.—Section 2572(a) of such title is amended—

(1) in paragraph (1), by inserting “, county, or other political subdivision of a State” before the period at the end;

(2) in paragraph (2), by striking “soldiers’ monument” and inserting “servicemen’s monument”; and

(3) in paragraph (4), by inserting “or memorial” after “An incorporated museum”.

SEC. 1044. ACCELERATION OF RESEARCH, DEVELOPMENT, AND PRODUCTION OF MEDICAL COUNTERMEASURES FOR DEFENSE AGAINST BIOLOGICAL WARFARE AGENTS.

(a) AGGRESSIVE PROGRAM REQUIRED.—(1) The Secretary of Defense shall carry out a program to aggressively accelerate the research, development, testing, and licensure of new medical countermeasures for defense against the biological warfare agents that are the highest threat.

10 USC 2370a note.

(2) The program shall include the following activities:

(A) As the program’s first priority, investment in multiple new technologies for medical countermeasures for defense against the biological warfare agents that are the highest threat, including for the prevention and treatment of anthrax.

Anthrax.

(B) Leveraging of ideas and technologies from the biological technology industry.

(b) STUDY REQUIRED.—(1) The Secretary of Defense shall enter into a contract with the Institute of Medicine and the National Research Council under which the Institute and Council, in consultation with the Secretary, shall carry out a study of the review and approval process for new medical countermeasures for biological warfare agents. The purpose of the study shall be to identify—

Contracts.

(A) new approaches to accelerating such process; and

(B) definitive and reasonable methods for assuring the agencies responsible for regulating such countermeasures that such countermeasures will be effective in preventing disease in humans or in providing safe and effective therapy against such agents.

(2) Not later than June 1, 2002, the Institute and Council shall jointly submit to Congress a report on the results of the study.

Deadline.

(c) FACILITY FOR PRODUCTION OF VACCINES.—(1) Subject to paragraph (2) and to the availability of funds for such purposes

PUBLIC LAW 107-107—DEC. 28, 2001

appropriated pursuant to an authorization of appropriations, the Secretary of Defense may—

(A) design and construct a facility on a Department of Defense installation for the production of vaccines to meet the requirements of the Department of Defense to prevent or mitigate the physiological effects of exposure to biological warfare agents;

(B) operate that facility;

(C) qualify and validate that facility for the production of vaccines in accordance with the requirements of the Food and Drug Administration; and

(D) contract with a private-sector source for the production of vaccines in that facility.

(2) The authority under paragraph (1)(A) to construct a facility may be exercised only to the extent that a project for such construction is authorized by law in accordance with section 2802 of title 10, United States Code.

(3) The Secretary shall use competitive procedures under chapter 137 of title 10, United States Code, to enter into contracts to carry out subparagraphs (A), (B), and (D) of paragraph (1).

(d) PLAN REQUIRED.—(1) The Secretary shall develop a long-range plan to provide for the production and acquisition of vaccines to meet the requirements of the Department of Defense to prevent or mitigate the physiological effects of exposure to biological warfare agents.

(2) The plan shall include the following:

(A) An evaluation of the need for one or more vaccine production facilities that are specifically dedicated to meeting the requirements of the Department of Defense and other national interests.

(B) An evaluation of the options for the means of production of such vaccines, including—

(i) use of public facilities, private facilities, or a combination of public and private facilities; and

(ii) management and operation of the facilities by the Federal Government, one or more private persons, or a combination of the Federal Government and one or more private persons.

(C) A specification of the means that the Secretary determines is most appropriate for the production of such vaccines.

(3) The Secretary shall ensure that the plan is consistent with the requirement for safe and effective vaccines approved by the Food and Drug Administration.

(4) In preparing the plan, the Secretary shall—

(A) consider and, as the Secretary determines appropriate, include the information compiled and the analyses developed in preparing the reports required by sections 217 and 218 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-36, 1654A-37); and

(B) consult with the heads of other appropriate departments and agencies of the Federal Government.

Deadline.

(e) REPORT.—Not later than February 1, 2002, the Secretary shall submit to the congressional defense committees a report on the plan required by subsection (d). The report shall include, at a minimum, the contents of the plan and the following matters:

(1) A description of the policies and requirements of the Department of Defense regarding acquisition and use of such vaccines.

(2) The estimated schedule for the acquisition of such vaccines in accordance with the plan.

(3) A discussion of the options considered under subsection (d)(2)(B) for the means of production of such vaccines.

(4) The Secretary's recommendations for the most appropriate course of action to meet the requirements specified in

PUBLIC LAW 107-107—DEC. 28, 2001

subsection (d)(1), together with the justification for such recommendations and the long-term cost of implementing such recommendations.

(f) FUNDING.—Of the amount authorized to be appropriated under section 201(4) for research, development, test, and evaluation, Defense-wide, \$5,000,000 may be available in Program Element 62384BP, and \$5,000,000 may be available in Program Element 63384BP, for the program required by subsection (a).

SEC. 1045. CHEMICAL AND BIOLOGICAL PROTECTIVE EQUIPMENT FOR MILITARY PERSONNEL AND CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the requirements of the Department of Defense, including the reserve components, regarding chemical and biological protective equipment. The report shall set forth the following: Deadline.

(1) A description of any current shortfalls with respect to requirements regarding chemical and biological protective equipment for military personnel, whether for individuals or units.

(2) An assessment of what should be the appropriate level of protection for civilian employees of the Department of Defense against chemical and biological attack.

(3) A plan for providing required chemical and biological protective equipment for military personnel and civilian employees of the Department of Defense.

(4) An assessment of the costs associated with carrying out the plan described in paragraph (3).

SEC. 1046. SALE OF GOODS AND SERVICES BY NAVAL MAGAZINE, INDIAN ISLAND, ALASKA.

(a) SALE AUTHORIZED.—Subject to subsections (c) and (d) of section 2563 of title 10, United States Code, the Secretary of the Navy may sell to a person outside the Department of Defense any article or service provided by the Naval Magazine, Indian Island, Alaska, that is not available from a United States commercial source.

(b) CREDITING OF PROCEEDS.—The proceeds from the sale of any article or service under this section shall be credited to the appropriation supporting the maintenance and operation of the Naval Magazine, Indian Island, for the fiscal year in which the proceeds are received.

SEC. 1047. REPORT ON PROCEDURES AND GUIDELINES FOR EMBARKATION OF CIVILIAN GUESTS ON NAVAL VESSELS FOR PUBLIC AFFAIRS PURPOSES.

Not later than February 1, 2002, the Secretary of the Navy shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report setting forth in detail the procedures and guidelines of the Navy for the embarkation of civilian guests on naval vessels for public affairs purposes. The report shall include the following:

(1) Procedures for nominating and approving civilian guests for embarkation on naval vessels.

(2) Procedures for ensuring that civilian guest embarkations are conducted only as part of regularly scheduled operations.

(3) Guidelines regarding the operation of equipment by civilian guests on naval vessels.

(4) Any other procedures or guidelines the Secretary considers necessary or appropriate to ensure that operational readiness and safety are not hindered by activities related to the embarkation of civilian guests on naval vessels.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 1048. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, are each amended by striking the period after “1111” in the item relating to chapter 56.

(2) Section 119(g)(2) is amended by striking “National Security Subcommittee” and inserting “Subcommittee on Defense”.

(3) Section 130c(b)(3)(C) is amended by striking “subsection (f)” and inserting “subsection (g)”.

(4) Section 176(a)(3) is amended by striking “Chief Medical Director” and inserting “Under Secretary for Health”.

(5)(A) Section 503(c) is amended in paragraph (6)(A)(i) by striking “14101(18)” and “8801(18)” and inserting “14101” and “8801”, respectively.

10 USC 503 note.

(B) The amendment made by subparagraph (A) shall take effect on July 1, 2002, immediately after the amendment to such section effective that date by section 563(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-131).

(6) Section 663(e) is amended—

(A) by striking “Armed Forces Staff College” in paragraph (1) and inserting “Joint Forces Staff College”; and

(B) by striking “ARMED FORCES STAFF COLLEGE” and inserting “JOINT FORCES STAFF COLLEGE”.

(7) Section 667(17) is amended by striking “Armed Forces Staff College” both places it appears and inserting “Joint Forces Staff College”.

(8) Section 874(a) is amended by inserting after “a sentence of confinement for life without eligibility for parole” the following: “that is adjudged for an offense committed after October 29, 2000”.

(9) Section 1056(c)(2) is amended by striking “, not later than September 30, 1991,”.

(10) The table of sections at the beginning of chapter 55 is amended by transferring the item relating to section 1074i, as inserted by section 758(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398; 114 Stat. 1654A-200), so as to appear after the item relating to section 1074h.

(11) Section 1097a(e) is amended by striking “section 1072” and inserting “section 1072(2)”.

(12) Sections 1111(a) and 1114(a)(1) are each amended by striking “hereafter” and inserting “hereinafter”.

(13) Section 1116 is amended—

(A) in subsection (a)(2)(B), by inserting an open parenthesis before “other than for training”; and

(B) in subsection (b)(2)(D), by striking “section 111(c)(4)” and inserting “section 1115(c)(4)”.

(14) The heading for subchapter II of chapter 75 is transferred within that chapter so as to appear before the table of sections at the beginning of that subchapter (as if the amendment made by section 721(c)(1) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 694) had inserted that heading following section 1471 instead of before section 1475).

(15) Section 1611(d) is amended by striking “with”.

(16) Section 2166(e)(9) is amended by striking “App. 2” and inserting “App.”.

(17) Section 2323(a)(1)(C) is amended—

(A) by striking “section 1046(3)” and inserting “section 365(3)”;

PUBLIC LAW 107-107—DEC. 28, 2001

(B) by striking “20 U.S.C. 1135d-5(3)” and inserting “20 U.S.C. 1067k”; and

(C) by striking “, which, for the purposes of this section” and all that follows through the period at the end and inserting a period.

(18) Section 2375(b) is amended by inserting “(41 U.S.C. 430)” after “section 34 of the Office of Federal Procurement Policy Act”.

(19) Section 2376(1) is amended by inserting “(41 U.S.C. 403)” after “section 4 of the Office of Federal Procurement Policy Act”.

(20) Section 2410f(a) is amended by inserting after “inscription” the following: “, or another inscription with the same meaning.”.

(21) Section 2461a(a)(2) is amended by striking “efficiency” and inserting “efficiency”.

(22) Section 2467 is amended—

(A) in subsection (a)(2)—

(i) by striking “, United States Code” in subparagraph (A); and

(ii) by striking “such” in subparagraphs (B) and (C); and

(B) in subsection (b)(2)(A), by striking “United States Code.”.

(23) Section 2535 is amended—

(A) in subsection (a)—

(i) by striking “intent of Congress” and inserting “intent of Congress—”;

(ii) by realigning clauses (1), (2), (3), and (4) so that each such clause appears as a separate paragraph indented two ems from the left margin; and

(iii) in paragraph (1), as so realigned, by striking “Armed Forces” and inserting “armed forces”;

(B) in subsection (b)(1)—

(i) by striking “in this section, the Secretary is authorized and directed to—” and inserting “in subsection (a), the Secretary of Defense shall—”; and

(ii) by striking “defense industrial reserve” in subparagraph (A) and inserting “Defense Industrial Reserve”; and

(C) in subsection (c)—

(i) by striking paragraph (1);

(ii) by redesignating paragraph (2) as paragraph

(1) and in that paragraph—

(I) by striking “means” and inserting “means—”;

(II) by realigning clauses (A), (B), and (C) so that each such clause appears as a separate subparagraph indented four ems from the left margin; and

(III) by inserting “and” at the end of subparagraph (B), as so realigned; and

(iii) by redesignating paragraph (3) as paragraph

(2).

(24) Section 2541c is amended by striking “subtitle” both places it appears in the matter preceding paragraph (1) and inserting “subchapter”.

(25) The second section 2582, added by section 1(a) of Public Law 106-446 (114 Stat. 1932), is redesignated as section 2583, and the item relating to that section in the table of sections at the beginning of chapter 153 is revised to conform to such redesignation.

(26)(A) Section 2693(a) is amended—

(i) in the matter preceding paragraph (1), by inserting “of Defense” after “Secretary”; and

PUBLIC LAW 107-107—DEC. 28, 2001

(ii) in paragraph (3)—

(I) by inserting “to the Secretary of Defense” after “certifies”;

(II) by inserting “(42 U.S.C. 3762a)” after “of 1968”;

and
(III) by striking “to the public agencies referred to in section 515(a)(1) or 515(a)(3) of title I of such Act” and inserting “to a public agency referred to in paragraph (1) or (3) of subsection (a) of such section”.

(B)(i) The heading of such section is amended to read as follows:

“§ 2693. Conveyance of certain property: Department of Justice correctional options program”.

(ii) The item relating to such section in the table of sections at the beginning of chapter 159 is amended to read as follows:

“2693. Conveyance of certain property: Department of Justice correctional options program.”.

(27) Section 3014(f)(3) is amended by striking “the number equal to” and all that follows and inserting “67.”.

(28) Section 5014(f)(3) is amended by striking “the number equal to” and all that follows and inserting “74.”.

(29) Section 8014(f)(3) is amended by striking “the number equal to” and all that follows and inserting “60.”.

(30) Section 9783(e)(1) is amended by striking “40101(a)(2)” and inserting “40102(a)(2)”.

(31) Section 12741(a)(2) is amended by striking “received” and inserting “receive”.

(b) AMENDMENTS RELATING TO CHANGE IN TITLE OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS.—Title 10, United States Code, is further amended as follows:

(1) Section 133a(b) is amended by striking “shall assist the Under Secretary of Defense for Acquisition and Technology” and inserting “shall assist the Under Secretary of Defense for Acquisition, Technology, and Logistics”.

(2) The following provisions are each amended by striking “Under Secretary of Defense for Acquisition and Technology” and inserting “Under Secretary of Defense for Acquisition, Technology, and Logistics”: sections 139(c), 139(g) (as redesignated by section 263), 171(a)(3), 179(a)(1), 1702, 1703, 1707(a), 1722(a), 1722(b)(2)(B), 1735(c)(1), 1737(c)(1), 1737(c)(2)(B), 1741(b), 1746(a), 1761(b)(4), 1763, 2302c(a)(2), 2304(f)(1)(B)(iii), 2304(f)(6)(B), 2311(c)(1), 2311(c)(2)(B), 2350a(e)(1)(A), 2350a(e)(2)(B), 2350a(f)(1), 2399(b)(3), 2435(b), 2435(d)(2), 2521(a), and 2534(i)(3).

(3)(A) The heading for section 1702 is amended to read as follows:

“§ 1702. Under Secretary of Defense for Acquisition, Technology, and Logistics: authorities and responsibilities”.

(B) The item relating to section 1702 in the table of sections at the beginning of subchapter I of chapter 87 is amended to read as follows:

“1702. Under Secretary of Defense for Acquisition, Technology, and Logistics: authorities and responsibilities.”.

(4) Section 2503(b) is amended by striking “Under Secretary of Defense for Acquisition” and inserting “Under Secretary of Defense for Acquisition, Technology, and Logistics”.

(c) AMENDMENTS TO SUBSTITUTE CALENDAR DATES FOR DATE-OF-ENACTMENT REFERENCES.—Title 10, United States Code, is further amended as follows:

(1) Section 130c(d)(1) is amended by striking “the date of the enactment of the Floyd D. Spence National Defense

PUBLIC LAW 107-107—DEC. 28, 2001

Authorization Act for Fiscal Year 2001” and inserting “October 30, 2000,”.

(2) Section 184(a) is amended by striking “the date of the enactment of this section,” and inserting “October 30, 2000,”.

(3) Section 986(a) is amended by striking “the date of the enactment of this section,” and inserting “October 30, 2000,”.

(4) Section 1074g(a)(8) is amended by striking “the date of the enactment of this section” and inserting “October 5, 1999,”.

(5) Section 1079(h)(2) is amended by striking “the date of the enactment of this paragraph” and inserting “February 10, 1996,”.

(6) Section 1206(5) is amended by striking “the date of the enactment of the National Defense Authorization Act for Fiscal Year 2000,” and inserting “October 5, 1999,”.

(7) Section 1405(c)(1) is amended by striking “the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995,” and inserting “October 5, 1994,”.

(8) Section 1407(f)(2) is amended by striking “the date of the enactment of this subsection—” and inserting “October 30, 2000—”.

(9) Section 1408(d)(6) is amended by striking “the date of the enactment of this paragraph” and inserting “August 22, 1996,”.

(10) Section 1511(b) is amended by striking “the date of the enactment of this chapter.” and inserting “February 10, 1996.”.

(11) Section 2461a(b)(1) is amended by striking “the date of the enactment of this section,” and inserting “October 30, 2000,”.

(12) Section 4021(c)(1) is amended by striking “the date of the enactment of this section.” and inserting “November 29, 1989.”.

(13) Section 6328(a) is amended by striking “the date of the enactment of this section” and inserting “February 10, 1996,”.

(14) Section 7439 is amended—

(A) in subsection (a)(2), by striking “one year after the date of the enactment of this section,” and inserting “November 18, 1998,”;

(B) in subsection (b)(1), by striking “the date of the enactment of this section,” and inserting “November 18, 1997,”;

(C) in subsection (b)(2), by striking “the end of the one-year period beginning on the date of the enactment of this section.” and inserting “November 18, 1998.”; and

(D) in subsection (f)(2), by striking “the date of the enactment of this section” and inserting “November 18, 1997,”.

(15) Section 12533 is amended—

(A) in each of subsections (b) and (c)(1), by striking “the date of the enactment of this section.” and inserting “November 18, 1997.”; and

(B) in each of subsections (c)(2) and (d), by striking “the date of the enactment of this section” and inserting “November 18, 1997,”.

(16) Section 12733(3) is amended—

(A) in subparagraph (B), by striking “the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001,” and inserting “October 30, 2000,”; and

(B) in subparagraph (C), by striking “the date of the enactment of the Floyd D. Spence National Defense

PUBLIC LAW 107-107—DEC. 28, 2001

Authorization Act for Fiscal Year 2001” and inserting “October 30, 2000.”.

(d) AMENDMENTS RELATING TO CHANGE IN TITLE OF MCKINNEY-VENTO HOMELESS ASSISTANCE ACT.—The following provisions are each amended by striking “Stewart B. McKinney Homeless Assistance Act” and inserting “McKinney-Vento Homeless Assistance Act”:

(1) Sections 2814(j)(2), 2854a(d)(2), and 2878(d)(4) of title 10, United States Code.

(2) Sections 2905(b)(6)(A) and 2910(11) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

(3) Section 204(b)(6)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(4) Section 2915(c)(10) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2687 note).

(5) Section 2(e)(4)(A) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103-421; 10 U.S.C. 2687 note).

(6) Section 1053(a) of the National Defense Authorization Act for Fiscal Year 1997 (110 Stat. 2650).

(e) AMENDMENTS TO REPEAL OBSOLETE PROVISIONS.—Title 10, United States Code, is further amended as follows:

(1) Section 1144 is amended—

(A) in subsection (a)(3), by striking the second sentence; and

(B) by striking subsection (e).

(2) Section 1581(b) is amended—

(A) by striking “(1)” and all that follows through “The Secretary of Defense shall deposit” and inserting “The Secretary of Defense shall deposit”; and

(B) by striking “on or after December 5, 1991,”.

(3) Subsection (e) of section 1722 is repealed.

(4) Subsection 1732(a) is amended by striking the second sentence.

(5) Section 1734 is amended—

(A) in subsection (b)(1)(B), by striking “on and after October 1, 1991,”; and

(B) in subsection (e)(2), by striking the last sentence.

(6)(A) Section 1736 is repealed.

(B) The table of sections at the beginning of subchapter III of chapter 87 is amended by striking the item relating to section 1736.

(7)(A) Sections 1762 and 1764 are repealed.

(B) The table of sections at the beginning of subchapter V of chapter 87 is amended by striking the items relating to sections 1762 and 1764.

(8) Section 2112(a) is amended by striking “, with the first class graduating not later than September 21, 1982”.

(9) Section 2218(d)(1) is amended by striking “for fiscal years after fiscal year 1993”.

(10)(A) Section 2468 is repealed.

(B) The table of sections at the beginning of chapter 146 is amended by striking the item relating to section 2468.

(11) Section 2832 is amended—

(A) by striking “(a)” before “The Secretary of Defense”; and

(B) by striking subsection (b).

(12) Section 7430(b)(2) is amended—

(A) by striking “at a price less than” and all that follows through “the current sales price” and inserting “at a price less than the current sales price”;

(B) by striking “; or” and inserting a period; and

(C) by striking subparagraph (B).

PUBLIC LAW 107-107—DEC. 28, 2001

- (f) PUBLIC LAW 106-398.—Effective as of October 30, 2000, and as if included therein as enacted, the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398) is amended as follows:
- (1) Section 525(b)(1) (114 Stat. 1654A-109) is amended by striking “subsection (c)” and inserting “subsections (a) and (b)”.
- (2) Section 1152(c)(2) (114 Stat. 1654A-323) is amended by inserting “inserting” after “and”.
- (g) PUBLIC LAW 106-65.—Effective as of October 5, 1999, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65) is amended as follows:
- (1) Section 531(b)(2)(A) (113 Stat. 602) is amended by inserting “in subsection (a),” after “(A)”.
- (2) Section 549(a)(2) (113 Stat. 611) is amended by striking “such chapter” and inserting “chapter 49 of title 10, United States Code.”
- (3) Section 576(a)(3) (10 U.S.C. 1501 note; 113 Stat. 625) is amended by adding a period at the end.
- (4) Section 577(a)(2) (113 Stat. 625) is amended by striking “bad conduct” in the first quoted matter and inserting “bad-conduct”.
- (5) Section 811(d)(3)(B)(v) (10 U.S.C. 2302 note; 113 Stat. 709) is amended by striking “Mentor-Protegee” and inserting “Mentor-Protege”.
- (6) Section 1052(b)(1) (113 Stat. 764) is amended by striking “The Department” and inserting “the Department”.
- (7) Section 1053(a)(5) (10 U.S.C. 113 note; 113 Stat. 764) is amended by inserting “and” before “Marines”.
- (8) Section 1402(f)(2)(A) (22 U.S.C. 2778 note; 113 Stat. 799) is amended by striking “3201 note” and inserting “6305(4)”.
- (9) Section 2902(d) (10 U.S.C. 111 note; 113 Stat. 882) is amended by striking “section 2871(b)” and inserting “section 2881(b)”.
- (h) PUBLIC LAW 102-484.—The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) is amended as follows:
- (1) Section 3161(c)(6)(C) (42 U.S.C. 7274h(c)(6)(C)) is amended by striking “title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.)” and inserting “title II of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.)”.
- (2) Section 4416(b)(1) (10 U.S.C. 12681 note) is amended by striking “force reduction period” and inserting “force reduction transition period”.
- (3) Section 4461(5) (10 U.S.C. 1143 note) is amended by adding a period at the end.
- (i) OTHER LAWS.—
- (1) Section 1083(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 10 U.S.C. 113 note) is amended by striking “NAMES” and inserting “NAME”.
- (2) Section 845(d)(1)(B)(ii) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 2371 note) is amended by inserting a closing parenthesis after “41 U.S.C. 414(3)”.
- (3) Section 1123(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1556) is amended by striking “Armed Forces Staff College” each place it appears and inserting “Joint Forces Staff College”.
- (4) Section 1412(g)(2)(C)(vii) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(g)(2)(C)(vii)) is amended by striking “(c)(3)” and inserting “(c)(4)”.
- (5) Section 8336 of title 5, United States Code, is amended—

5 USC 8464 note.
10 USC 10218
note.

5 USC 8464.

10 USC 819 note.

10 USC 6954.

10 USC 819.

10 USC 113 note.

PUBLIC LAW 107-107—DEC. 28, 2001

(A) in subsection (d)(2), by striking “subsection (o)” and inserting “subsection (p)”; and

(B) by redesignating the second subsection (o), added by section 1152(a)(2) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398; 114 Stat. 1654A-320), as subsection (p).

(6) Section 9001(3) of title 5, United States Code, is amended by striking “and” at the end of subparagraph (A) and inserting “or”.

(7) Section 318(h)(3) of title 37, United States Code, is amended by striking “subsection (a)” and inserting “subsection (b)”.

(8) Section 3695(a)(5) of title 38, United States Code, is amended by striking “1610” and inserting “1611”.

(9) Section 13(b) of the Peace Corps Act (22 U.S.C. 2512(b)) is amended by striking “, subject to section 5532 of title 5, United States Code”.

(10) Section 127(g)(6) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note), as amended by section 311(b) of the Legislative Branch Appropriations Act, 2000 (Public Law 106-57; 113 Stat. 428), is amended—

(A) by striking “AUTHORITIES.—” and all that follows through “An individual” and inserting “AUTHORITIES.—An individual”; and

(B) by striking subparagraph (B).

(11) Section 28 of the Atomic Energy Act of 1954 (42 U.S.C. 2038) is amended in the last sentence by striking “, subject to” and all that follows through the period at the end and inserting a period.

(12) Section 3212 of the National Nuclear Security Administration Act (50 U.S.C. 2402) is amended by redesignating the second subsection (e), added by section 3159(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398; 114 Stat. 1654A-469), as subsection (f).

10 USC 101 note.

(j) COORDINATION WITH OTHER AMENDMENTS.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

SEC. 1049. TERMINATION OF REFERENDUM REQUIREMENT REGARDING CONTINUATION OF MILITARY TRAINING ON ISLAND OF VIEQUES, PUERTO RICO, AND IMPOSITION OF ADDITIONAL CONDITIONS ON CLOSURE OF TRAINING RANGE.

(a) IN GENERAL.—Title XV of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-348) is amended by striking sections 1503, 1504, and 1505 and inserting the following new sections:

“SEC. 1503. CONDITIONS ON CLOSURE OF VIEQUES NAVAL TRAINING RANGE.

“(a) CONDITIONAL AUTHORITY TO CLOSE.—The Secretary of the Navy may close the Vieques Naval Training Range on the island of Vieques, Puerto Rico, and discontinue training at that range only if the Secretary certifies to the President and Congress that both of the following conditions are satisfied:

“(1) One or more alternative training facilities exist that, individually or collectively, provide an equivalent or superior level of training for units of the Navy and the Marine Corps stationed or deployed in the eastern United States.

“(2) The alternative facility or facilities are available and fully capable of supporting such Navy and Marine Corps training immediately upon cessation of training on Vieques.

PUBLIC LAW 107-107—DEC. 28, 2001

“(b) CONSULTATION REQUIRED.—In determining whether the conditions specified in paragraphs (1) and (2) of subsection (a) are satisfied, the Secretary of the Navy shall take into account the written views and recommendations of the Chief of Naval Operations and the Commandant of the Marine Corps. The Secretary shall submit these written views and recommendations to Congress with the certification submitted under subsection (a).

“SEC. 1504. CLOSURE OF VIEQUES NAVAL TRAINING RANGE AND DISPOSAL OF CLOSED RANGE.

“(a) TERMINATION OF TRAINING AND RELATED CLOSURES.—If the conditions specified in section 1503(a) are satisfied and the Secretary of the Navy makes a determination to close the Vieques Naval Training Range and discontinue live-fire training at that range the Secretary of the Navy shall—

“(1) terminate all Navy and Marine Corps training operations on the island of Vieques;

“(2) terminate all Navy and Marine Corps operations at Naval Station Roosevelt Roads, Puerto Rico, that are related exclusively to the use of the training range on the island of Vieques by the Navy and the Marine Corps; and

“(3) close the Navy installations and facilities on the island of Vieques, other than properties exempt from conveyance and transfer under section 1506.

“(b) TRANSFER TO SECRETARY OF THE INTERIOR.—Upon termination of Navy and Marine Corps training operations on the island of Vieques, the Secretary of the Navy shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior—

“(1) the Live Impact Area on the island of Vieques;

“(2) all Department of Defense real properties on the eastern side of the island that are identified as conservation zones; and

“(3) all other Department of Defense real properties on the eastern side of the island.

“(c) ADMINISTRATION BY SECRETARY OF THE INTERIOR.—

“(1) RETENTION AND ADMINISTRATION.—The Secretary of the Interior shall retain, and may not dispose of any of, the properties transferred under paragraphs (2) and (3) of subsection (b) and shall administer such properties as wildlife refuges under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.) pending the enactment of a law that addresses the disposition of such properties.

“(2) LIVE IMPACT AREA.—The Secretary of the Interior shall assume responsibility for the administration of the Live Impact Area upon transfer under paragraph (1) of subsection (b), administer that area as a wilderness area under the Wilderness Act (16 U.S.C. 1131 et seq.), and deny public access to the area.

“(d) LIVE IMPACT AREA DEFINED.—In this section, the term ‘Live Impact Area’ means the parcel of real property, consisting of approximately 900 acres (more or less), on the island of Vieques that is designated by the Secretary of the Navy for targeting by live ordnance in the training of forces of the Navy and Marine Corps.”

(b) CONFORMING AMENDMENT.—Section 1507(c) of such Act (114 Stat. 1654A-355) is amended by striking “the issuance of a proclamation described in section 1504(a) or”.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle F—Other Matters**SEC. 1061. ASSISTANCE FOR FIREFIGHTERS.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Subsection (e) of section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229) is amended to read as follows:

“(e) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated \$900,000,000 for each of the fiscal years 2002 through 2004 for the purposes of this section.

“(2) ADMINISTRATIVE EXPENSES.—Of the funds appropriated pursuant to paragraph (1) for a fiscal year, the Director may use not more than three percent of the funds to cover salaries and expenses and other administrative costs incurred by the Director to operate the office established under subsection (b)(2) and make grants and provide assistance under this section.”.

(b) RESPONSE TO TERRORISM OR USE OF WEAPONS OF MASS DESTRUCTION.—Subsection (b)(3) of such section is amended—

(1) in subparagraph (B), by inserting “(including response to a terrorism incident or use of a weapon of mass destruction)” after “response”;

(2) in subparagraph (H), by striking “and monitoring” and inserting “, monitoring, and response to a terrorism incident or use of a weapon of mass destruction”; and

(3) in subparagraph (I), by inserting “, including protective equipment to respond to a terrorism incident or the use of a weapon of mass destruction” after “personnel” the second place it appears.

(c) TECHNICAL AMENDMENTS.—Subsection (b)(3) of such section is further amended—

(1) by striking “the grant funds—” in the matter preceding subparagraph (A) and inserting “the grant funds for one or more of the following purposes:”;

(2) by capitalizing the initial letter of the first word of each of subparagraphs (A) through (N);

(3) by striking the semicolon at the end of each of subparagraphs (A) through (L) and inserting a period; and

(4) by striking “; or” at the end of subparagraph (M) and inserting a period.

SEC. 1062. EXTENSION OF TIMES FOR COMMISSION ON THE FUTURE OF THE UNITED STATES AEROSPACE INDUSTRY TO REPORT AND TO TERMINATE.

(a) DEADLINE FOR REPORT.—Subsection (d)(1) of section 1092 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-302) is amended by striking “March 1, 2002” and inserting “one year after the date of the first official meeting of the Commission”.

(b) TERMINATION OF COMMISSION.—Subsection (g) of such section is amended by striking “30 days” and inserting “60 days”.

SEC. 1063. APPROPRIATIONS TO RADIATION EXPOSURE COMPENSATION TRUST FUND.

Section 3(e) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended to read as follows:

“(e) APPROPRIATION.—

“(1) IN GENERAL.—There are appropriated to the Fund, out of any money in the Treasury not otherwise appropriated, for fiscal year 2002 and each fiscal year thereafter through fiscal year 2011, such sums as may be necessary, not to exceed the applicable maximum amount specified in paragraph (2), to carry out the purposes of the Fund.

42 USC 2451
note.

42 USC 2451
note.

PUBLIC LAW 107-107—DEC. 28, 2001

“(2) LIMITATION.—Appropriation of amounts to the Fund pursuant to paragraph (1) is subject to the following maximum amounts:

- “(A) For fiscal year 2002, \$172,000,000.
- “(B) For fiscal year 2003, \$143,000,000.
- “(C) For fiscal year 2004, \$107,000,000.
- “(D) For fiscal year 2005, \$65,000,000.
- “(E) For fiscal year 2006, \$47,000,000.
- “(F) For fiscal year 2007, \$29,000,000.
- “(G) For fiscal year 2008, \$29,000,000.
- “(H) For fiscal year 2009, \$23,000,000.
- “(I) For fiscal year 2010, \$23,000,000.
- “(J) For fiscal year 2011, \$17,000,000.”

SEC. 1064. WAIVER OF VEHICLE WEIGHT LIMITS DURING PERIODS OF NATIONAL EMERGENCY.

Section 127 of title 23, United States Code, is amended by adding at the end the following new subsection:

“(h) WAIVER FOR A ROUTE IN STATE OF MAINE DURING PERIODS OF NATIONAL EMERGENCY.—

“(1) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary, in consultation with the Secretary of Defense, may waive or limit the application of any vehicle weight limit established under this section with respect to the portion of Interstate Route 95 in the State of Maine between Augusta and Bangor for the purpose of making bulk shipments of jet fuel to the Air National Guard Base at Bangor International Airport during a period of national emergency in order to respond to the effects of the national emergency.

“(2) APPLICABILITY.—Emergency limits established under paragraph (1) shall preempt any inconsistent State vehicle weight limits.”

SEC. 1065. REPAIR, RESTORATION, AND PRESERVATION OF LAFAYETTE ESCADRILLE MEMORIAL, MARNES-LA-COQUETTE, FRANCE.

(a) AUTHORITY TO MAKE GRANT.—(1) Subject to subsections (b) and (c), the Secretary of the Air Force may make a grant to the Lafayette Escadrille Memorial Foundation, Inc., to be used solely for the purpose of repairing, restoring, and preserving the structure, plaza, and surrounding grounds of the Lafayette Escadrille Memorial in Marnes la-Coquette, France.

(2) The amount of the grant may not exceed \$2,000,000.

(b) CONTRIBUTION OF FUNDS BY FRANCE.—The Secretary of the Air Force may not make the grant authorized by subsection (a) until 30 days after the Secretary submits to Congress a report indicating that the government of France has also contributed funds toward the repair, restoration, and preservation of the memorial. The report shall specify the amount of the funds contributed by the government of France and describe the purpose for which the funds are to be used.

(c) CONDITIONS ON RECEIPT OF GRANT.—(1) The grant under subsection (a) shall be subject to the following conditions:

(A) That the Lafayette Escadrille Memorial Foundation submit to the Secretary of the Air Force an annual report, until the grant funds are fully expended, containing an itemized accounting of expenditures of grant funds and describing the progress made to repair, restore, and preserve the memorial.

(B) That the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, be given access for the purpose of audit and examination to any books, documents, papers, and records of the Lafayette Escadrille Memorial Foundation.

(C) That none of the grant funds be used for remuneration of any entity or individual associated with fundraising for any

PUBLIC LAW 107-107—DEC. 28, 2001

project in connection with the repair, restoration, and preservation of the memorial.

(2) The Secretary shall transmit to Congress a copy of each report received under paragraph (1)(A).

(d) REPORT ON ARCHITECTURAL AND ENGINEERING COSTS.—Not later than one year after the date of the enactment of this Act, the Secretary of the Air Force shall submit to Congress a report containing an estimate of the architectural and engineering costs to be incurred to fully repair, restore, and preserve the memorial and ensure the long-term structural integrity of the memorial. The estimate shall be prepared by a private United States entity, under contract with the Secretary. Funds for the contract shall also be derived from the amount specified in subsection (e).

(e) FUNDS FOR GRANT.—Funds for the grant under subsection (a) shall be derived only from amounts authorized to be appropriated under section 301(a)(4) for operation and maintenance for the Air Force.

TITLE XI—CIVILIAN PERSONNEL MATTERS

Subtitle A—Department of Defense Civilian Personnel

- Sec. 1101. Personnel pay and qualifications authority for Department of Defense Pentagon Reservation civilian law enforcement and security force.
- Sec. 1102. Pilot program for payment of retraining expenses.
- Sec. 1103. Authority of civilian employees to act as notaries.
- Sec. 1104. Authority to appoint certain health care professionals in the excepted service.

Subtitle B—Civilian Personnel Management Generally

- Sec. 1111. Authority to provide hostile fire pay.
- Sec. 1112. Payment of expenses to obtain professional credentials.
- Sec. 1113. Parity in establishment of wage schedules and rates for prevailing rate employees.
- Sec. 1114. Modification of limitation on premium pay.
- Sec. 1115. Participation of personnel in technical standards development activities.
- Sec. 1116. Retention of travel promotional items.
- Sec. 1117. Applicability of certain laws to certain individuals assigned to work in the Federal Government.

Subtitle C—Intelligence Civilian Personnel

- Sec. 1121. Authority to increase maximum number of positions in the Defense Intelligence Senior Executive Service.

Subtitle D—Matters Relating To Retirement

- Sec. 1131. Improved portability of retirement coverage for employees moving between civil service employment and employment by nonappropriated fund instrumentalities.
- Sec. 1132. Federal employment retirement credit for nonappropriated fund instrumentality service.
- Sec. 1133. Modification of limitations on exercise of voluntary separation incentive pay authority and voluntary early retirement authority.

Subtitle A—Department of Defense Civilian Personnel

SEC. 1101. PERSONNEL PAY AND QUALIFICATIONS AUTHORITY FOR DEPARTMENT OF DEFENSE PENTAGON RESERVATION CIVILIAN LAW ENFORCEMENT AND SECURITY FORCE.

Section 2674(b) of title 10, United States Code, is amended—

(1) by inserting “(1)” before the text in the first paragraph of that subsection;

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following new paragraph:
“(2) For positions for which the permanent duty station is the Pentagon Reservation, the Secretary, in his sole and exclusive

PUBLIC LAW 107-107—DEC. 28, 2001

discretion, may without regard to the pay provisions of title 5, fix the rates of basic pay for such positions occupied by civilian law enforcement and security personnel appointed under the authority of this section so as to place such personnel on a comparable basis with personnel of other similar Federal law enforcement and security organizations within the vicinity of the Pentagon Reservation, not to exceed the basic pay for personnel performing similar duties in the United States Secret Service Uniformed Division or the United States Park Police.”.

SEC. 1102. PILOT PROGRAM FOR PAYMENT OF RETRAINING EXPENSES.

10 USC 1597
note.

(a) **AUTHORITY TO CARRY OUT PILOT PROGRAM.**—(1) The Secretary of Defense may establish a pilot program to facilitate the reemployment of eligible employees of the Department of Defense who are involuntarily separated due to a reduction in force, relocation as a result of a transfer of function, realignment, or change of duty station. Under the pilot program, the Secretary may pay retraining incentives to encourage non-Federal employers to hire and retain such eligible employees.

(2) Under the pilot program, the Secretary may enter into an agreement with a non-Federal employer under which the employer agrees—

(A) to employ an eligible employee for at least 12 months at a salary that is mutually agreeable to the employer and the eligible employee; and

(B) to certify to the Secretary the amount of costs incurred by the employer for any necessary training (as defined by the Secretary) provided to such eligible employee in connection with the employment.

(3) The Secretary may pay a retraining incentive to the non-Federal employer upon the employee’s completion of 12 months of continuous employment with that employer. The Secretary shall determine the amount of the incentive, except that in no event may such amount exceed the lesser of the amount certified with respect to such eligible employee under paragraph (2)(B), or \$10,000.

(4) In a case in which an eligible employee does not remain employed by the non-Federal employer for at least 12 months, the Secretary may pay to the employer a prorated amount of what would have been the full retraining incentive if the eligible employee had remained employed for such 12-month period.

(b) **ELIGIBLE EMPLOYEES.**—For purposes of this section, an eligible employee is an employee of the Department of Defense, serving under an appointment without time limitation, who has been employed by the Department for a continuous period of at least 12 months and who has been given notice of separation pursuant to a reduction in force, relocation as a result of a transfer of function, realignment, or change of duty station, except that such term does not include—

(1) a reemployed annuitant under the retirement systems described in subchapter III of chapter 83 of title 5, United States Code, or chapter 84 of such title, or another retirement system for employees of the Federal Government;

(2) an employee who, upon separation from Federal service, is eligible for an immediate annuity under subchapter III of chapter 83 of such title, or subchapter II of chapter 84 of such title; or

(3) an employee who is eligible for disability retirement under any of the retirement systems referred to in paragraph (1).

(c) **DURATION.**—No incentive may be paid under the pilot program for training commenced after September 30, 2005.

(d) **DEFINITIONS.**—In this section:

(1) The term “non-Federal employer” means an employer that is not an Executive agency, as defined in section 105

PUBLIC LAW 107-107—DEC. 28, 2001

of title 5, United States Code, or an entity in the legislative or judicial branch of the Federal Government.

(2) The term “reduction in force” has the meaning of that term as used in chapter 35 of such title 5.

(3) The term “realignment” has the meaning given that term in section 2910 of the Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

SEC. 1103. AUTHORITY OF CIVILIAN EMPLOYEES TO ACT AS NOTARIES.

(a) CLARIFICATION OF STATUS OF CIVILIAN ATTORNEYS ELIGIBLE TO ACT AS NOTARIES.—Subsection (b) of section 1044a of title 10, United States Code, is amended by striking “legal assistance officers” in paragraph (2) and inserting “legal assistance attorneys”.

(b) OTHER CIVILIAN EMPLOYEES DESIGNATED TO ACT AS NOTARIES ABROAD.—Such subsection is further amended by adding at the end the following new paragraph:

“(5) For the performance of notarial acts at locations outside the United States, all employees of a military department or the Coast Guard who are designated by regulations of the Secretary concerned or by statute to have those powers for exercise outside the United States.”.

SEC. 1104. AUTHORITY TO APPOINT CERTAIN HEALTH CARE PROFESSIONALS IN THE EXCEPTED SERVICE.

(a) AUTHORITY.—Chapter 81 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 1599c. Appointment in excepted service of certain health care professionals

“(a) AUTHORITY.—The Secretary of Defense may appoint in the excepted service without regard to the provisions of subchapter I of chapter 33 of title 5 (except as provided in section 3328 of such title and in subsection (c) of this section) an individual who has—

“(1) a recognized degree or certificate from an accredited institution in a covered health care profession or occupation; and

“(2) successfully completed a clinical education program affiliated with the Department of Defense or the Department of Veterans Affairs.

“(b) COVERED HEALTH CARE PROFESSION OR OCCUPATION.—For purposes of subsection (a), a covered health care profession or occupation is any of the following:

“(1) Physician.

“(2) Dentist.

“(3) Podiatrist.

“(4) Optometrist.

“(5) Nurse.

“(6) Physician assistant.

“(7) Expanded-function dental auxiliary.

“(c) PREFERENCES IN HIRING.—In using the authority provided by this section, the Secretary shall apply the principles of preference for the hiring of veterans and other individuals established in subchapter I of chapter 33 of title 5.

“(d) PROBATIONARY PERIOD.—There shall be an initial probationary period of two years for appointments made under the authority of this section.

“(e) PROMOTIONS AND ADVANCEMENT.—(1) Promotions of individuals appointed under the authority of this section shall be made only after an examination performed in accordance with regulations prescribed by the Secretary.

PUBLIC LAW 107-107—DEC. 28, 2001

“(2) Advancement of such individuals within a pay grade may be made in increments of the minimum rate of basic pay of the grade in accordance with regulations prescribed by the Secretary.

“(f) REVIEW OF RECORDS BY BOARD.—The record of each individual appointed under the authority of this section in the medical, dental, and nursing services shall be reviewed periodically by a board, which shall be appointed in accordance with regulations prescribed by the Secretary. If such board finds that such individual is not fully qualified and satisfactory, such individual shall be separated from service.

“(g) ADJUSTMENT OF PAY.—In accordance with regulations prescribed by the Secretary, the grade and annual rate of basic pay of an individual appointed under this section whose level of assignment is changed from a level of assignment in which the grade level is based on both the nature of the assignment and qualifications may be adjusted to the grade and annual rate of basic pay otherwise appropriate.

“(h) APPOINTMENT TO ADDITIONAL POSITIONS.—(1) The Secretary may use the authority of this subsection (subject to paragraph (2)) to establish the qualifications for, and appoint and advance an individual in the Department of Defense as—

“(A) a clinical or counseling psychologist (if such psychologist holds a diploma as a diplomate in psychology from an accrediting authority approved by the Secretary);

“(B) a certified or registered respiratory therapist;

“(C) a licensed physical therapist;

“(D) a licensed practical or vocational nurse;

“(E) a pharmacist; or

“(F) an occupational therapist.

“(2) Notwithstanding any other provision of this title or any other law, all matters relating to adverse actions, disciplinary actions, and grievance procedures involving an individual appointed to a position described in paragraph (1) (including such actions and procedures involving an employee in a probationary status) shall be resolved under the provisions of title 5 as though such individual had been appointed under such title.

“(i) REINSTATEMENT.—In determining eligibility for reinstatement in the civil service of individuals appointed to positions in the Department of Defense under this section who at the time of appointment have a civil service status and whose employment in the Department of Defense is terminated, the period of service performed in the Department shall be included in computing the period of service under applicable civil service regulations.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“1599c. Appointment in excepted service of certain health care professionals.”.

Subtitle B—Civilian Personnel Management Generally

SEC. 1111. AUTHORITY TO PROVIDE HOSTILE FIRE PAY.

(a) IN GENERAL.—Subchapter IV of chapter 59 of title 5, United States Code, is amended by adding at the end the following new section:

“§ 5949. Hostile fire pay

“(a) The head of an Executive agency may pay an employee hostile fire pay at the rate of \$150 for any month in which the employee was—

“(1) subject to hostile fire or explosion of hostile mines;

“(2) on duty in an area in which the employee was in imminent danger of being exposed to hostile fire or explosion

PUBLIC LAW 107-107—DEC. 28, 2001

of hostile mines and in which, during the period on duty in that area, other employees were subject to hostile fire or explosion of hostile mines; or

“(3) killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action.

“(b) An employee covered by subsection (a)(3) who is hospitalized for the treatment of his or her injury or wound may be paid hostile fire pay under this section for not more than three additional months during which the employee is so hospitalized.

“(c) An employee may be paid hostile fire pay under this section in addition to other pay and allowances to which entitled, except that an employee may not be paid hostile fire pay under this section for periods of time during which the employee receives payment under section 5925 of this title because of exposure to political violence or payment under section 5928 of this title.”.

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of chapter 59 of such title is amended by inserting at the end the following new item:

“5949. Hostile fire pay.”.

10 USC 5949
note.

(c) EFFECTIVE DATE.—This provision is effective as if enacted into law on September 11, 2001, and may be applied with respect to any hostile action that took place on or after that date.

SEC. 1112. PAYMENT OF EXPENSES TO OBTAIN PROFESSIONAL CREDENTIALS.

(a) IN GENERAL.—Chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

“§ 5757. Payment of expenses to obtain professional credentials

“(a) An agency may use appropriated funds or funds otherwise available to the agency to pay for—

“(1) expenses for employees to obtain professional credentials, including expenses for professional accreditation, State-imposed and professional licenses, and professional certification; and

“(2) examinations to obtain such credentials.

“(b) The authority under subsection (a) may not be exercised on behalf of any employee occupying or seeking to qualify for appointment to any position that is excepted from the competitive service because of the confidential, policy-determining, policy-making, or policy-advocating character of the position.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“5757. Payment of expenses to obtain professional credentials.”.

SEC. 1113. PARITY IN ESTABLISHMENT OF WAGE SCHEDULES AND RATES FOR PREVAILING RATE EMPLOYEES.

(a) IN GENERAL.—Paragraph (2) of section 5343(d) of title 5, United States Code, is amended to read as follows:

“(2) When the lead agency determines that there is a number of comparable positions in private industry insufficient to establish the wage schedules and rates, such agency shall establish the wage schedules and rates on the basis of—

“(A) local private industry rates; and

“(B) rates paid for comparable positions in private industry in the nearest wage area that such agency determines is most similar in the nature of its population, employment, manpower, and industry to the local wage area for which the wage survey is being made.”.

5 USC 5343 note.

(b) EFFECTIVE DATE.—Wage adjustments made pursuant to the amendment made by this section shall take effect in each applicable wage area on the first normal effective date of the

PUBLIC LAW 107-107—DEC. 28, 2001

applicable wage survey adjustment that occurs after the date of the enactment of this Act.

SEC. 1114. MODIFICATION OF LIMITATION ON PREMIUM PAY.

(a) IN GENERAL.—Section 5547 of title 5, United States Code, is amended to read as follows:

“§ 5547. Limitation on premium pay

“(a) An employee may be paid premium pay under sections 5542, 5545 (a), (b), and (c), 5545a, and 5546 (a) and (b) only to the extent that the payment does not cause the aggregate of basic pay and such premium pay for any pay period for such employee to exceed the greater of—

“(1) the maximum rate of basic pay payable for GS-15 (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law); or

“(2) the rate payable for level V of the Executive Schedule.

“(b)(1) Subject to regulations prescribed by the Office of Personnel Management, subsection (a) shall not apply to an employee who is paid premium pay by reason of work in connection with an emergency (including a wildfire emergency) that involves a direct threat to life or property, including work performed in the aftermath of such an emergency.

“(2) Notwithstanding paragraph (1), no employee referred to in such paragraph may be paid premium pay under the provisions of law cited in subsection (a) if, or to the extent that, the aggregate of the basic pay and premium pay under those provisions for such employee would, in any calendar year, exceed the greater of—

“(A) the maximum rate of basic pay payable for GS-15 in effect at the end of such calendar year (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law); or

“(B) the rate payable for level V of the Executive Schedule in effect at the end of such calendar year.

“(3) Subject to regulations prescribed by the Office of Personnel Management, the head of an agency may determine that subsection (a) shall not apply to an employee who is paid premium pay to perform work that is critical to the mission of the agency. Such employees may be paid premium pay under the provisions of law cited in subsection (a) if, or to the extent that, the aggregate of the basic pay and premium pay under those provisions for such employee would not, in any calendar year, exceed the greater of—

“(A) the maximum rate of basic pay payable for GS-15 in effect at the end of such calendar year (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law); or

“(B) the rate payable for level V of the Executive Schedule in effect at the end of such calendar year.

“(c) The Office of Personnel Management shall prescribe regulations governing the methods of applying subsection (b)(2) and (b)(3) to employees who receive premium pay under section 5545(c) or 5545a, or to firefighters covered by section 5545b who receive overtime pay for hours in their regular tour of duty, and the method of payment to such employees. Such regulations may limit the payment of such premium pay on a biweekly basis.

“(d) This section shall not apply to any employee of the Federal Aviation Administration or the Department of Defense who is paid premium pay under section 5546a.”

Regulations.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) **CONFORMING AMENDMENT.**—Section 118 of the Treasury and General Government Appropriations Act, 2001 (as enacted into law by section 1(3) of Public Law 106-554; 114 Stat. 2763A-134) is amended by striking “limitation on the rate of pay payable during a pay period contained in section 5547(c)(2)” and inserting “restrictions contained in section 5547”.

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall take effect on the first day of the first pay period beginning on or after the date that is 120 days following the date of enactment of this Act.

SEC. 1115. PARTICIPATION OF PERSONNEL IN TECHNICAL STANDARDS DEVELOPMENT ACTIVITIES.

Subsection (d) of section 12 of the National Technology Transfer and Advancement Act of 1995 (Pub. Law 104-113; 15 U.S.C. 272 note) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and
 (2) by inserting after paragraph (3) the following new paragraph (4):

“(4) **EXPENSES OF GOVERNMENT PERSONNEL.**—Section 5946 of title 5, United States Code, shall not apply with respect to any activity of an employee of a Federal agency or department that is determined by the head of that agency or department as being an activity undertaken in carrying out this subsection.”.

5 USC 5702 note. **SEC. 1116. RETENTION OF TRAVEL PROMOTIONAL ITEMS.**

(a) **DEFINITION.**—In this section, the term “agency” has the meaning given that term under section 5701 of title 5, United States Code.

(b) **RETENTION OF TRAVEL PROMOTIONAL ITEMS.**—To the extent provided under subsection (c), a Federal employee, member of the Foreign Service, member of a uniformed service, any family member or dependent of such an employee or member, or other individual who receives a promotional item (including frequent flyer miles, upgrade, or access to carrier clubs or facilities) as a result of using travel or transportation services obtained at Federal Government expense or accepted under section 1353 of title 31, United States Code, may retain the promotional item for personal use if the promotional item is obtained under the same terms as those offered to the general public and at no additional cost to the Federal Government.

(c) **LIMITATION.**—Subsection (b)—

(1) applies only to travel that—

(A) is at the expense of an agency; or

(B) is accepted by an agency under section 1353 of title 31, United States Code; and

(2) does not apply to travel by any officer, employee, or other official of the Government who is not in or under any agency.

(d) **REGULATORY AUTHORITY.**—Any agency with authority to prescribe regulations governing the acquisition, acceptance, use, or disposal of any travel or transportation services obtained at Government expense or accepted under section 1353 of title 31, United States Code, may prescribe regulations to carry out subsection (b) with respect to those travel or transportation services.

(e) **REPEAL OF SUPERSEDED LAW.**—Section 6008 of the Federal Acquisition Streamlining Act of 1994 (5 U.S.C. 5702 note; Public Law 103-355) is repealed.

(f) **APPLICABILITY.**—This section shall apply with respect to promotional items received before, on, or after the date of enactment of this Act.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 1117. APPLICABILITY OF CERTAIN LAWS TO CERTAIN INDIVIDUALS ASSIGNED TO WORK IN THE FEDERAL GOVERNMENT.

Section 3374(c)(2) of title 5, United States Code, is amended by inserting “the Ethics in Government Act of 1978, section 27 of the Office of Federal Procurement Policy Act,” after “chapter 73 of this title.”

Subtitle C—Intelligence Civilian Personnel**SEC. 1121. AUTHORITY TO INCREASE MAXIMUM NUMBER OF POSITIONS IN THE DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.**

Section 1606(a) of title 10, United States Code, is amended by striking “517” and inserting “544”.

Subtitle D—Matters Relating To Retirement**SEC. 1131. IMPROVED PORTABILITY OF RETIREMENT COVERAGE FOR EMPLOYEES MOVING BETWEEN CIVIL SERVICE EMPLOYMENT AND EMPLOYMENT BY NONAPPROPRIATED FUND INSTRUMENTALITIES.**

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8347(q) of title 5, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting “and” at the end of subparagraph

(A);

(B) by striking subparagraph (B); and

(C) by redesignating subparagraph (C) as subparagraph (B); and

(2) in paragraph (2)(B)—

(A) by striking “vested”; and

(B) by striking “, as the term” and all that follows through “such system”.

(b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—Section 8461(n) of such title is amended—

(1) in paragraph (1)—

(A) by inserting “and” at the end of subparagraph

(A);

(B) by striking subparagraph (B); and

(C) by redesignating subparagraph (C) as subparagraph (B); and

(2) in paragraph (2)(B)—

(A) by striking “vested”; and

(B) by striking “, as the term” and all that follows through “such system”.

SEC. 1132. FEDERAL EMPLOYMENT RETIREMENT CREDIT FOR NON-APPROPRIATED FUND INSTRUMENTALITY SERVICE.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—(1) Section 8332(b) of title 5, United States Code, is amended—

(A) by striking “and” at the end of paragraph (15);

(B) by striking the period at the end of paragraph (16) and inserting “; and”;

(C) by inserting after paragraph (16) the following new paragraph:

“(17) service performed by any individual as an employee paid from nonappropriated funds of an instrumentality of the Department of Defense or the Coast Guard described in section 2105(c) that is not covered by paragraph (16) and that is not otherwise creditable, if the individual elects (in accordance

PUBLIC LAW 107-107—DEC. 28, 2001

with regulations prescribed by the Office) to have such service credited under this paragraph.”;

(D) in the last sentence, by inserting “or (17)” after “service of the type described in paragraph (16)”;

(E) by inserting after the last sentence the following: “Service credited under paragraph (17) may not also be credited under any other retirement system provided for employees paid from nonappropriated funds of a nonappropriated fund instrumentality.”.

(2) Section 8334 of such title is amended by adding at the end the following new subsection:

“(n) Notwithstanding subsection (c), no deposit may be made with respect to service credited under section 8332(b)(17).”.

(3) Section 8339 of such title is amended by adding at the end the following new subsection:

“(u) The annuity of an employee retiring under this subchapter with service credited under section 8332(b)(17) shall be reduced by the amount necessary to ensure that the present value of the annuity payable to the employee is actuarially equivalent to the present value of the annuity that would be payable to the employee under this subchapter if it were computed—

“(1) on the basis of service that does not include service credited under section 8332(b)(17); and

“(2) assuming the employee separated from service on the actual date of the separation of the employee.

The amount of the reduction shall be computed under regulations prescribed by the Office of Personnel Management for the administration of this subsection.”.

(b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—(1) Section 8411 of such title is amended—

(A) in subsection (b)—

(i) by striking “and” at the end of paragraph (4);

(ii) by striking the period at the end of paragraph

(5) and inserting “; and”; and

(iii) by inserting after paragraph (5) the following new paragraph:

“(6) service performed by any individual as an employee paid from nonappropriated funds of an instrumentality of the Department of Defense or the Coast Guard described in section 2105(c) that is not otherwise creditable, if the individual elects (in accordance with regulations prescribed by the Office) to have such service credited under this paragraph.”;

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

“(k)(1) The Office of Personnel Management shall accept, for the purposes of this chapter, the certification of the head of a nonappropriated fund instrumentality of the United States concerning service of the type described in subsection (b)(6) that was performed for such nonappropriated fund instrumentality.

“(2) Service credited under subsection (b)(6) may not also be credited under any other retirement system provided for employees paid from nonappropriated funds of a nonappropriated fund instrumentality.”.

(2)(A) Section 8422 of such title is amended by adding at the end the following new subsection:

“(h) No deposit may be made with respect to service credited under section 8411(b)(6).”.

(B) The heading for such section is amended to read as follows:

“§ 8422. Deductions from pay; contributions for other service”.

(C) The item relating to such section in the table of contents at the beginning of chapter 84 of title 5, United States Code, is amended to read as follows:

“8422. Deductions from pay; contributions for other service.”.

PUBLIC LAW 107-107—DEC. 28, 2001

(3) Section 8415 of such title is amended by adding at the end the following new subsection:

“(j) The annuity of an employee retiring under this chapter with service credited under section 8411(b)(6) shall be reduced by the amount necessary to ensure that the present value of the annuity payable to the employee under this subchapter is actuarially equivalent to the present value of the annuity that would be payable to the employee under this subchapter if it were computed—

“(1) on the basis of service that does not include service credited under section 8411(b)(6); and

“(2) assuming the employee separated from service on the actual date of the separation of the employee.

The amount of the reduction shall be computed under regulations prescribed by the Office of Personnel Management for the administration of this subsection.”

(c) **APPLICABILITY.**—The amendments made by this section shall apply only to separations from service as an employee of the United States on or after the date of the enactment of this Act.

5 USC 8332 note.

SEC. 1133. MODIFICATION OF LIMITATIONS ON EXERCISE OF VOLUNTARY SEPARATION INCENTIVE PAY AUTHORITY AND VOLUNTARY EARLY RETIREMENT AUTHORITY.

(a) **IN GENERAL.**—Section 1153(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-323) is amended—

5 USC 5597 note.

(1) in paragraph (1)—

(A) by striking “(1) Subject to paragraph (2), the” and inserting “The”;

(B) by striking “in each of fiscal years 2002 and 2003, not more than 4000 employees of the Department of Defense are” and inserting “in fiscal year 2002 not more than 2000 employees of the Department of Defense are, and in fiscal year 2003 not more than 6000 employees of the Department of Defense are”; and

(C) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively; and
(2) by striking paragraph (2).

(b) **CONSTRUCTION.**—The amendments made by subsection (a) may be superceded by another provision of law that takes effect after the date of the enactment of this Act, and before October 1, 2003, establishing a uniform system of providing voluntary separation incentives (including a system for requiring approval of plans by the Office of Management and Budget) for employees of the Federal Government.

5 USC 5597 note.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—Matters Related to Arms Control and Monitoring

- Sec. 1201. Clarification of authority to furnish nuclear test monitoring equipment to foreign governments.
- Sec. 1202. Limitation on funding for Joint Data Exchange Center in Moscow.
- Sec. 1203. Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.
- Sec. 1204. Authority for employees of Federal Government contractors to accompany chemical weapons inspection teams at Government-owned facilities.
- Sec. 1205. Plan for securing nuclear weapons, material, and expertise of the states of the former Soviet Union.

Subtitle B—Matters Relating to Allies and Friendly Foreign Nations

- Sec. 1211. Acquisition of logistical support for security forces.
- Sec. 1212. Extension of authority for international cooperative research and development projects.
- Sec. 1213. Cooperative agreements with foreign countries and international organizations for reciprocal use of test facilities.

PUBLIC LAW 107-107—DEC. 28, 2001

Sec. 1214. Sense of Congress on allied defense burdensharing.

Subtitle C—Reports

Sec. 1221. Report on significant sales and transfers of military hardware, expertise, and technology to the People's Republic of China.

Sec. 1222. Repeal of requirement for reporting to Congress on military deployments to Haiti.

Sec. 1223. Report by Comptroller General on provision of defense articles, services, and military education and training to foreign countries and international organizations.

Subtitle A—Matters Related to Arms Control and Monitoring

SEC. 1201. CLARIFICATION OF AUTHORITY TO FURNISH NUCLEAR TEST MONITORING EQUIPMENT TO FOREIGN GOVERN- MENTS.

(a) REDESIGNATION OF EXISTING SECTION.—(1) The second section 2555 of title 10, United States Code, added by section 1203(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-324), is redesignated as section 2565.

(2) The item relating to that section in the table of sections at the beginning of chapter 152 of that title is amended to read as follows:

“2565. Nuclear test monitoring equipment: furnishing to foreign governments.”.

(b) CLARIFICATION OF AUTHORITY.—Section 2565 of that title, as so redesignated by subsection (a), is amended—

(1) in subsection (a)—

(A) by striking “CONVEY OR” in the subsection heading and inserting “TRANSFER TITLE TO OR OTHERWISE”;

(B) in paragraph (1)—

(i) by striking “convey” and inserting “transfer title”; and

(ii) by striking “and” at the end;

(C) by striking the period at the end of paragraph (2) and inserting “; and”; and

(D) by adding at the end the following new paragraph: “(3) inspect, test, maintain, repair, or replace any such equipment.”; and

(2) in subsection (b)—

(A) by striking “conveyed or otherwise provided” and inserting “provided to a foreign government”;

(B) by inserting “and” at the end of paragraph (1);

(C) by striking “; and” at the end of paragraph (2) and inserting a period; and

(D) by striking paragraph (3).

SEC. 1202. LIMITATION ON FUNDING FOR JOINT DATA EXCHANGE CENTER IN MOSCOW.

(a) LIMITATION.—Not more than 50 percent of the funds made available to the Department of Defense for fiscal year 2002 for activities associated with the Joint Data Exchange Center in Moscow, Russia, may be obligated for any such activity until—

(1) the United States and the Russian Federation enter into a cost-sharing agreement as described in subsection (d) of section 1231 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106-398 (114 Stat. 1654A-329);

(2) the United States and the Russian Federation enter into an agreement or agreements exempting the United States and any United States person from Russian taxes, and from liability under Russian laws, with respect to activities associated with the Joint Data Exchange Center;

PUBLIC LAW 107-107—DEC. 28, 2001

(3) the Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a copy of each agreement referred to in paragraphs (1) and (2); and

(4) a period of 30 days has expired after the date of the final submission under paragraph (3).

(b) **JOINT DATA EXCHANGE CENTER.**—For purposes of this section, the term “Joint Data Exchange Center” means the United States-Russian Federation joint center for the exchange of data to provide early warning of launches of ballistic missiles and for notification of such launches that is provided for in a joint United States-Russian Federation memorandum of agreement signed in Moscow in June 2000.

SEC. 1203. SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) **LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2002.**—The total amount of the assistance for fiscal year 2002 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the Department of Defense in support of activities under that Act may not exceed \$15,000,000.

(b) **EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.**—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended by striking “2001” and inserting “2002”.

SEC. 1204. AUTHORITY FOR EMPLOYEES OF FEDERAL GOVERNMENT CONTRACTORS TO ACCOMPANY CHEMICAL WEAPONS INSPECTION TEAMS AT GOVERNMENT-OWNED FACILITIES.

(a) **AUTHORITY.**—Section 303(b)(2) of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6723(b)(2)) is amended by inserting after “designation of employees of the Federal Government” the following: “(and, in the case of an inspection of a United States Government facility, the designation of contractor personnel who shall be led by an employee of the Federal Government)”.

(b) **CREDENTIALS.**—Section 304(c) of such Act (22 U.S.C. 6724(c)) is amended by striking “Federal government” and inserting “Federal Government (and, in the case of an inspection of a United States Government facility, any accompanying contractor personnel)”.

SEC. 1205. PLAN FOR SECURING NUCLEAR WEAPONS, MATERIAL, AND EXPERTISE OF THE STATES OF THE FORMER SOVIET UNION.

(a) **PLAN REQUIRED.**—Not later than June 15, 2002, the President shall submit to Congress a plan, that has been developed in coordination with all relevant Federal agencies—

Deadline.
President.

(1) for cooperating with Russia on disposing, as soon as practicable, of nuclear weapons and weapons-usable nuclear material in Russia that Russia does not retain in its nuclear arsenals;

(2) for assisting Russia in downsizing its nuclear weapons research and production complex;

(3) for cooperating with the other states of the former Soviet Union on disposing, as soon as practicable, of all nuclear weapons and weapons-usable nuclear material in such states; and

(4) for preventing the outflow from the states of the former Soviet Union of scientific expertise that could be used for developing nuclear weapons, other weapons of mass destruction, and delivery systems for such weapons.

(b) **CONTENT OF PLAN.**—The plan required by subsection (a) shall include the following:

PUBLIC LAW 107-107—DEC. 28, 2001

(1) Specific goals and measurable objectives for programs that are designed to carry out the objectives described in subsection (a).

(2) Criteria for success for such programs, and a strategy for eventual termination of United States contributions to such programs and assumption of the ongoing support of those programs by others.

(3) A description of any administrative and organizational changes necessary to improve the coordination and effectiveness of such programs. In particular, the plan shall include consideration of the creation of an interagency committee that would have primary responsibilities within the executive branch for—

(A) monitoring United States nonproliferation efforts in the states of the former Soviet Union;

(B) coordinating the implementation of United States policy with respect to such efforts; and

(C) recommending to the President integrated policies, budget options, and private sector and international contributions for such programs.

(4) An estimate of the cost of carrying out such programs.

(c) CONSULTATION.—In developing the plan required by subsection (a), the President—

(1) is encouraged to consult with the relevant states of the former Soviet Union regarding the practicality of various options; and

(2) shall consult with the majority and minority leadership of the appropriate committees of Congress.

Subtitle B—Matters Relating to Allies and Friendly Foreign Nations

SEC. 1211. ACQUISITION OF LOGISTICAL SUPPORT FOR SECURITY FORCES.

Section 5 of the Multinational Force and Observers Participation Resolution (22 U.S.C. 3424) is amended by adding at the end the following new subsection:

Contracts.

“(d)(1) The United States may use contractors to provide logistical support to the Multinational Force and Observers under this section in lieu of providing such support through a logistical support unit comprised of members of the United States Armed Forces.

“(2) Notwithstanding subsections (a) and (b) and section 7(b), support by a contractor under this subsection may be provided without reimbursement whenever the President determines that such action enhances or supports the national security interests of the United States.”.

SEC. 1212. EXTENSION OF AUTHORITY FOR INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT PROJECTS.

(a) ELIGIBILITY OF FRIENDLY FOREIGN COUNTRIES.—Section 2350a of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting “(1)” after “(a) AUTHORITY TO ENGAGE IN COOPERATIVE R&D PROJECTS.—”;

(B) by striking “major allies of the United States or NATO organizations” and inserting “countries or organizations referred to in paragraph (2)”; and

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

“(2) The countries and organizations with which the Secretary may enter into a memorandum of agreement (or other formal agreement) under paragraph (1) are as follows:

“(A) The North Atlantic Treaty Organization.

“(B) A NATO organization.

PUBLIC LAW 107-107—DEC. 28, 2001

“(C) A member nation of the North Atlantic Treaty Organization.

“(D) A major non-NATO ally.

“(E) Any other friendly foreign country.”;

(2) in subsection (b)(1)—

(A) by striking “its major non-NATO allies” and inserting “a country or organization referred to in subsection (a)(2)”; and

(B) by striking “(NATO)”; and

(3) in subsection (d)—

(A) in paragraph (1), by striking “the major allies of the United States” and inserting “countries and organizations referred to in subsection (a)(2)”; and

(B) in paragraph (2)—

(i) by striking “major ally of the United States” and inserting “country or organization referred to in subsection (a)(2)”; and

(ii) by striking “that ally’s contribution” and inserting “the contribution of that country or organization”; and

(4) in subsection (e)(2)—

(A) in subparagraph (A), by striking “one or more of the major allies of the United States” and inserting “any country or organization referred to in subsection (a)(2)”; and

(B) in subparagraph (B), by striking “major allies of the United States or NATO organizations” and inserting “countries and organizations referred to in subsection (a)(2)”; and

(C) in subparagraph (C), by striking “major allies of the United States” and inserting “countries and organizations referred to in subsection (a)(2)”; and

(D) in subparagraph (D), by striking “major allies of the United States” and inserting “countries and organizations referred to in subsection (a)(2)”; and

(5) paragraphs (1)(A) and (4)(A) of subsection (g), by striking “major allies of the United States and other friendly foreign countries” and inserting “countries referred to in subsection (a)(2)”; and

(6) in subsection (h), by striking “major allies of the United States” and inserting “member nations of the North Atlantic Treaty Organization, major non-NATO allies, and other friendly foreign countries”; and

(7) in subsection (i)—

(A) in paragraph (1), by striking “major allies of the United States or NATO organizations” and inserting “countries and organizations referred to in subsection (a)(2)”; and

(B) by striking paragraph (2); and

(C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) NOTICE-AND-WAIT REQUIREMENT.—Subsection (a) of such section is further amended by adding at the end the following new paragraph:

“(3) If such a memorandum of understanding (or other formal agreement) is with a country referred to in subparagraph (E) of paragraph (2), such memorandum (or agreement) may go into effect only after the Secretary submits to the Committees on Armed Services and on Foreign Relations of the Senate and to the Committees on Armed Services and on International Relations of the House of Representatives a report with respect to the proposed memorandum (or agreement) and a period of 30 days has passed after the report has been submitted.”.

(c) DELEGATION OF AUTHORITY TO DETERMINE ELIGIBILITY OF PROJECTS.—Subsection (b)(2) of such section is amended by striking “to the Deputy Secretary of Defense” and all that follows through the period at the end and inserting “to the Deputy Secretary of Defense and to one other official of the Department of Defense.”.

PUBLIC LAW 107-107—DEC. 28, 2001

(d) REVISION OF REQUIREMENT FOR ANNUAL REPORT ON ELIGIBLE COUNTRIES.—Subsection (f)(2) of such section is amended to read as follows:

Deadline.

“(2) Not later than January 1 of each year, the Secretary of Defense shall submit to the Committees on Armed Services and on Foreign Relations of the Senate and to the Committees on Armed Services and on International Relations of the House of Representatives a report specifying—

“(A) the countries that are eligible to participate in a cooperative project agreement under this section; and

“(B) the criteria used to determine the eligibility of such countries.”.

(e) CONFORMING AMENDMENTS.—(1) The heading of such section is amended to read as follows:

“§ 2350a. Cooperative research and development agreements: NATO organizations; allied and friendly foreign countries”.

(2) The item relating to such section in the table of sections at the beginning of subchapter II of chapter 138 of title 10, United States Code, is amended to read as follows:

“2350a. Cooperative research and development agreements: NATO organizations; allied and friendly foreign countries.”.

SEC. 1213. COOPERATIVE AGREEMENTS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS FOR RECIPROCAL USE OF TEST FACILITIES.

(a) AUTHORITY.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2350l. Cooperative agreements for reciprocal use of test facilities: foreign countries and international organizations

“(a) AUTHORITY.—The Secretary of Defense, with the concurrence of the Secretary of State, may enter into a memorandum of understanding (or other formal agreement) with a foreign country or international organization to provide for the testing, on a reciprocal basis, of defense equipment (1) by the United States using test facilities of that country or organization, and (2) by that country or organization using test facilities of the United States.

“(b) PAYMENT OF COSTS.—A memorandum or other agreement under subsection (a) shall provide that, when a party to the agreement uses a test facility of another party to the agreement, the party using the test facility is charged by the party providing the test facility in accordance with the following principles:

“(1) The user party shall be charged the amount equal to the direct costs incurred by the provider party in furnishing test and evaluation services by the providing party’s officers, employees, or governmental agencies.

“(2) The user party may also be charged indirect costs relating to the use of the test facility, but only to the extent specified in the memorandum or other agreement.

“(c) DETERMINATION OF INDIRECT COSTS; DELEGATION OF AUTHORITY.—(1) The Secretary of Defense shall determine the appropriateness of the amount of indirect costs charged by the United States pursuant to subsection (b)(2).

“(2) The Secretary may delegate the authority under paragraph (1) only to the Deputy Secretary of Defense and to one other official of the Department of Defense.

“(d) RETENTION OF FUNDS COLLECTED BY THE UNITED STATES.—Amounts collected by the United States from a party using a test facility of the United States pursuant to a memorandum or other agreement under this section shall be credited to the appro-

PUBLIC LAW 107-107—DEC. 28, 2001

priation accounts from which the costs incurred by the United States in providing such test facility were paid.

“(e) DEFINITIONS.—In this section:

“(1) The term ‘direct cost’, with respect to the use of a test facility pursuant to a memorandum or other agreement under subsection (a)—

“(A) means any item of cost that is easily and readily identified to a specific unit of work or output within the test facility where the use occurred, that would not have been incurred if such use had not occurred; and

“(B) may include costs of labor, materials, facilities, utilities, equipment, supplies, and any other resources of the test facility that are consumed or damaged in connection with—

“(i) the use; or

“(ii) the maintenance of the test facility for purposes of the use.

“(2) The term ‘indirect cost’, with respect to the use of a test facility pursuant to a memorandum or other agreement under subsection (a)—

“(A) means any item of cost that is not easily and readily identified to a specific unit of work or output within the test facility where the use occurred; and

“(B) may include general and administrative expenses for such activities as supporting base operations, manufacturing, supervision, procurement of office supplies, and utilities that are accumulated costs allocated among several users.

“(3) The term ‘test facility’ means a range or other facility at which testing of defense equipment may be carried out.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

“2350l. Cooperative agreements for reciprocal use of test facilities: foreign countries and international organizations.”.

SEC. 1214. SENSE OF CONGRESS ON ALLIED DEFENSE BURDEN-SHARING.

It is the sense of Congress that—

(1) the efforts of the President to increase defense burdensharing by allied and friendly nations deserve strong support; and

(2) host nation support agreements with those nations in which United States military personnel are assigned to permanent duty ashore should be negotiated consistent with section 1221(a)(1) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 50 U.S.C. 1541(a)(1)), which sets forth a goal of obtaining from any such host nation financial contributions that amount to 75 percent of the nonpersonnel costs incurred by the United States Government for stationing United States military personnel in that nation.

Subtitle C—Reports

SEC. 1221. REPORT ON SIGNIFICANT SALES AND TRANSFERS OF MILITARY HARDWARE, EXPERTISE, AND TECHNOLOGY TO THE PEOPLE’S REPUBLIC OF CHINA.

Section 1202 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 781; 10 U.S.C. 113 note) is amended by adding at the end the following new subsection:

“(d) REPORT ON SIGNIFICANT SALES AND TRANSFERS TO CHINA.—

(1) The report to be submitted under this section not later than March 1, 2002, shall include in a separate section a report describ-

Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

ing any significant sale or transfer of military hardware, expertise, and technology to the People's Republic of China. The report shall set forth the history of such sales and transfers since 1995, forecast possible future sales and transfers, and address the implications of those sales and transfers for the security of the United States and its friends and allies in Asia.

“(2) The report shall include analysis and forecasts of the following matters related to military cooperation between selling states and the People's Republic of China:

“(A) The extent in each selling state of government knowledge, cooperation, or condoning of sales or transfers of military hardware, expertise, or technology to the People's Republic of China.

“(B) An itemization of significant sales and transfers of military hardware, expertise, or technology from each selling state to the People's Republic of China that have taken place since 1995, with a particular focus on command, control, communications, and intelligence systems.

“(C) Significant assistance by any selling state to key research and development programs of China, including programs for development of weapons of mass destruction and delivery vehicles for such weapons, programs for development of advanced conventional weapons, and programs for development of unconventional weapons.

“(D) The extent to which arms sales by any selling state to the People's Republic of China are a source of funds for military research and development or procurement programs in the selling state.

“(3) The report under paragraph (1) shall include, with respect to each area of analysis and forecasts specified in paragraph (2)—

“(A) an assessment of the military effects of such sales or transfers to entities in the People's Republic of China;

“(B) an assessment of the ability of the People's Liberation Army to assimilate such sales or transfers, mass produce new equipment, or develop doctrine for use; and

“(C) the potential threat of developments related to such effects on the security interests of the United States and its friends and allies in Asia.”.

SEC. 1222. REPEAL OF REQUIREMENT FOR REPORTING TO CONGRESS ON MILITARY DEPLOYMENTS TO HAITI.

Section 1232(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 788; 50 U.S.C. 1541 note) is repealed.

SEC. 1223. REPORT BY COMPTROLLER GENERAL ON PROVISION OF DEFENSE ARTICLES, SERVICES, AND MILITARY EDUCATION AND TRAINING TO FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS.

(a) **STUDY.**—The Comptroller General shall conduct a study of the following:

(1) The benefits derived by each foreign country or international organization from the receipt of defense articles, defense services, or military education and training provided after December 31, 1989, pursuant to the drawdown of such articles, services, or education and training from the stocks of the Department of Defense under section 506, 516, or 552 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318, 2321j, or 2348a) or any other provision of law.

(2) Any benefits derived by the United States from the provision of defense articles, defense services, and military education and training described in paragraph (1).

(3) The effect on the readiness of the Armed Forces as a result of the provision by the United States of defense articles,

PUBLIC LAW 107-107—DEC. 28, 2001

defense services, and military education and training described in paragraph (1).

(4) The cost to the Department of Defense with respect to the provision of defense articles, defense services, and military education and training described in paragraph (1).

(b) **REPORTS.**—(1) Not later than April 15, 2002, the Comptroller General shall submit to Congress an interim report containing the results to that date of the study conducted under subsection (a). Deadline.

(2) Not later than August 1, 2002, the Comptroller General shall submit to Congress a final report containing the results of the study conducted under subsection (a). Deadline.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.

Sec. 1302. Funding allocations.

Sec. 1303. Limitation on use of funds until submission of reports.

Sec. 1304. Requirement to consider use of revenue generated by activities carried out under Cooperative Threat Reduction programs.

Sec. 1305. Prohibition against use of funds for second wing of fissile material storage facility.

Sec. 1306. Prohibition against use of funds for certain construction activities.

Sec. 1307. Reports on activities and assistance under Cooperative Threat Reduction programs.

Sec. 1308. Chemical weapons destruction.

Sec. 1309. Additional matter in annual report on activities and assistance under Cooperative Threat Reduction programs.

SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS. 22 USC 5952 note.

(a) **SPECIFICATION OF CTR PROGRAMS.**—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) **FISCAL YEAR 2002 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.**—As used in this title, the term “fiscal year 2002 Cooperative Threat Reduction funds” means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) **AVAILABILITY OF FUNDS.**—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1302. FUNDING ALLOCATIONS.

(a) **FUNDING FOR SPECIFIC PURPOSES.**—Of the \$403,000,000 authorized to be appropriated to the Department of Defense for fiscal year 2002 in section 301(23) for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, \$133,405,000.

(2) For strategic nuclear arms elimination in Ukraine, \$51,500,000.

(3) For nuclear weapons transportation security in Russia, \$9,500,000.

(4) For nuclear weapons storage security in Russia, \$56,000,000.

(5) For biological weapons proliferation prevention activities in the former Soviet Union, \$17,000,000.

(6) For activities designated as Other Assessments/Administrative Support, \$13,221,000.

PUBLIC LAW 107-107—DEC. 28, 2001

(7) For defense and military contacts, \$18,650,000.

(8) For chemical weapons destruction in Russia, \$50,000,000.

(9) For weapons of mass destruction infrastructure elimination activities in Kazakhstan, \$6,000,000.

(10) For weapons of mass destruction infrastructure elimination activities in Ukraine, \$6,024,000.

(11) For activities to assist Russia in the elimination of plutonium production reactors, \$41,700,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2002 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (11) of subsection (a) until 30 days after the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2002 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2002 for a purpose listed in any of the paragraphs in subsection (a) in excess of the amount specifically authorized for such purpose.

(2) An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—

Notification.

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts for the purposes stated in paragraph (6), (7), or (11) of subsection (a) in excess of 115 percent of the amount specifically authorized for such purposes.

(d) MODIFICATION OF AUTHORITY TO VARY INDIVIDUAL AMOUNTS OF FY 2001 FUNDS.—Section 1302(c)(3) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-340) is amended by striking “(4),”.

SEC. 1303. LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF REPORTS.

Not more than 50 percent of fiscal year 2002 Cooperative Threat Reduction funds may be obligated or expended until 30 days after the date of the submission of—

(1) the report required to be submitted in fiscal year 2001 under section 1308(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-341); and

(2) the multiyear plan required to be submitted for fiscal year 2001 under section 1308(h) of such Act.

22 USC 5952
note.

SEC. 1304. REQUIREMENT TO CONSIDER USE OF REVENUE GENERATED BY ACTIVITIES CARRIED OUT UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

The Secretary of Defense shall consider the use of revenue generated by activities carried out under Cooperative Threat Reduction programs in negotiating and executing contracts with Russia to carry out such programs.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 1305. PROHIBITION AGAINST USE OF FUNDS FOR SECOND WING OF FISSILE MATERIAL STORAGE FACILITY.

(a) PROHIBITION.—No fiscal year 2002 Cooperative Threat Reduction funds and no funds authorized to be appropriated for Cooperative Threat Reduction programs for any prior fiscal year may be used for the construction of a second wing for a storage facility for Russian fissile material.

22 USC 5952
note.

(b) CONFORMING AMENDMENT.—Section 1304 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-341) is amended to read as follows:

22 USC 5952
note.

“SEC. 1304. LIMITATION ON USE OF FUNDS FOR FISSILE MATERIAL STORAGE FACILITY.

“Out of funds authorized to be appropriated for Cooperative Threat Reduction programs for fiscal year 2001 or any other fiscal year, not more than \$412,600,000 may be used for planning, design, or construction of the first wing for the storage facility for Russian fissile material referred to in section 1302(a)(5) other than planning, design, or construction to improve security at such first wing.”.

SEC. 1306. PROHIBITION AGAINST USE OF FUNDS FOR CERTAIN CONSTRUCTION ACTIVITIES.

No fiscal year 2002 Cooperative Threat Reduction funds may be used for construction activities carried out under Russia’s program to eliminate the production of weapons grade plutonium.

SEC. 1307. REPORTS ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Section 1308(c)(4) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-342) is amended—

22 USC 5959.

(1) in the matter preceding subparagraph (A)—

(A) by striking “audits” and all that follows through “conducted” and inserting “means (including program management, audits, examinations, and other means) used”; and

(B) by striking “and that such assistance is being used for its intended purpose” and inserting “, that such assistance is being used for its intended purpose, and that such assistance is being used efficiently and effectively”;

(2) in subparagraph (C), by inserting “and an assessment of whether the assistance being provided is being used effectively and efficiently” before the semicolon; and

(3) in subparagraph (D), by striking “audits, examinations, and other”.

SEC. 1308. CHEMICAL WEAPONS DESTRUCTION.

Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 794; 22 U.S.C. 5952 note) is amended by inserting before the period at the end the following: “until the Secretary of Defense submits to Congress a certification that there has been—

“(1) information provided by Russia, that the United States assesses to be full and accurate, regarding the size of the chemical weapons stockpile of Russia;

“(2) a demonstrated annual commitment by Russia to allocate at least \$25,000,000 to chemical weapons elimination;

“(3) development by Russia of a practical plan for destroying its stockpile of nerve agents;

“(4) enactment of a law by Russia that provides for the elimination of all nerve agents at a single site;

“(5) an agreement by Russia to destroy or convert its chemical weapons production facilities at Volgograd and Novocheboksark; and

PUBLIC LAW 107-107—DEC. 28, 2001

“(6) a demonstrated commitment from the international community to fund and build infrastructure needed to support and operate the facility.”.

SEC. 1309. ADDITIONAL MATTER IN ANNUAL REPORT ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

22 USC 5959.

Section 1308(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-341) (as amended by section 1308) is further amended by adding at the end of the following new paragraph:

“(6) A description of the amount of the financial commitment from the international community, and from Russia, for the chemical weapons destruction facility located at Shchuch’ye, Russia, for the fiscal year beginning in the year in which the report is submitted.”.

**TITLE XIV—ARMED FORCES
RETIREMENT HOME**

- Sec. 1401. Amendment of Armed Forces Retirement Home Act of 1991.
- Sec. 1402. Definitions.
- Sec. 1403. Revision of authority establishing the Armed Forces Retirement Home.
- Sec. 1404. Chief Operating Officer.
- Sec. 1405. Residents of Retirement Home.
- Sec. 1406. Local Boards of Trustees.
- Sec. 1407. Directors, Deputy Directors, Associate Directors, and staff of facilities.
- Sec. 1408. Disposition of effects of deceased persons and unclaimed property.
- Sec. 1409. Transitional provisions.
- Sec. 1410. Conforming and clerical amendments and repeals of obsolete provisions.

SEC. 1401. AMENDMENT OF ARMED FORCES RETIREMENT HOME ACT OF 1991.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Armed Forces Retirement Home Act of 1991 (title XV of Public Law 101-510; 24 U.S.C. 401 et seq.).

SEC. 1402. DEFINITIONS.

Section 1502 (24 U.S.C. 401) is amended—

(1) by striking paragraphs (1), (2), (3), (4), and (5), and inserting the following new paragraphs:

“(1) The term ‘Retirement Home’ includes the institutions established under section 1511, as follows:

“(A) The Armed Forces Retirement Home—Washington.

“(B) The Armed Forces Retirement Home—Gulfport.

“(2) The term ‘Local Board’ means a Local Board of Trustees established under section 1516.

“(3) The terms ‘Armed Forces Retirement Home Trust Fund’ and ‘Fund’ mean the Armed Forces Retirement Home Trust Fund established under section 1519(a).”;

(2) by redesignating paragraphs (6), (7), and (8) as paragraphs (4), (5), and (6), respectively; and

(3) in paragraph (5), as so redesignated—

(A) in subparagraph (C), by striking “, Manpower and Personnel” and inserting “for Personnel”; and

(B) in subparagraph (D), by striking “with responsibility for personnel matters” and inserting “for Manpower and Reserve Affairs”.

SEC. 1403. REVISION OF AUTHORITY ESTABLISHING THE ARMED FORCES RETIREMENT HOME.

Section 1511 (24 U.S.C. 411) is amended to read as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

“SEC. 1511. ESTABLISHMENT OF THE ARMED FORCES RETIREMENT HOME.

“(a) INDEPENDENT ESTABLISHMENT.—The Armed Forces Retirement Home is an independent establishment in the executive branch.

“(b) PURPOSE.—The purpose of the Retirement Home is to provide, through the Armed Forces Retirement Home—Washington and the Armed Forces Retirement Home—Gulfport, residences and related services for certain retired and former members of the Armed Forces.

“(c) FACILITIES.—(1) Each facility of the Retirement Home referred to in paragraph (2) is a separate establishment of the Retirement Home.

“(2) The United States Soldiers’ and Airmen’s Home is hereby redesignated as the Armed Forces Retirement Home—Washington. The Naval Home is hereby redesignated as the Armed Forces Retirement Home—Gulfport.

“(d) OPERATION.—(1) The Chief Operating Officer of the Armed Forces Retirement Home is the head of the Retirement Home. The Chief Operating Officer is subject to the authority, direction, and control of the Secretary of Defense.

“(2) Each facility of the Retirement Home shall be maintained as a separate establishment of the Retirement Home for administrative purposes and shall be under the authority, direction, and control of the Director of that facility. The Director of each facility of the Retirement Home is subject to the authority, direction, and control of the Chief Operating Officer.

“(e) PROPERTY AND FACILITIES.—(1) The Retirement Home shall include such property and facilities as may be acquired under paragraph (2) or accepted under section 1515(f) for inclusion in the Retirement Home.

“(2) The Secretary of Defense may acquire, for the benefit of the Retirement Home, property and facilities for inclusion in the Retirement Home.

“(3) The Secretary of Defense may dispose of any property of the Retirement Home, by sale, lease, or otherwise, that the Secretary determines is excess to the needs of the Retirement Home. The proceeds from such a disposal of property shall be deposited in the Armed Forces Retirement Home Trust Fund. No such disposal of real property shall be effective earlier than 120 days after the date on which the Secretary transmits a notification of the proposed disposal to the Committees on Armed Services of the Senate and the House of Representatives.

“(f) DEPARTMENT OF DEFENSE SUPPORT.—The Secretary of Defense may make available from the Department of Defense to the Retirement Home, on a nonreimbursable basis, administrative support and office services, legal and policy planning assistance, access to investigative facilities of the Inspector General of the Department of Defense and of the military departments, and any other support necessary to enable the Retirement Home to carry out its functions under this title.

“(g) ACCREDITATION.—The Chief Operating Officer shall endeavor to secure for each facility of the Retirement Home accreditation by a nationally recognized civilian accrediting organization, such as the Continuing Care Accreditation Commission and the Joint Commission for Accreditation of Health Organizations.

“(h) ANNUAL REPORT.—The Secretary of Defense shall transmit to Congress an annual report on the financial and other affairs of the Retirement Home for each fiscal year.”.

SEC. 1404. CHIEF OPERATING OFFICER.

(a) ESTABLISHMENT AND AUTHORITY OF POSITION.—Section 1515 (24 U.S.C. 415) is amended to read as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

“SEC. 1515. CHIEF OPERATING OFFICER.

“(a) APPOINTMENT.—(1) The Secretary of Defense shall appoint the Chief Operating Officer of the Retirement Home.

“(2) The Chief Operating Officer shall serve at the pleasure of the Secretary of Defense.

“(3) The Secretary of Defense shall evaluate the performance of the Chief Operating Officer at least once each year.

“(b) QUALIFICATIONS.—To qualify for appointment as the Chief Operating Officer, a person shall—

“(1) be a continuing care retirement community professional;

“(2) have appropriate leadership and management skills; and

“(3) have experience and expertise in the operation and management of retirement homes and in the provision of long-term medical care for older persons.

“(c) RESPONSIBILITIES.—(1) The Chief Operating Officer shall be responsible to the Secretary of Defense for the overall direction, operation, and management of the Retirement Home and shall report to the Secretary on those matters.

“(2) The Chief Operating Officer shall supervise the operation and administration of the Armed Forces Retirement Home—Washington and the Armed Forces Retirement Home—Gulfport, including the Local Boards of those facilities.

“(3) The Chief Operating Officer shall perform the following duties:

“(A) Issue, and ensure compliance with, appropriate rules for the operation of the Retirement Home.

“(B) Periodically visit, and inspect the operation of, the facilities of the Retirement Home.

“(C) Periodically examine and audit the accounts of the Retirement Home.

“(D) Establish any advisory body or bodies that the Chief Operating Officer considers to be necessary.

“(d) COMPENSATION.—(1) The Secretary of Defense may prescribe the pay of the Chief Operating Officer, except that the annual rate of basic pay, including locality pay, of the Chief Operating Officer may not exceed the annual rate of basic pay payable for level III of the Executive Schedule under section 5314 of title 5, United States Code.

“(2) In addition to basic pay and any locality pay prescribed for the Chief Operating Officer, the Secretary may award the Chief Operating Officer, not more than once each year, a bonus based on the performance of the Chief Operating Officer for the year. The Secretary shall prescribe the amount of any such bonus.

“(3) The total amount of the basic pay and bonus paid the Chief Operating Officer for a year under this section may not exceed the annual rate of basic pay payable for level I of the Executive Schedule under section 5312 of title 5, United States Code.

“(e) ADMINISTRATIVE STAFF.—(1) The Chief Operating Officer may, subject to the approval of the Secretary of Defense, appoint a staff to assist in the performance of the Chief Operating Officer’s duties in the overall administration of the Retirement Home.

“(2) The Chief Operating Officer shall prescribe the rates of pay applicable to the members of the staff appointed under paragraph (1), except that—

“(A) a staff member who is a member of the Armed Forces on active duty or who is a full-time officer or employee of the United States may not receive additional pay by reason of service on the administrative staff; and

“(B) the limitations in section 5373 of title 5, United States Code, relating to pay set by administrative action, shall apply to the rates of pay prescribed under this paragraph.

PUBLIC LAW 107-107—DEC. 28, 2001

“(f) ACCEPTANCE OF GIFTS.—(1) The Chief Operating Officer may accept gifts of money, property, and facilities on behalf of the Retirement Home.

“(2) Monies received as gifts, or realized from the disposition of property and facilities received as gifts, shall be deposited in the Armed Forces Retirement Home Trust Fund.”.

(b) TRANSFER OF AUTHORITIES.—(1) The following provisions are amended by striking “Retirement Home Board” each place it appears and inserting “Chief Operating Officer”:

(A) Section 1512 (24 U.S.C. 412), relating to eligibility and acceptance for residence in the Armed Forces Retirement Home.

(B) Section 1513(a) (24 U.S.C. 412(a)), relating to services provided to residents of the Armed Forces Retirement Home.

24 USC 413.

(C) Section 1518(c) (24 U.S.C. 418(c)), relating to inspection of the Armed Forces Retirement Home.

(2) Section 1519(c) (24 U.S.C. 419(c)), relating to authority to invest funds in the Armed Forces Retirement Home Trust Fund, is amended by striking “Director” and inserting “Chief Operating Officer”.

(3) Section 1521(a) (24 U.S.C. 421(a)), relating to payment of residents for services, is amended by striking “Chairman of the Armed Forces Retirement Board” and inserting “Chief Operating Officer”.

(4) Section 1522 (24 U.S.C. 422), relating to authority to accept certain uncompensated services, is amended—

(A) in subsection (a)—

(i) by striking “Chairman of the Retirement Home Board or the Director of each establishment” and inserting “Chief Operating Officer or the Director of a facility”; and

(ii) by striking “unless” and all that follows through “Retirement Home Board”;

(B) in subsection (b)(1)—

(i) by striking “Chairman of the Retirement Home Board or the Director of the establishment” and inserting “Chief Operating Officer or the Director of a facility”; and

(ii) by inserting “offering the services” after “notify the person”;

(C) in subsection (b)(2), by striking “Chairman” and inserting “Chief Operating Officer”;

(D) in subsection (c), by striking “Chairman of the Retirement Home Board or the Director of an establishment” and inserting “Chief Operating Officer or the Director of a facility”; and

(E) in subsection (e)—

(i) by striking “Chairman of the Retirement Board or the Director of the establishment” in the first sentence and inserting “Chief Operating Officer or the Director of a facility”; and

(ii) by striking “Chairman” in the second sentence and inserting “Chief Operating Officer”.

(5) Section 1523(b) (24 U.S.C. 423(b)), relating to preservation of historic buildings and grounds at the Armed Forces Retirement Home—Washington, is amended by striking “Chairman of the Retirement Home Board” and inserting “Chief Operating Officer”.

SEC. 1405. RESIDENTS OF RETIREMENT HOME.

(a) REPEAL OF REQUIREMENT OF RESIDENT TO REAPPLY AFTER SUBSTANTIAL ABSENCE.—Subsection (e) of section 1512 (24 U.S.C. 412) is repealed.

(b) FEES PAID BY RESIDENTS.—Section 1514 (24 U.S.C. 414) is amended to read as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

“SEC. 1514. FEES PAID BY RESIDENTS.

“(a) MONTHLY FEES.—The Director of each facility of the Retirement Home shall collect a monthly fee from each resident of that facility.

“(b) DEPOSIT OF FEES.—The Directors shall deposit fees collected under subsection (a) in the Armed Forces Retirement Home Trust Fund.

“(c) FIXING FEES.—(1) The Chief Operating Officer, with the approval of the Secretary of Defense, shall from time to time prescribe the fees required by subsection (a). Changes to such fees shall be based on the financial needs of the Retirement Home and the ability of the residents to pay. A change of a fee may not take effect until 120 days after the Secretary of Defense transmits a notification of the change to the Committees on Armed Services of the Senate and the House of Representatives.

“(2) The fee shall be fixed as a percentage of the monthly income and monthly payments (including Federal payments) received by a resident. The percentage shall be the same for each facility of the Retirement Home. The Secretary of Defense may make any adjustment in a percentage that the Secretary determines appropriate.

“(3) The fee shall be subject to a limitation on maximum monthly amount. The amount of the limitation shall be increased, effective on January 1 of each year, by the percentage of the increase in retired pay and retainer pay that takes effect on the preceding December 1 under subsection (b) of section 1401a of title 10, United States Code, without regard to paragraph (3) of such subsection. The first increase in a limitation on maximum monthly amount shall take effect on January 1, 2003.

“(d) TRANSITIONAL FEE STRUCTURES.—(1) Until different fees are prescribed and take effect under subsection (c), the percentages and limitations on maximum monthly amount that are applicable to fees charged residents of the Retirement Home are (subject to any adjustment that the Secretary of Defense determines appropriate) as follows:

“(A) For months beginning before January 1, 2002—

“(i) for a permanent health care resident, 65 percent (without limitation on maximum monthly amount); and

“(ii) for a resident who is not a permanent health care resident, 40 percent (without limitation on maximum monthly amount).

“(B) For months beginning after December 31, 2001—

“(i) for an independent living resident, 35 percent, but not to exceed \$1,000 each month;

“(ii) for an assisted living resident, 40 percent, but not to exceed \$1,500 each month; and

“(iii) for a long-term care resident, 65 percent, but not to exceed \$2,500 each month.

“(2) Notwithstanding the limitations on maximum monthly amount prescribed under subsection (c) or set forth in paragraph (1)(B), until the earlier of December 31, 2006, or the date on which an independent living resident or assisted living resident of the Armed Forces Retirement Home—Gulfport occupies a renovated room at that facility, as determined by the Secretary of Defense, the limitation on maximum monthly amount applicable to the resident for months beginning after December 31, 2001, shall be—

“(A) in the case of an independent living resident, \$800;

and

“(B) in the case of an assisted living resident, \$1,300.”.

SEC. 1406. LOCAL BOARDS OF TRUSTEES.

Section 1516 (24 U.S.C. 416) is amended to read as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

“SEC. 1516. LOCAL BOARDS OF TRUSTEES.

“(a) ESTABLISHMENT.—Each facility of the Retirement Home shall have a Local Board of Trustees.

“(b) DUTIES.—The Local Board for a facility shall serve in an advisory capacity to the Director of the facility and to the Chief Operating Officer.

“(c) COMPOSITION.—(1) The Local Board for a facility shall consist of at least 11 members who (except as otherwise specifically provided) shall be appointed by the Secretary of Defense in consultation with each of the Secretaries of the military departments concerned. At least one member of the Local Board shall have a perspective that is oriented toward the Retirement Home overall. The Local Board for a facility shall consist of the following members:

“(A) One member who is a civilian expert in nursing home or retirement home administration and financing from the geographical area of the facility.

“(B) One member who is a civilian expert in gerontology from the geographical area of the facility.

“(C) One member who is a service expert in financial management.

“(D) One representative of the Department of Veterans Affairs regional office nearest in proximity to the facility, who shall be designated by the Secretary of Veterans Affairs.

“(E) One representative of the resident advisory committee or council of the facility.

“(F) One enlisted representative of the Services’ Retiree Advisory Council.

“(G) The senior noncommissioned officer of one of the Armed Forces.

“(H) One senior representative of the military hospital nearest in proximity to the facility.

“(I) One senior judge advocate from one of the Armed Forces.

“(J) The Director of the facility, who shall be a nonvoting member.

“(K) One senior representative of one of the chief personnel officers of the Armed Forces.

“(L) Other members designated by the Secretary of Defense (if the Local Board is to have more than 11 members).

“(2) The Secretary of Defense shall designate one member of a Local Board to serve as the chairman of the Local Board at the pleasure of the Secretary of Defense.

“(d) TERMS.—(1) Except as provided in subsections (e), (f), and (g), the term of office of a member of a Local Board shall be five years.

“(2) Unless earlier terminated by the Secretary of Defense, a person may continue to serve as a member of the Local Board after the expiration of the member’s term until a successor is appointed or designated, as the case may be.

“(e) EARLY EXPIRATION OF TERM.—A member of a Local Board who is a member of the Armed Forces or an employee of the United States serves as a member of the Local Board only for as long as the member is assigned to or serving in a position for which the duties include the duty to serve as a member of the Local Board.

“(f) VACANCIES.—(1) A vacancy in the membership of a Local Board shall be filled in the manner in which the original appointment or designation was made, as the case may be.

“(2) A member appointed or designated to fill a vacancy occurring before the end of the term of the predecessor of the member shall be appointed or designated, as the case may be, for the remainder of the term for which the predecessor was appointed.

“(3) A vacancy in a Local Board shall not affect its authority to perform its duties.

PUBLIC LAW 107-107—DEC. 28, 2001

“(g) EARLY TERMINATION.—The Secretary of Defense may terminate the appointment of a member of a Local Board before the expiration of the member’s term for any reason that the Secretary determines appropriate.

“(h) COMPENSATION.—(1) Except as provided in paragraph (2), a member of a Local Board shall—

“(A) be provided a stipend consistent with the daily government consultant fee for each day on which the member is engaged in the performance of services for the Local Board; and

“(B) while away from home or regular place of business in the performance of services for the Local Board, be allowed travel expenses (including per diem in lieu of subsistence) in the same manner as a person employed intermittently in Government under sections 5701 through 5707 of title 5, United States Code.

“(2) A member of a Local Board who is a member of the Armed Forces on active duty or a full-time officer or employee of the United States shall receive no additional pay by reason of serving as a member of a Local Board.”.

SEC. 1407. DIRECTORS, DEPUTY DIRECTORS, ASSOCIATE DIRECTORS, AND STAFF OF FACILITIES.

Section 1517 (24 U.S.C. 417) is amended to read as follows:

“SEC. 1517. DIRECTORS, DEPUTY DIRECTORS, ASSOCIATE DIRECTORS, AND STAFF OF FACILITIES.

“(a) APPOINTMENT.—The Secretary of Defense shall appoint a Director, a Deputy Director, and an Associate Director for each facility of the Retirement Home.

“(b) DIRECTOR.—The Director of a facility shall—

“(1) be a civilian with experience as a continuing care retirement community professional or a member of the Armed Forces serving on active duty in a grade below brigadier general or, in the case of the Navy, rear admiral (lower half);

“(2) have appropriate leadership and management skills; and

“(3) be required to pursue a course of study to receive certification as a retirement facilities director by an appropriate civilian certifying organization, if the Director is not so certified at the time of appointment.

“(c) DUTIES OF DIRECTOR.—(1) The Director of a facility shall be responsible for the day-to-day operation of the facility, including the acceptance of applicants to be residents of that facility.

“(2) The Director of a facility shall keep accurate and complete records of the facility.

“(d) DEPUTY DIRECTOR.—(1) The Deputy Director of a facility shall—

“(A) be a civilian with experience as a continuing care retirement community professional or a member of the Armed Forces serving on active duty in a grade below colonel or, in the case of the Navy, captain; and

“(B) have appropriate leadership and management skills.

“(2) The Deputy Director of a facility shall serve at the pleasure of the Secretary of Defense.

“(e) DUTIES OF DEPUTY DIRECTOR.—The Deputy Director of a facility shall, under the authority, direction, and control of the Director of the facility, perform such duties as the Director may assign.

“(f) ASSOCIATE DIRECTOR.—(1) The Associate Director of a facility shall—

“(A) be a member of the Armed Forces serving on active duty in the grade of Sergeant Major, Master Chief Petty Officer, or Chief Master Sergeant or a member or former member retired in that grade; and

PUBLIC LAW 107-107—DEC. 28, 2001

“(B) have appropriate leadership and management skills.

“(2) The Associate Director of a facility shall serve at the pleasure of the Secretary of Defense.

“(g) DUTIES OF ASSOCIATE DIRECTOR.—The Associate Director of a facility shall, under the authority, direction, and control of the Director and Deputy Director of the facility, serve as ombudsman for the residents and perform such other duties as the Director may assign.

“(h) STAFF.—(1) The Director of a facility may, subject to the approval of the Chief Operating Officer, appoint and prescribe the pay of such principal staff as the Director considers appropriate to assist the Director in operating the facility.

“(2) The principal staff of a facility shall include persons with experience and expertise in the operation and management of retirement homes and in the provision of long-term medical care for older persons.

“(i) ANNUAL EVALUATION OF DIRECTORS.—(1) The Chief Operating Officer shall evaluate the performance of each of the Directors of the facilities of the Retirement Home each year.

“(2) The Chief Operating Officer shall submit to the Secretary of Defense any recommendations regarding a Director that the Chief Operating Officer determines appropriate taking into consideration the annual evaluation.”.

SEC. 1408. DISPOSITION OF EFFECTS OF DECEASED PERSONS AND UNCLAIMED PROPERTY.

(a) LEGAL REPRESENTATION FOR RETIREMENT HOME.—Subsection (b)(2)(A) of section 1520 (24 U.S.C. 420) is amended by inserting “who is a full-time officer or employee of the United States or a member of the Armed Forces on active duty” after “may designate an attorney”.

(b) CORRECTION OF REFERENCE.—Subsection (b)(1)(B) of such section is amended by inserting “Armed Forces” before “Retirement Home Trust Fund”.

SEC. 1409. TRANSITIONAL PROVISIONS.

Part B is amended by striking sections 1531, 1532, and 1533 and inserting the following new sections:

10 USC 2772
note; 24 USC
431.
24 USC 431.

“SEC. 1531. TEMPORARY CONTINUATION OF ARMED FORCES RETIREMENT HOME BOARD.

“Until the Secretary of Defense appoints the first Chief Operating Officer after the enactment of the National Defense Authorization Act for Fiscal Year 2002, the Armed Forces Retirement Home Board, as constituted on the day before the date of the enactment of that Act, shall continue to serve and shall perform the duties of the Chief Operating Officer.

“SEC. 1532. DIRECTORS OF FACILITIES.

24 USC 432.

“(a) ACTIVE DUTY OFFICERS.—During the three-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002, the Directors and Deputy Directors of the facilities shall be members of the Armed Forces serving on active duty, notwithstanding the authority in subsections (b) and (d) of section 1517 for the Directors and Deputy Directors to be civilians.

“(b) TEMPORARY CONTINUATION OF DIRECTOR OF THE ARMED FORCES RETIREMENT HOME—WASHINGTON.—The person serving as the Director of the Armed Forces Retirement Home—Washington on the day before the enactment of the National Defense Authorization Act for Fiscal Year 2002 may continue to serve as the Director of that facility until April 2, 2002.

PUBLIC LAW 107-107—DEC. 28, 2001

24 USC 433.

“SEC. 1533. TEMPORARY CONTINUATION OF INCUMBENT DEPUTY DIRECTORS.

“A person serving as the Deputy Director of a facility of the Retirement Home on the day before the enactment of the National Defense Authorization Act for Fiscal Year 2002 may continue to serve, at the pleasure of the Secretary of Defense, as the Deputy Director until the date on which a Deputy Director is appointed for that facility under section 1517, except that the service in that position may not continue under this section after December 31, 2004.”.

SEC. 1410. CONFORMING AND CLERICAL AMENDMENTS AND REPEALS OF OBSOLETE PROVISIONS.

(a) CONFORMING AMENDMENTS.—(1) Section 1513(b) (24 U.S.C. 413(b)), relating to services provided to residents of the Armed Forces Retirement Home, is amended by striking “maintained as a separate establishment” in the second sentence.

(2) The heading for section 1519 (24 U.S.C. 419) is amended to read as follows:

“SEC. 1519. ARMED FORCES RETIREMENT HOME TRUST FUND.”.

(3) Section 1520 (24 U.S.C. 420), relating to disposition of effects of deceased persons and unclaimed property, is amended—

(A) in subsection (a), by striking “each facility that is maintained as a separate establishment” and inserting “a facility”;

(B) in subsection (b)(2)(A), by striking “maintained as a separate establishment”; and

(C) in subsection (e), by striking “Directors” and inserting “Director of the facility”.

(4)(A) Section 1523 (24 U.S.C. 423), relating to preservation of historic buildings and grounds at the Armed Forces Retirement Home—Washington, is amended by striking “United States Soldiers’ and Airmen’s Home” each place it appears and inserting “Armed Forces Retirement Home—Washington”.

(B) The heading for such section is amended to read as follows:

“SEC. 1523. PRESERVATION OF HISTORIC BUILDINGS AND GROUNDS AT THE ARMED FORCES RETIREMENT HOME—WASHINGTON.”.

(5) Section 1524 (24 U.S.C. 424), relating to conditional supervisory control of the Retirement Home Board, is repealed.

(b) REPEAL OF OBSOLETE PROVISIONS.—The following provisions are repealed:

(1) Section 1512(f) (24 U.S.C. 412(f)), relating to the applicability of certain eligibility requirements.

(2) Section 1519(d) (24 U.S.C. 419(d)), relating to transitional accounts in the Armed Forces Retirement Home Trust Fund.

(3) Part C, relating to effective date and authorization of appropriations.

(c) ADDITION OF TABLE OF CONTENTS.—Section 1501 (24 U.S.C. 401 note) is amended—

(1) by inserting “(a) SHORT TITLE.—” before “This title”; and

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

“(b) TABLE OF CONTENTS.—The table of contents for this title is as follows:

“Sec. 1501. Short title; table of contents.

“Sec. 1502. Definitions.

“PART A—ESTABLISHMENT AND OPERATION OF RETIREMENT HOME

“Sec. 1511. Establishment of the Armed Forces Retirement Home.

“Sec. 1512. Residents of Retirement Home.

“Sec. 1513. Services provided residents.

“Sec. 1514. Fees paid by residents.

“Sec. 1515. Chief Operating Officer.

24 USC 401 note,
441.

PUBLIC LAW 107-107—DEC. 28, 2001

- “Sec. 1516. Local Boards of Trustees.
- “Sec. 1517. Directors, Deputy Directors, Associate Directors, and staff of facilities.
- “Sec. 1518. Inspection of Retirement Home.
- “Sec. 1519. Armed Forces Retirement Home Trust Fund.
- “Sec. 1520. Disposition of effects of deceased persons; unclaimed property.
- “Sec. 1521. Payment of residents for services.
- “Sec. 1522. Authority to accept certain uncompensated services.
- “Sec. 1523. Preservation of historic buildings and grounds at the Armed Forces Retirement Home—Washington.

“PART B—TRANSITIONAL PROVISIONS

- “Sec. 1531. Temporary Continuation of Armed Forces Retirement Home Board.
- “Sec. 1532. Directors of Facilities.
- “Sec. 1533. Temporary Continuation of Incumbent Deputy Directors.”.

TITLE XV—ACTIVITIES RELATING TO COMBATING TERRORISM

Subtitle A—Increased Funding for Combating Terrorism

- Sec. 1501. Definitions.
- Sec. 1502. Authorization of emergency appropriations for fiscal year 2001 made by Public Law 107-38 and allocated for national defense functions.
- Sec. 1503. Authorization of emergency supplemental appropriations for fiscal year 2002.
- Sec. 1504. Authorization of use of funds for military construction projects.
- Sec. 1505. Treatment of transferred amounts.
- Sec. 1506. Quarterly reports.

Subtitle B—Policy Matters Relating to Combating Terrorism

- Sec. 1511. Study and report on the role of the Department of Defense with respect to homeland security.
- Sec. 1512. Combating Terrorism Readiness Initiatives Fund for combatant commands.
- Sec. 1513. Conveyances of equipment and related materials loaned to State and local governments as assistance for emergency response to a use or threatened use of a weapon of mass destruction.
- Sec. 1514. Two-year extension of advisory panel to assess domestic response capabilities for terrorism involving weapons of mass destruction.

Subtitle A—Increased Funding for Combating Terrorism

SEC. 1501. DEFINITIONS.

For purposes of this subtitle:

(1) The term “ETR Supplemental Appropriations Act, 2001” means the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States (Public Law 107-38).

(2) The term “Emergency Supplemental Appropriations Act, 2002” means an Act (or a portion of an Act) making available for obligation emergency appropriations that were provided, subject to enactment in a subsequent appropriation Act, in the ETR Supplemental Appropriations Act, 2001.

SEC. 1502. AUTHORIZATION OF EMERGENCY APPROPRIATIONS FOR FISCAL YEAR 2001 MADE BY PUBLIC LAW 107-38 AND ALLOCATED FOR NATIONAL DEFENSE FUNCTIONS.

(a) ADJUSTMENT IN AUTHORIZATION AMOUNTS.—(1) Subject to paragraph (2), amounts authorized to be appropriated for fiscal year 2001 in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398) are hereby increased, with respect to any such authorized amount, by the amount (if any) by which appropriations pursuant to such authorization are increased by amounts appropriated in the ETR Supplemental Appropriations Act, 2001, and transferred by the President (before the date of the enactment of this Act) to the Department of Defense or the National Nuclear Security Administration and subsequently allocated to such appropriations.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) Authorization amounts may not be increased under paragraph (1) in excess of amounts derived from allocation of the amounts specified in subsection (b), for the Department of Defense, and in subsection (c), for the National Nuclear Security Administration.

(b) DEPARTMENT OF DEFENSE.—Amounts referred to in subsection (a)(2) for the Department of Defense are amounts for emergency expenses to respond to the terrorist attacks on the United States that occurred on September 11, 2001, allocated to the Department of Defense for fiscal year 2001 for the use of the Armed Forces and other activities and agencies of the Department of Defense, including the purposes stated in section 1504, in the total amount of \$13,741,000,000, as follows:

(1) INCREASED SITUATIONAL AWARENESS.—For Increased Situational Awareness, \$4,272,000,000.

(2) ENHANCED FORCE PROTECTION.—For Enhanced Force Protection, \$1,509,000,000.

(3) IMPROVED COMMAND AND CONTROL.—For Improved Command and Control, \$1,403,000,000.

(4) INCREASED WORLDWIDE POSTURE.—For Increased Worldwide Posture, \$3,603,000,000.

(5) OFFENSIVE COUNTERTERRORISM.—For Offensive Counterterrorism, \$1,459,000,000.

(6) INITIAL CRISIS RESPONSE.—For Initial Crisis Response, \$637,000,000.

(7) PENTAGON REPAIR AND UPGRADE.—For Pentagon Repair and Upgrade Activities, \$530,000,000.

(8) FUEL COSTS.—For increased fuel costs, \$100,000,000.

(9) AIRPORT AND BORDER SECURITY.—For airport and border security, \$228,000,000.

(c) NNSA.—The amount referred to in subsection (a)(2) for the National Nuclear Security Administration is the amount of \$5,000,000 for emergency expenses to respond to the terrorist attacks on the United States that occurred on September 11, 2001, allocated for fiscal year 2001 atomic energy defense activities of the National Nuclear Security Administration for weapons activities.

(d) TREATMENT AS ADDITIONAL AUTHORIZATIONS.—The amounts authorized to be appropriated by this section are in addition to amounts otherwise authorized to be appropriated by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398) or any other Act, for fiscal year 2001 for the use of the Armed Forces and other activities and agencies of the Department of Defense and for the use of the National Nuclear Security Administration.

SEC. 1503. AUTHORIZATION OF EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2002.

(a) DEPARTMENT OF DEFENSE.—For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, funds are hereby authorized to be appropriated to the Defense Emergency Response Fund for fiscal year 2002 for the use of the Armed Forces and other activities and agencies of the Department of Defense, including the purposes stated in section 1504, in the total amount of \$7,349,000,000, as follows:

(1) INCREASED SITUATIONAL AWARENESS.—For Increased Situational Awareness, \$1,735,000,000.

(2) ENHANCED FORCE PROTECTION.—For Enhanced Force Protection, \$881,000,000.

(3) IMPROVED COMMAND AND CONTROL.—For Improved Command and Control, \$219,000,000.

(4) INCREASED WORLDWIDE POSTURE.—For Increased Worldwide Posture, \$2,938,000,000.

(5) OFFENSIVE COUNTERTERRORISM.—For Offensive Counterterrorism, \$545,000,000.

PUBLIC LAW 107-107—DEC. 28, 2001

(6) INITIAL CRISIS RESPONSE.—For Initial Crisis Response, \$106,000,000.

(7) PENTAGON REPAIR AND UPGRADE.—For Pentagon Repair and Upgrade Activities, \$925,000,000.

(b) NNSA.—For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States and for other expenses to increase the security of the Nation's nuclear weapons complex, funds are hereby authorized to be appropriated for fiscal year 2002 for the atomic energy defense activities of the National Nuclear Security Administration in the amount of \$106,000,000, to be available for weapons activities.

(c) DEPARTMENT OF ENERGY.—For emergency expenses to respond to the September 11, 2001, terrorist attacks on the United States, funds are hereby authorized to be appropriated for fiscal year 2002 to the Department of Energy in the total amount of \$11,700,000, as follows:

(1) For Defense Environmental Restoration and Waste Management, \$8,200,000.

(2) For Other Defense Activities, \$3,500,000.

(d) TRANSFER OF DEFENSE FUNDS.—In order to carry out the specified purposes in subsection (a), the Secretary of Defense may transfer amounts authorized by subsection (a) from the Defense Emergency Response Fund to any other defense appropriations account, including the account "Support for International Sporting Events, Defense" and any military construction account as provided in section 1504.

(e) AVAILABILITY.—Amounts appropriated pursuant to authorizations in this section may remain available until expended, if so provided in appropriations Acts.

(f) SOURCE OF FUNDS.—Amounts appropriated pursuant to authorizations in this section shall be derived from amounts provided, subject to subsequent appropriation, in the ETR Supplemental Appropriations Act, 2001.

(g) TREATMENT AS ADDITIONAL AUTHORIZATIONS.—The amounts authorized to be appropriated by this section are in addition to amounts otherwise authorized to be appropriated, by the other provisions of this Act or by any other Act, for fiscal year 2001 for the use of the Armed Forces and other activities and agencies of the Department of Defense and for the use of the National Nuclear Security Administration.

SEC. 1504. AUTHORIZATION OF USE OF FUNDS FOR MILITARY CONSTRUCTION PROJECTS.

(a) AUTHORITY FOR USE OF FUNDS.—Qualified emergency defense appropriations may be used to acquire real property and carry out military construction projects not otherwise authorized by law that the Secretary of Defense determines are necessary to respond to or protect against acts or threatened acts of terrorism or to respond to the terrorist attacks on the United States that occurred on September 11, 2001.

(b) PROJECT AUTHORIZATION.—Any project with respect to which the Secretary makes a determination under subsection (a) and that is to be carried out using qualified emergency defense appropriations is hereby authorized for purposes of section 2802 of title 10, United States Code.

(c) QUALIFIED EMERGENCY DEFENSE APPROPRIATIONS.—For purposes of this subsection, the term "qualified emergency defense appropriations" means emergency appropriations available to the Department of Defense that are authorized by section 1502 or 1503.

SEC. 1505. TREATMENT OF TRANSFERRED AMOUNTS.

Amounts transferred under authority of section 1502 or 1503 shall be merged with, and shall be available for the same purposes and for the same time period as, the accounts to which transferred.

PUBLIC LAW 107-107—DEC. 28, 2001

The transfer authority under those sections is in addition to the transfer authority provided by section 1001 or any other provision of law.

SEC. 1506. QUARTERLY REPORTS.

(a) **QUARTERLY REPORT.**—Promptly after the end of each quarter of a fiscal year, the Secretary of Defense and the Director of Central Intelligence shall each submit to the congressional defense committees a report (in classified and unclassified form, as needed) on the use of funds authorized by this subtitle. Each such report shall, at a minimum, specify the following:

(1) Any balance of funds remaining in the Defense Emergency Response Fund as of the end of the quarter covered by the report.

(2) The accounts to which funds have been transferred or are to be transferred and the amount of each such transfer.

(3) Within such accounts, each project to which any such funds have been transferred or are to be transferred and the amount of funds obligated and the amount expended for each such project as of the end of the quarter covered by the report.

Deadline.

(b) **INITIAL REPORT.**—The first report under subsection (a) shall be submitted not later than January 2, 2002.

(c) **FINAL REPORT.**—No further report under subsection (a) is required after all funds made available to the Department of Defense pursuant to such Act have been obligated.

Subtitle B—Policy Matters Relating to Combating Terrorism

SEC. 1511. STUDY AND REPORT ON THE ROLE OF THE DEPARTMENT OF DEFENSE WITH RESPECT TO HOMELAND SECURITY.

(a) **STUDY REQUIRED.**—The Secretary of Defense shall conduct a study on the appropriate role of the Department of Defense with respect to homeland security. The study shall identify and describe the policies, plans, and procedures of the Department of Defense for combating terrorism, including for the provision of support for the consequence management activities of other Federal, State, and local agencies. The study shall specifically identify the following:

(1) The strategy, roles, and responsibilities of the Department of Defense for combating terrorism.

(2) How the Department of Defense will interact with the Office of Homeland Security and how intelligence sharing efforts of the Department of Defense will be organized relative to other Federal agencies and departments and State and local governments.

(3) The ability of the Department of Defense to protect the United States from airborne threats, including threats originating from within the borders of the United States.

(4) Improvements that could be made to enhance the security of the people of the United States against terrorist threats and recommended actions (including legislative action) and programs to address and overcome existing vulnerabilities.

(5) The policies, plans, and procedures relating to how the civilian official in the Department of Defense responsible for combating terrorism and the Joint Task Force Civil Support of the Joint Forces Command will coordinate the performance of functions for combating terrorism with—

(A) teams in the Department of Defense that have responsibilities for responding to acts or threats of terrorism, including—

(i) weapons of mass destruction civil support teams when operating as the National Guard under the command of the Governor of a State, the Governor of

PUBLIC LAW 107-107—DEC. 28, 2001

Puerto Rico, or the Commanding General of the District of Columbia National Guard;

(ii) weapons of mass destruction civil support teams when operating as the Army National Guard of the United States or the Air National Guard of the United States under the command of the President;

(iii) teams in the departments and agencies of the Federal Government other than the Department of Defense that have responsibilities for responding to acts or threats of terrorism;

(iv) organizations outside the Federal Government, including any State, local and private entities, that function as first responders to acts or threats of terrorism; and

(v) units and organizations of the Reserve Components of the Armed Forces that have missions relating to combating terrorism;

(B) the Director of Military Support of the Department of the Army;

(C) any preparedness plans to combat terrorism that are developed for installations of the Department of Defense by the commanders of the installations and the integration of those plans with the plans of the teams and organizations described in subparagraph (A);

(D) the policies, plans and procedures for using and coordinating the integrated vulnerability assessment teams of the Joint Staff inside and outside the United States; and

(E) the missions of Fort Leonard Wood and other installations for training units, weapons of mass destruction civil support teams and other teams, and individuals in combating terrorism.

(6) The appropriate number and missions of the teams referred to in paragraph (5)(A)(i).

(7) How the Department of Defense Weapons of Mass Destruction Civil Support Teams should interact with the Federal Bureau of Investigation and the Federal Emergency Management Agency during crisis response and consequence management situations.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report including the findings of the study conducted under subsection (a).

Deadline.

SEC. 1512. COMBATING TERRORISM READINESS INITIATIVES FUND FOR COMBATANT COMMANDS.

(a) FUNDING FOR INITIATIVES.—Chapter 6 of title 10, United States Code, is amended by inserting after section 166a the following new section:

“§ 166b. Combatant commands: funding for combating terrorism readiness initiatives

“(a) COMBATING TERRORISM READINESS INITIATIVES FUND.—From funds made available in any fiscal year for the budget account in the Department of Defense known as the ‘Combating Terrorism Readiness Initiatives Fund’, the Chairman of the Joint Chiefs of Staff may provide funds to the commander of a combatant command, upon the request of the commander, or, with respect to a geographic area or areas not within the area of responsibility of a commander of a combatant command, to an officer designated by the Chairman of the Joint Chiefs of Staff for such purpose. The Chairman may provide such funds for initiating any activity named in subsection (b) and for maintaining and sustaining the activity for the fiscal year in which initiated and one additional fiscal year.

PUBLIC LAW 107-107—DEC. 28, 2001

“(b) AUTHORIZED ACTIVITIES.—Activities for which funds may be provided under subsection (a) are the following:

“(1) Procurement and maintenance of physical security equipment.

“(2) Improvement of physical security sites.

“(3) Under extraordinary circumstances—

“(A) physical security management planning;

“(B) procurement and support of security forces and security technicians;

“(C) security reviews and investigations and vulnerability assessments; and

“(D) any other activity relating to physical security.

“(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the Combating Terrorism Readiness Initiatives Fund, should give priority consideration to emergency or emergent unforeseen high-priority requirements for combating terrorism.

“(d) RELATIONSHIP TO OTHER FUNDING.—Any amount provided by the Chairman of the Joint Chiefs of Staff for a fiscal year out of the Combating Terrorism Readiness Initiatives Fund for an activity referred to in subsection (b) shall be in addition to amounts otherwise available for that activity for that fiscal year.

“(e) LIMITATION.—Funds may not be provided under this section for any activity that has been denied authorization by Congress.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 166a the following new item:

“166b. Combatant commands: funding for combating terrorism readiness initiatives.”.

SEC. 1513. CONVEYANCES OF EQUIPMENT AND RELATED MATERIALS LOANED TO STATE AND LOCAL GOVERNMENTS AS ASSISTANCE FOR EMERGENCY RESPONSE TO A USE OR THREATENED USE OF A WEAPON OF MASS DESTRUCTION.

Section 1412(e) of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104-201; 110 Stat. 2718; 50 U.S.C. 2312(e)) is amended by adding at the end the following new paragraph:

“(5) A conveyance of ownership of United States property to a State or local government, without cost and without regard to subsection (f) and title II of the Federal Property and Administrative Services Act of 1949 (or any other provision of law relating to the disposal of property of the United States), if the property is equipment, or equipment and related materials, that is in the possession of the State or local government on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002 pursuant to a loan of the property as assistance under this section.”.

SEC. 1514. TWO-YEAR EXTENSION OF ADVISORY PANEL TO ASSESS DOMESTIC RESPONSE CAPABILITIES FOR TERRORISM INVOLVING WEAPONS OF MASS DESTRUCTION.

(a) EXTENSION OF ADVISORY PANEL.—Section 1405 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (50 U.S.C. 2301 note) is amended—

(1) in subsection (h)(2), by striking “2001” and inserting “2003”; and

(2) in subsection (l), by striking “three years” and inserting “five years”.

(b) PAY AND EXPENSES OF MEMBERS.—(1) Subsection (k) of such section is amended to read as follows:

“(k) COMPENSATION OF PANEL MEMBERS.—The provisions of paragraph (4) of section 591(c) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1999 (as contained in section 101(d) of division A of the Omnibus Consolidated

PUBLIC LAW 107-107—DEC. 28, 2001

and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277; 112 Stat. 2681-212)), shall apply to members of the panel in the same manner as to members of the National Commission on Terrorism under that paragraph.”

(2) The amendment made by paragraph (1) shall apply with respect to periods of service on the advisory panel under section 1405 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 on or after the date of the enactment of this Act.

50 USC 2301
note.

TITLE XVI—UNIFORMED SERVICES VOTING

Sec. 1601. Sense of Congress regarding the importance of voting.

Sec. 1602. Voting assistance programs.

Sec. 1603. Guarantee of residency for military personnel.

Sec. 1604. Electronic voting demonstration project.

Sec. 1605. Governors' reports on implementation of recommendations for changes in State law made under Federal Voting Assistance Program.

Sec. 1606. Simplification of voter registration and absentee ballot application procedures for absent uniformed services and overseas voters.

Sec. 1607. Use of certain Department of Defense facilities as polling places.

SEC. 1601. SENSE OF CONGRESS REGARDING THE IMPORTANCE OF VOTING.

42 USC 1973ff
note.

(a) SENSE OF CONGRESS.—It is the sense of Congress that each person who is an administrator of a Federal, State, or local election—

(1) should be aware of the importance of the ability of each uniformed services voter to exercise the right to vote; and

(2) should perform that person's duties as an election administrator with the intent to ensure that—

(A) each uniformed services voter receives the utmost consideration and cooperation when voting;

(B) each valid ballot cast by such a voter is duly counted; and

(C) all eligible American voters, regardless of race, ethnicity, disability, the language they speak, or the resources of the community in which they live, should have an equal opportunity to cast a vote and to have that vote counted.

(b) UNIFORMED SERVICES VOTER DEFINED.—In this section, the term “uniformed services voter” means—

(1) a member of a uniformed service (as defined in section 101(a)(5) of title 10, United States Code) in active service;

(2) a member of the merchant marine (as defined in section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff-6)); and

(3) a spouse or dependent of a member referred to in paragraph (1) or (2) who is qualified to vote.

SEC. 1602. VOTING ASSISTANCE PROGRAMS.

(a) IN GENERAL.—(1) Chapter 80 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 1566. Voting assistance: compliance assessments; assistance

“(a) REGULATIONS.—The Secretary of Defense shall prescribe regulations to require that the Army, Navy, Air Force, and Marine Corps ensure their compliance with any directives issued by the Secretary of Defense in implementing any voting assistance program.

“(b) VOTING ASSISTANCE PROGRAMS DEFINED.—In this section, the term ‘voting assistance programs’ means—

PUBLIC LAW 107-107—DEC. 28, 2001

“(1) the Federal Voting Assistance Program carried out under the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.); and

“(2) any similar program.

“(c) ANNUAL EFFECTIVENESS AND COMPLIANCE REVIEWS.—(1) The Inspector General of each of the Army, Navy, Air Force, and Marine Corps shall conduct—

“(A) an annual review of the effectiveness of voting assistance programs; and

“(B) an annual review of the compliance with voting assistance programs of that armed force.

“(2) Upon the completion of each annual review under paragraph (1), each Inspector General specified in that paragraph shall submit to the Inspector General of the Department of Defense a report on the results of each such review. Such report shall be submitted in time each year to be reflected in the report of the Inspector General of the Department of Defense under paragraph (3).

Deadline.
Reports.

“(3) Not later than March 31 each year, the Inspector General of the Department of Defense shall submit to Congress a report on—

“(A) the effectiveness during the preceding calendar year of voting assistance programs; and

“(B) the level of compliance during the preceding calendar year with voting assistance programs of each of the Army, Navy, Air Force, and Marine Corps.

“(d) INSPECTOR GENERAL ASSESSMENTS.—(1) The Inspector General of the Department of Defense shall periodically conduct at Department of Defense installations unannounced assessments of the compliance at those installations with—

“(A) the requirements of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.);

“(B) Department of Defense regulations regarding that Act and the Federal Voting Assistance Program carried out under that Act; and

“(C) other requirements of law regarding voting by members of the armed forces.

“(2) The Inspector General shall conduct an assessment under paragraph (1) at not less than 10 Department of Defense installations each calendar year.

“(3) Each assessment under paragraph (1) shall include a review of such compliance—

“(A) within units to which are assigned, in the aggregate, not less than 20 percent of the personnel assigned to duty at that installation;

“(B) within a representative survey of members of the armed forces assigned to that installation and their dependents; and

“(C) within unit voting assistance officers to measure program effectiveness.

“(e) REGULAR MILITARY DEPARTMENT ASSESSMENTS.—The Secretary of each military department shall include in the set of issues and programs to be reviewed during any management effectiveness review or inspection at the installation level an assessment of compliance with the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.) and with Department of Defense regulations regarding the Federal Voting Assistance Program.

“(f) VOTING ASSISTANCE OFFICERS.—Voting assistance officers shall be appointed or assigned under Department of Defense regulations. Commanders at all levels are responsible for ensuring that unit voting officers are trained and equipped to provide information and assistance to members of the armed forces on voting matters. Performance evaluation reports pertaining to a member who has

PUBLIC LAW 107-107—DEC. 28, 2001

been assigned to serve as a voting assistance officer shall comment on the performance of the member as a voting assistance officer.

“(g) DELIVERY OF MAIL FROM OVERSEAS PRECEDING FEDERAL ELECTIONS.—(1) During the four months preceding a general Federal election month, the Secretary of Defense shall periodically conduct surveys of all overseas locations and vessels at sea with military units responsible for collecting mail for return shipment to the United States and all port facilities in the United States and overseas where military-related mail is collected for shipment to overseas locations or to the United States. The purpose of each survey shall be to determine if voting materials are awaiting shipment at any such location and, if so, the length of time that such materials have been held at that location. During the fourth and third months before a general Federal election month, such surveys shall be conducted biweekly. During the second and first months before a general Federal election month, such surveys shall be conducted weekly.

“(2) The Secretary shall ensure that voting materials are transmitted expeditiously by military postal authorities at all times.

“(3) In this section, the term ‘general Federal election month’ means November in an even-numbered year.”

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“1566. Voting assistance: compliance assessments; assistance.”

(b) INITIAL REPORT.—The first report under section 1566(c)(3) of title 10, United States Code, as added by subsection (a), shall be submitted not later than March 31, 2003.

Deadline.
10 USC 1566
note.

SEC. 1603. GUARANTEE OF RESIDENCY FOR MILITARY PERSONNEL.

Article VII of the Soldiers’ and Sailors’ Civil Relief Act of 1940 (50 U.S.C. App. 590 et seq.) is amended by adding at the end the following:

“SEC. 704. (a) For purposes of voting for any Federal office (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)) or a State or local office, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

50 USC app. 594.

“(1) be deemed to have lost a residence or domicile in that State, without regard to whether or not the person intends to return to that State;

“(2) be deemed to have acquired a residence or domicile in any other State; or

“(3) be deemed to have become a resident in or a resident of any other State.

“(b) In this section, the term ‘State’ includes a territory or possession of the United States, a political subdivision of a State, territory, or possession, and the District of Columbia.”

SEC. 1604. ELECTRONIC VOTING DEMONSTRATION PROJECT.

42 USC 1973ff
note.

(a) ESTABLISHMENT OF DEMONSTRATION PROJECT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary of Defense shall carry out a demonstration project under which absent uniformed services voters are permitted to cast ballots in the regularly scheduled general election for Federal office for November 2002 through an electronic voting system. The project shall be carried out with participation of sufficient numbers of absent uniformed services voters so that the results are statistically relevant.

(2) AUTHORITY TO DELAY IMPLEMENTATION.—If the Secretary of Defense determines that the implementation of the demonstration project under paragraph (1) with respect to the regularly scheduled general election for Federal office for November 2002 may adversely affect the national security of the United States, the Secretary may delay the implementation of such demonstration project until the regularly scheduled

PUBLIC LAW 107-107—DEC. 28, 2001

general election for Federal office for November 2004. The Secretary shall notify the Committee on Armed Services and the Committee on Rules and Administration of the Senate and the Committee on Armed Services and the Committee on House Administration of the House of Representatives of any decision to delay implementation of the demonstration project.

(b) COORDINATION WITH STATE ELECTION OFFICIALS.—The Secretary shall carry out the demonstration project under this section through cooperative agreements with State election officials of States that agree to participate in the project.

Deadline.

(c) REPORT TO CONGRESS.—Not later than June 1 of the year following the year in which the demonstration project is conducted under this section, the Secretary of Defense shall submit to Congress a report analyzing the demonstration project. The Secretary shall include in the report any recommendations the Secretary considers appropriate for continuing the project on an expanded basis for absent uniformed services voters during the next regularly scheduled general election for Federal office.

(d) DEFINITIONS.—In this section:

(1) ABSENT UNIFORMED SERVICES VOTER.—The term “absent uniformed services voter” has the meaning given that term in section 107(1) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff-6(1)).

(2) STATE.—The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and American Samoa.

42 USC 1973ff
note.

SEC. 1605. GOVERNORS' REPORTS ON IMPLEMENTATION OF RECOMMENDATIONS FOR CHANGES IN STATE LAW MADE UNDER FEDERAL VOTING ASSISTANCE PROGRAM.

(a) REPORTS.—(1) Whenever a State receives a uniformed services voting assistance legislative recommendation from the Secretary of Defense, acting as the Presidential designee, the chief executive authority of that State shall, not later than 90 days after receipt of that recommendation, provide a report on the status of implementation of that recommendation by that State.

(2) If a legislative recommendation referred to in paragraph (1) has been implemented, in whole or in part, by a State, the report of the chief executive authority of that State under that paragraph with respect to that recommendation shall include a description of the changes made to State law to implement the recommendation. If the recommendation has not been implemented, the report shall include a statement of the status of the recommendation before the State legislature and a statement of any recommendation the chief executive officer has made or intends to make to the legislature with respect to that recommendation.

(3) Any report under paragraph (1) shall be transmitted to the Secretary of Defense, acting as the Presidential designee. The Secretary shall transmit a copy of the response to each Member of Congress who represents that State.

(b) PERIOD OF APPLICABILITY.—This section applies with respect to any uniformed services voting assistance legislative recommendation transmitted to a State by the Secretary of Defense, acting as the Presidential designee, during the three-year period beginning on the date of the enactment of this Act.

(c) DEFINITIONS.—In this section:

(1) The term “uniformed services voting assistance legislative recommendation” means a recommendation of the Presidential designee for a modification in the laws of a State for the purpose of improving the access to the polls of absent uniformed services voters and overseas voters.

(2) The term “Presidential designee” means the head of the executive department designated by the President under

PUBLIC LAW 107-107—DEC. 28, 2001

section 101(a) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff(a)).

(3) The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and American Samoa.

(4) The term “Member of Congress” includes a Delegate or Resident Commissioner to the Congress.

SEC. 1606. SIMPLIFICATION OF VOTER REGISTRATION AND ABSENTEE BALLOT APPLICATION PROCEDURES FOR ABSENT UNIFORMED SERVICES AND OVERSEAS VOTERS.

(a) REQUIREMENT FOR STATES TO ACCEPT OFFICIAL FORM FOR SIMULTANEOUS VOTER REGISTRATION AND ABSENTEE BALLOT APPLICATION.—

(1) IN GENERAL.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff-1) is amended—

(A) in paragraph (2)—

(i) by striking “general, special, primary, or runoff”;

(ii) by inserting “and absentee ballot application” after “voter registration application”;

(iii) by striking “and” after the semicolon at the end;

(B) by striking the period at the end of paragraph

(3) and inserting “; and”; and

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

“(4) use the official post card form (prescribed under section 101) for simultaneous voter registration application and absentee ballot application.”.

(2) CONFORMING AMENDMENT.—Section 101(b)(2) of such Act (42 U.S.C. 1973ff(b)(2)) is amended by striking “as recommended in section 104” and inserting “as required under section 102(4)”.

(b) USE OF SINGLE APPLICATION FOR ALL SUBSEQUENT ELECTIONS.—Section 104 of such Act (42 U.S.C. 1973ff-3) is amended to read as follows:

“SEC. 104. USE OF SINGLE APPLICATION FOR ALL SUBSEQUENT ELECTIONS.

“(a) IN GENERAL.—If a State accepts and processes an official post card form (prescribed under section 101) submitted by an absent uniformed services voter or overseas voter for simultaneous voter registration and absentee ballot application (in accordance with section 102(a)(4)) and the voter requests that the application be considered an application for an absentee ballot for each subsequent election for Federal office held in the State during that year, the State shall provide an absentee ballot to the voter for each subsequent election for Federal office held in the State during that year.

“(b) EXCEPTION FOR VOTERS CHANGING REGISTRATION.—Subsection (a) shall not apply with respect to a voter registered to vote in a State for any election held after the voter notifies the State that the voter no longer wishes to be registered to vote in the State or after the State determines that the voter has registered to vote in another State.

“(c) REVISION OF OFFICIAL POST CARD FORM.—The Presidential designee shall revise the official post card form (prescribed under section 101) to enable a voter using the form to—

“(1) request an absentee ballot for each election for Federal office held in a State during a year; or

“(2) request an absentee ballot for only the next scheduled election for Federal office held in a State.

“(d) NO EFFECT ON VOTER REMOVAL PROGRAMS.—Nothing in this section may be construed to prevent a State from removing any voter from the rolls of registered voters in the State under

PUBLIC LAW 107-107—DEC. 28, 2001

any program or method permitted under section 8 of the National Voter Registration Act of 1993.”.

SEC. 1607. USE OF CERTAIN DEPARTMENT OF DEFENSE FACILITIES AS POLLING PLACES.

(a) **USE OF MILITARY FACILITIES.**—Section 2670 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(b) **USE OF CERTAIN FACILITIES AS POLLING PLACES.**—(1) Notwithstanding chapter 29 of title 18 (including sections 592 and 593 of such title) or any other provision of law, the Secretary of Defense or Secretary of a military department may not (except as provided in paragraph (3)) prohibit the designation or use of a qualifying facility under the jurisdiction of the Secretary as an official polling place for local, State, or Federal elections.

“(2) A Department of Defense facility is a qualifying facility for purposes of this subsection if as of December 31, 2000—

“(A) the facility is designated as an official polling place by a State or local election official; or

“(B) the facility has been used as such an official polling place since January 1, 1996.

“(3) The limitation in paragraph (1) may be waived by the Secretary of Defense or Secretary of the military department concerned with respect to a particular Department of Defense facility if the Secretary of Defense or Secretary concerned determines that local security conditions require prohibition of the designation or use of that facility as an official polling place for any election.”.

(b) **CONFORMING AND CLERICAL AMENDMENTS.**—(1) Such section is further amended—

(A) by striking “Under” and inserting “(a) **USE BY RED CROSS.**—Under”; and

(B) by striking “this section” and inserting “this subsection”.

(2) The heading of such section is amended to read as follows:

“§ 2670. Military installations: use by American National Red Cross; use as polling places”.

(3) The item relating to such section in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

“2670. Military installations: use by American National Red Cross; use as polling places.”.

Military
Construction
Authorization
Act for Fiscal
Year 2002.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE; DEFINITION.

(a) **SHORT TITLE.**—This division may be cited as the “Military Construction Authorization Act for Fiscal Year 2002”.

(b) **DEFINITION OF FISCAL YEAR 2001 DEFENSE AUTHORIZATION ACT.**—In this division, the term “Spence Act” means the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106-398 (114 Stat. 1654).

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.

Sec. 2102. Family housing.

Sec. 2103. Improvements to military family housing units.

Sec. 2104. Authorization of appropriations, Army.

Sec. 2105. Modification of authority to carry out certain fiscal year 2001 projects.

Sec. 2106. Modification of authority to carry out certain fiscal year 2000 projects.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) **INSIDE THE UNITED STATES.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

| State | Installation or location | Amount |
|----------------------------|--|-----------------|
| Alabama | Anniston Army Depot | \$5,150,000 |
| | Fort Rucker | \$18,200,000 |
| | Redstone Arsenal | \$9,900,000 |
| Alaska | Fort Richardson | \$115,000,000 |
| | Fort Wainwright | \$27,200,000 |
| Arizona | Fort Huachuca | \$6,100,000 |
| | Yuma Proving Ground | \$3,100,000 |
| California | Defense Language Institute | \$5,900,000 |
| | Fort Irwin | \$23,000,000 |
| Colorado | Fort Carson | \$66,000,000 |
| District of Columbia | Fort McNair | \$11,600,000 |
| Georgia | Fort Benning | \$23,900,000 |
| | Fort Gillem | \$34,600,000 |
| | Fort Gordon | \$34,000,000 |
| | Fort Stewart/Hunter Army Air Field | \$39,800,000 |
| Hawaii | Kahuku Windmill Site | \$900,000 |
| | Navy Public Works Center, Pearl Harbor | \$11,800,000 |
| | Pohakuloa Training Facility | \$6,600,000 |
| | Wheeler Army Air Field | \$50,000,000 |
| | Rock Island Arsenal | \$3,500,000 |
| Illinois | Fort Riley | \$10,900,000 |
| Kansas | Fort Campbell | \$88,900,000 |
| | Fort Knox | \$12,000,000 |
| Louisiana | Fort Polk | \$21,200,000 |
| | Aberdeen Proving Ground | \$58,300,000 |
| Maryland | Fort Meade | \$11,200,000 |
| | Fort Leonard Wood | \$7,850,000 |
| New Jersey | Fort Monmouth | \$20,000,000 |
| | Picatiny Arsenal | \$10,200,000 |
| New Mexico | White Sands Missile Range | \$7,600,000 |
| New York | Fort Drum | \$56,350,000 |
| North Carolina | Fort Bragg | \$21,300,000 |
| | Sunny Point Military Ocean Terminal | \$11,400,000 |
| | Fort Sill | \$5,100,000 |
| | Fort Jackson | \$65,650,000 |
| Texas | Corpus Christi Army Depot | \$10,400,000 |
| | Fort Sam Houston | \$2,250,000 |
| | Fort Bliss | \$5,000,000 |
| | Fort Hood | \$104,200,000 |
| Virginia | Fort Belvoir | \$35,950,000 |
| | Fort Eustis | \$34,650,000 |
| | Fort Lee | \$23,900,000 |
| Washington | Fort Lewis | \$238,200,000 |
| | Total: | \$1,358,750,000 |

(b) **OUTSIDE THE UNITED STATES.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

| Country | Installation or location | Amount |
|---------------|-----------------------------------|--------------|
| Germany | Area Support Group, Bamberg | \$36,000,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Army: Outside the United States—Continued

| Country | Installation or location | Amount |
|-----------------|-------------------------------------|---------------|
| | Area Support Group, Darmstadt | \$13,500,000 |
| | Baumholder | \$9,000,000 |
| | Hanau | \$7,200,000 |
| | Heidelberg | \$15,300,000 |
| | Mannheim | \$16,000,000 |
| | Wiesbaden Air Base | \$26,300,000 |
| Japan | Camp Schab | \$3,800,000 |
| Korea | Camp Carroll | \$16,593,000 |
| | Camp Casey | \$8,500,000 |
| | Camp Hovey | \$35,750,000 |
| | Camp Humphreys | \$14,500,000 |
| | Camp Jackson | \$6,100,000 |
| | Camp Stanley | \$28,000,000 |
| | Camp Yongsan | \$12,800,000 |
| Kwajalein | Kwajalein Atoll | \$11,000,000 |
| | Total: | \$260,343,000 |

(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(3), the Secretary of the Army may acquire real property and carry out military construction projects for the installation and location, and in the amount, set forth in the following table:

Army: Unspecified Worldwide

| Location | Installation | Amount |
|--------------------------|---------------------------|-------------|
| Unspecified Worldwide .. | Classified Location | \$4,000,000 |

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

| State or Country | Installation or location | Purpose | Amount |
|------------------|--------------------------|----------------|--------------|
| Alaska | Fort Wainwright | 32 Units | \$12,000,000 |
| Arizona | Fort Huachuca | 72 Units | \$10,800,000 |
| Kansas | Fort Leavenworth | 80 Units | \$20,000,000 |
| Texas | Fort Bliss | 76 Units | \$13,600,000 |
| | Fort Sam Houston | 80 Units | \$11,200,000 |
| Korea | Camp Humphreys | 54 Units | \$12,800,000 |
| | | Total: | \$80,400,000 |

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed \$11,592,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed \$220,750,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for

PUBLIC LAW 107-107—DEC. 28, 2001

military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of \$3,155,594,000, as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), \$1,127,750,000.

(2) For military construction projects outside the United States authorized by section 2101(b), \$260,343,000.

(3) For a military construction project at an unspecified worldwide location authorized by section 2101(c), \$4,000,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, \$18,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, \$159,533,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, \$312,742,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), \$1,089,573,000.

(7) For the construction of a cadet development center at the United States Military Academy, West Point, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2182), \$37,900,000.

(8) For the construction of phase 2C of a barracks complex, Tagaytay Street, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 825), \$17,500,000.

(9) For the construction of phase 1C of a barracks complex, Wilson Street, at Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 825), \$23,000,000.

(10) For construction of phase 2 of a basic combat training complex at Fort Leonard Wood, Missouri, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-389), as amended by section 2105 of this Act, \$27,000,000.

(11) For the construction of phase 2 of a battle simulation center at Fort Drum, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-389), as amended by section 2105 of this Act, \$9,000,000.

(12) For the construction of phase 1 of a barracks complex, Butner Road, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-389), \$49,000,000.

(13) For the construction of phase 1 of a barracks complex, Longstreet Road, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-389), \$27,000,000.

(14) For the construction of a multipurpose digital training range at Fort Hood, Texas, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-389), as amended by section 2105 of this Act, \$13,000,000.

(15) For the homeowners assistance program, as authorized by section 2832(a) of title 10, United States Code, \$10,119,000, to remain available until expended.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) **LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.**—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a);

(2) \$52,000,000 (the balance of the amount authorized under section 2201(a) for construction of a barracks complex, D Street, at Fort Richardson, Alaska);

(3) \$41,000,000 (the balance of the amount authorized under section 2201(a) for construction of phase 1 of a barracks complex, Nelson Boulevard, at Fort Carson, Colorado);

(4) \$36,000,000 (the balance of the amount authorized under section 2201(a) for construction of phase 1 of a basic combat training complex at Fort Jackson, South Carolina); and

(5) \$102,000,000 (the balance of the amount authorized under section 2201(a) for construction of a barracks complex, 17th & B Streets, at Fort Lewis, Washington).

(c) **ADJUSTMENT.**—The total amount authorized to be appropriated pursuant to paragraphs (1) through (15) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by \$29,866,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) **MODIFICATION.**—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-389) is amended—

(1) in the item relating to Fort Leonard Wood, Missouri, by striking “\$65,400,000” in the amount column and inserting “\$69,800,000”;

(2) in the item relating to Fort Drum, New York, by striking “\$18,000,000” in the amount column and inserting “\$21,000,000”;

(3) in the item relating to Fort Hood, Texas, by striking “\$36,492,000” in the amount column and inserting “\$39,492,000”; and

(4) by striking the amount identified as the total in the amount column and inserting “\$626,374,000”.

(b) **CONFORMING AMENDMENTS.**—Section 2104 of that Act (114 Stat. 1654A-391) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking “\$1,925,344,000” and inserting “\$1,935,744,000”; and

(2) in subsection (b)—

(A) in paragraph (2), by striking “\$22,600,000” and inserting “\$27,000,000”;

(B) in paragraph (3), by striking “\$10,000,000” and inserting “\$13,000,000”; and

(C) in paragraph (6), by striking “\$6,000,000” and inserting “\$9,000,000”.

SEC. 2106. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

Section 2104 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 826), as amended by section 2105(c) of the Spence Act; 114 Stat. 1654A-393), is amended—

PUBLIC LAW 107-107—DEC. 28, 2001

- (1) in subsection (a)—
 - (A) in the matter preceding paragraph (1), by striking “\$2,358,331,000” and inserting “\$2,321,931,000”; and
 - (B) in paragraph (1), by striking “\$930,058,000” and inserting “\$893,658,000”; and
- (2) in subsection (b)(7), by striking “\$102,500,000” and inserting “\$138,900,000”.

TITLE XXII—NAVY

- Sec. 2201. Authorized Navy construction and land acquisition projects.
- Sec. 2202. Family housing.
- Sec. 2203. Improvements to military family housing units.
- Sec. 2204. Authorization of appropriations, Navy.
- Sec. 2205. Modification of authority to carry out certain fiscal year 2001 projects.
- Sec. 2206. Modification of authority to carry out certain fiscal year 2000 project.

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) **INSIDE THE UNITED STATES.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

| State | Installation or location | Amount |
|----------------------------|--|--------------|
| Arizona | Marine Corps Air Station, Yuma | \$22,570,000 |
| California | Marine Air-Ground Task Force Training Center, Twentynine Palms | \$75,125,000 |
| | Marine Corps Air Station, Camp Pendleton | \$4,470,000 |
| | Marine Corps Base, Camp Pendleton | \$96,490,000 |
| | Naval Air Facility, El Centro | \$23,520,000 |
| | Naval Air Station, Lemoore | \$10,010,000 |
| | Naval Air Warfare Center, China Lake | \$30,200,000 |
| | Naval Air Warfare Center, Point Mugu, San Nicholas Island | \$13,730,000 |
| | Naval Amphibious Base, Coronado .. | \$8,610,000 |
| | Naval Construction Battalion Center, Port Hueneme | \$12,400,000 |
| | Naval Construction Training Center, Port Hueneme | \$3,780,000 |
| | Naval Station, San Diego | \$47,240,000 |
| District of Columbia | Naval Air Facility, Washington | \$9,810,000 |
| Florida | Naval Air Station, Key West | \$11,400,000 |
| | Naval Air Station, Whiting Field, Milton | \$2,140,000 |
| | Naval Station, Mayport | \$16,420,000 |
| | Naval Station, Pensacola | \$3,700,000 |
| Hawaii | Marine Corps Base, Kaneohe | \$24,920,000 |
| | Naval Magazine Lualualei | \$6,000,000 |
| | Naval Shipyard, Pearl Harbor | \$20,000,000 |
| | Naval Station, Pearl Harbor | \$54,700,000 |
| | Navy Public Works Center, Pearl Harbor | \$16,900,000 |
| Illinois | Naval Training Center, Great Lakes | \$82,260,000 |
| Indiana | Naval Surface Warfare Center, Crane | \$14,930,000 |
| Maine | Naval Air Station, Brunswick | \$67,395,000 |
| | Naval Shipyard, Portsmouth | \$14,620,000 |
| Maryland | Naval Air Warfare Center, Patuxent River | \$2,260,000 |
| | Naval Air Warfare Center, St. Inigoes | \$5,100,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Navy: Inside the United States—Continued

| State | Installation or location | Amount |
|----------------------|--|-----------------|
| Mississippi | Naval Explosive Ordnance Disposal Technology Center, Indian Head ... | \$1,250,000 |
| | Naval Air Station, Meridian | \$3,370,000 |
| Missouri | Naval Construction Battalion Center, Gulfport | \$21,660,000 |
| | Naval Station, Pascaguola | \$4,680,000 |
| | Marine Corps Support Activity, Kansas City | \$9,010,000 |
| Nevada | Naval Air Station, Fallon | \$6,150,000 |
| New Jersey | Naval Weapons Station, Earle | \$4,370,000 |
| North Carolina | Marine Corps Air Station, New River | \$4,050,000 |
| | Marine Corps Base, Camp Lejeune .. | \$67,070,000 |
| Pennsylvania | Naval Foundry and Propeller Center, Philadelphia | \$14,800,000 |
| Rhode Island | Naval Station, Newport | \$15,290,000 |
| | Naval Underwater Warfare Center, Newport | \$9,370,000 |
| South Carolina | Marine Corps Air Station, Beaufort | \$8,020,000 |
| | Marine Corps Recruit Depot, Parris Island | \$5,430,000 |
| Tennessee | Naval Support Activity, Millington .. | \$3,900,000 |
| Virginia | Marine Corps Air Facility, Quantico | \$3,790,000 |
| | Marine Corps Combat Dev Com | \$9,390,000 |
| Washington | Naval Amphibious Base, Little Creek | \$9,090,000 |
| | Naval Station, Norfolk | \$139,270,000 |
| | Naval Air Station, Whidbey Island .. | \$7,370,000 |
| | Naval Station, Everett | \$6,820,000 |
| | Strategic Weapons Facility, Bangor | \$3,900,000 |
| Total: | | \$1,058,750,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

| Country | Installation or location | Amount |
|---------------|--|--------------|
| Greece | Naval Support Activity Joint Headquarters Command, Larissa | \$12,240,000 |
| | Naval Support Activity, Souda Bay .. | \$3,210,000 |
| Guam | Naval Station, Guam | \$9,300,000 |
| | Navy Public Works Center, Guam | \$14,800,000 |
| Iceland | Naval Air Station, Keflavik | \$2,820,000 |
| Italy | Naval Air Station, Sigonella | \$3,060,000 |
| Spain | Naval Station, Rota | \$2,240,000 |
| Total: | | \$47,670,000 |

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

| State | Installation or location | Purpose | Amount |
|---------------|--------------------------------------|---------------|-------------|
| Arizona | Marine Corps Air Station, Yuma | 51 Units | \$9,017,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Navy: Family Housing—Continued

| State | Installation or location | Purpose | Amount |
|-------------------|--|----------------|---------------|
| California | Marine Air-Ground Task Force Training Center, Twentynine Palms | 74 Units | \$16,250,000 |
| Hawaii | Marine Corps Base, Kaneohe | 172 Units | \$46,996,000 |
| | Naval Station, Pearl Harbor | 70 Units | \$16,827,000 |
| Mississippi | Naval Construction Battalion Center, Gulfport | 160 Units | \$23,354,000 |
| Virginia | Marine Corps Combat Development Command, Quantico | 60 Units | \$7,000,000 |
| Italy | Naval Air Station, Sigonella | 10 Units | \$2,403,000 |
| | | Total: | \$121,847,000 |

(b) **PLANNING AND DESIGN.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed \$6,499,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed \$203,434,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) **IN GENERAL.**—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of \$2,366,742,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), \$1,005,410,000.

(2) For military construction projects outside the United States authorized by section 2201(b), \$47,670,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, \$10,546,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, \$39,557,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, \$331,780,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), \$910,095,000.

(6) For construction of phase 6 of a large anechoic chamber facility at the Patuxent River Naval Air Warfare Center, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2590), \$10,770,000.

(7) For construction of the Commander-in-Chief Headquarters, Pacific Command, Camp H.M. Smith, Hawaii, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 828), as amended by section 2206 of this Act, \$37,580,000.

PUBLIC LAW 107-107—DEC. 28, 2001

(8) For repair of a pier at Naval Station, San Diego, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-396), \$17,500,000.

(9) For replacement of a pier at Naval Station, Bremerton, Washington, formerly Naval Shipyard, Bremerton, Puget Sound, Washington, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-396), as amended by section 2205 of this Act, \$24,460,000.

(10) For construction of an industrial skills center at Puget Sound Naval Shipyard, Bremerton, Washington, formerly Naval Shipyard, Bremerton, Puget Sound, Washington, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-396), as amended by section 2205 of this Act, \$14,000,000.

(b) **LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.**—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) \$33,240,000 (the balance of the amount authorized under section 2201(a) for replacement of a pier, increment I, at Naval Station, Norfolk, Virginia); and

(3) \$20,100,000 (the balance of the amount authorized under section 2201(a) for a combined propulsion and explosives lab at Naval Air Warfare Center, China Lake, California).

(c) **ADJUSTMENT.**—The total amount authorized to be appropriated pursuant to paragraphs (1) through (10) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by \$82,626,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) **AUTHORIZED CONSTRUCTION AND LAND ACQUISITION.**—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-395) is amended—

(1) in the item relating to Naval Shipyard, Bremerton, Puget Sound, Washington, by striking “\$100,740,000” in the amount column and inserting “\$102,460,000”;

(2) in the item relating to Naval Station, Bremerton, Washington, by striking “\$11,930,000” in the amount column and inserting “\$1,930,000”; and

(3) by striking the amount identified as the total in the amount column and inserting “\$803,217,000”.

(b) **PLANNING AND DESIGN.**—Section 2204(a) of that Act (114 Stat. 1654A-398) is amended—

(1) in the matter preceding paragraph (1), by striking “\$2,227,995,000” and inserting “\$2,208,407,000”; and

(2) in paragraph (4), by striking “\$73,335,000” and inserting “\$53,747,000”.

(c) **CONFORMING AMENDMENT.**—Section 2204(b)(4) of that Act (114 Stat. 1654A-398) is amended by striking “\$10,280,000” and inserting “\$14,000,000”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2206. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECT.

(a) **MODIFICATION.**—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 828) is amended—

(1) in the item relating to Camp H.M. Smith, Hawaii, by striking “\$86,050,000” in the amount column and inserting “\$89,050,000”; and

(2) by striking the amount identified as the total in the amount column and inserting “\$820,230,000”.

(b) **CONFORMING AMENDMENT.**—Section 2204(b)(3) of that Act (113 Stat. 831) is amended by striking “\$70,180,000” and inserting “\$73,180,000”.

TITLE XXIII—AIR FORCE

- Sec. 2301. Authorized Air Force construction and land acquisition projects.
- Sec. 2302. Family housing.
- Sec. 2303. Improvements to military family housing units.
- Sec. 2304. Authorization of appropriations, Air Force.
- Sec. 2305. Modification of authority to carry out certain fiscal year 2001 projects.

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) **INSIDE THE UNITED STATES.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

| State | Installation or location | Amount |
|----------------------------|--------------------------------------|--------------|
| Alabama | Maxwell Air Force Base | \$34,400,000 |
| Alaska | Eareckson Air Force Base | \$4,600,000 |
| | Elmendorf Air Force Base | \$32,200,000 |
| Arizona | Davis-Monthan Air Force Base | \$23,500,000 |
| | Luke Air Force Base | \$4,500,000 |
| Arkansas | Little Rock Air Force Base | \$18,100,000 |
| California | Beale Air Force Base | \$7,900,000 |
| | Edwards Air Force Base | \$16,300,000 |
| | Los Angeles Air Force Base | \$23,000,000 |
| | Travis Air Force Base | \$10,100,000 |
| | Vandenberg Air Force Base | \$11,800,000 |
| Colorado | Buckley Air Force Base | \$23,200,000 |
| | Schriever Air Force Base | \$30,400,000 |
| | United States Air Force Academy ... | \$25,500,000 |
| Delaware | Dover Air Force Base | \$7,300,000 |
| District of Columbia | Bolling Air Force Base | \$2,900,000 |
| Florida | Cape Canaveral Air Force Station ... | \$7,800,000 |
| | Eglin Air Force Base | \$11,400,000 |
| | Hurlburt Field | \$10,400,000 |
| | Tyndall Air Force Base | \$20,350,000 |
| Georgia | Moody Air Force Base | \$8,600,000 |
| | Robins Air Force Base | \$14,650,000 |
| Idaho | Mountain Home Air Force Base | \$14,600,000 |
| Kansas | McConnell Air Force Base | \$5,100,000 |
| Louisiana | Barksdale Air Force Base | \$5,000,000 |
| Maryland | Andrews Air Force Base | \$19,420,000 |
| Massachusetts | Hanscom Air Force Base | \$9,400,000 |
| Mississippi | Columbus Air Force Base | \$5,000,000 |
| | Keesler Air Force Base | \$28,600,000 |
| Montana | Malmstrom Air Force Base | \$4,650,000 |
| Nevada | Nellis Air Force Base | \$31,600,000 |
| New Jersey | McGuire Air Force Base | \$36,550,000 |
| New Mexico | Cannon Air Force Base | \$9,400,000 |
| | Kirtland Air Force Base | \$19,800,000 |
| North Carolina | Pope Air Force Base | \$17,800,000 |
| North Dakota | Grand Forks Air Force Base | \$7,800,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Air Force: Inside the United States—Continued

| State | Installation or location | Amount |
|----------------------|---------------------------------------|---------------|
| Ohio | Wright-Patterson Air Force Base | \$28,250,000 |
| Oklahoma | Altus Air Force Base | \$20,200,000 |
| | Tinker Air Force Base | \$21,400,000 |
| South Carolina | Shaw Air Force Base | \$5,800,000 |
| South Dakota | Ellsworth Air Force Base | \$12,200,000 |
| Tennessee | Arnold Air Force Base | \$24,400,000 |
| Texas | Dyess Air Force Base | \$16,800,000 |
| | Lackland Air Force Base | \$12,800,000 |
| | Laughlin Air Force Base | \$15,600,000 |
| | Sheppard Air Force Base | \$45,200,000 |
| Utah | Hill Air Force Base | \$44,000,000 |
| Virginia | Langley Air Force Base | \$47,300,000 |
| Washington | Fairchild Air Force Base | \$2,800,000 |
| | McChord Air Force Base | \$20,700,000 |
| Wyoming | F. E. Warren Air Force Base | \$10,200,000 |
| | Total: | \$891,270,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

| Country | Installation or location | Amount |
|----------------------|-----------------------------------|---------------|
| Germany | Ramstein Air Force Base | \$42,900,000 |
| | Spangdahlem Air Base | \$8,700,000 |
| Guam | Andersen Air Force Base | \$10,150,000 |
| Italy | Aviano Air Base | \$11,800,000 |
| Korea | Kunsan Air Base | \$12,000,000 |
| | Osan Air Base | \$101,142,000 |
| Oman | Masirah | \$8,000,000 |
| Turkey | Eskisehir | \$4,000,000 |
| | Incirlik | \$5,500,000 |
| United Kingdom | Royal Air Force, Lakenheath | \$11,300,000 |
| | Royal Air Force, Mildenhall | \$22,400,000 |
| Wake Island | Wake Island | \$25,000,000 |
| | Total: | \$262,892,000 |

(c) UNSPECIFIED WORLDWIDE.—Using the amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(3), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installation and location, and in the amount, set forth in the following table:

Air Force: Unspecified Worldwide

| Location | Installation | Amount |
|--------------------------|---------------------------|-------------|
| Unspecified Worldwide .. | Classified Location | \$4,458,000 |

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

| State | Installation or location | Purpose | Amount |
|------------------|---------------------------|---------------|--------------|
| Arizona | Luke Air Force Base | 120 Units ... | \$15,712,000 |
| California | Travis Air Force Base ... | 118 Units ... | \$18,150,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Air Force: Family Housing—Continued

| State | Installation or location | Purpose | Amount |
|-------------------------|------------------------------------|----------------|---------------|
| Colorado | Buckley Air Force Base | 55 Units | \$11,400,000 |
| Delaware | Dover Air Force Base | 120 Units | \$18,145,000 |
| District of Columbia .. | Bolling Air Force Base ... | 136 Units | \$16,926,000 |
| Hawaii | Hickam Air Force Base .. | 102 Units | \$25,037,000 |
| Idaho | Mountain Home Air Force Base | 56 Units | \$10,000,000 |
| Louisiana | Barksdale Air Force Base | 56 Units | \$7,300,000 |
| South Dakota | Ellsworth Air Force Base | 78 Units | \$13,700,000 |
| Virginia | Langley Air Force Base | 4 Units | \$1,200,000 |
| Portugal | Lajes Field, Azores | 64 Units | \$13,230,000 |
| Total: | | | \$150,800,000 |

(b) **PLANNING AND DESIGN.**—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed \$24,558,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed \$375,345,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) **IN GENERAL.**—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of \$2,573,122,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), \$879,270,000.

(2) For military construction projects outside the United States authorized by section 2301(b), \$223,592,000.

(3) For a military construction project at an unspecified worldwide location authorized by section 2301(c), \$4,458,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, \$11,250,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, \$94,970,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, \$550,703,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), \$844,715,000.

(7) \$12,600,000 for construction of an air freight terminal and base supply complex at McGuire Air Force Base, New Jersey, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-399), as amended by section 2305 of this Act.

(b) **LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.**—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

PUBLIC LAW 107-107—DEC. 28, 2001

(1) the total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a);

(2) \$12,000,000 (the balance of the amount authorized under section 2301(a) for a maintenance depot hanger at Hill Air Force Base, Utah);

(3) \$15,300,000 (the balance of the amount authorized under section 2301(b) for repair of an airfield runway at Wake Island); and

(4) \$24,000,000 (the balance of the amount authorized under section 2301(b) for a civil engineer complex at Osan Air Force Base, Korea).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (7) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by \$48,436,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2305. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) MCGUIRE AIR FORCE BASE.—The table in section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-399) is amended—

(1) in the item relating to McGuire Air Force Base, New Jersey, by striking “\$29,772,000” in the amount column and inserting “\$32,972,000”; and

(2) by striking the amount identified as the total in the amount column and inserting “\$748,955,000”.

(b) MOUNTAIN HOME AIR FORCE BASE.—The table in section 2302(a) of that Act (114 Stat. 1654A-400) is amended in the item relating to Mountain Home Air Force Base, Idaho, by striking “119 Units” in the purpose column and inserting “46 Units”.

(c) CONFORMING AMENDMENT.—Section 2304(b)(2) of that Act (114 Stat. 1654A-402) is amended by striking “\$9,400,000” and inserting “\$12,600,000”.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.

Sec. 2402. Energy conservation projects.

Sec. 2403. Authorization of appropriations, Defense Agencies.

Sec. 2404. Cancellation of authority to carry out certain fiscal year 2001 projects.

Sec. 2405. Modification of authority to carry out certain fiscal year 2000 projects.

Sec. 2406. Modification of authority to carry out certain fiscal year 1999 project.

Sec. 2407. Modification of authority to carry out certain fiscal year 1995 project.

Sec. 2408. Prohibition on expenditures to develop forward operating location on Aruba.

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

| Agency | Installation or location | Amount |
|----------------------------------|---|--------------|
| Defense Education Activity | Laurel Bay, South Carolina | \$12,850,000 |
| | Marine Corps Base, Camp Lejeune, North Carolina | \$8,857,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Defense Agencies: Inside the United States—Continued

| Agency | Installation or location | Amount |
|-----------------------------------|---|--------------------------------------|
| Defense Logistics Agency | Defense Distribution Depot Tracy, California | \$30,000,000 |
| | Defense Distribution New Cumberland, Pennsylvania | \$19,900,000 |
| | Eielson Air Force Base, Alaska | \$8,800,000 |
| | Fort Belvoir, Virginia | \$900,000 |
| | Grand Forks Air Force Base, North Dakota | \$9,110,000 |
| | Hickam Air Force Base, Hawaii | \$29,200,000 |
| | McGuire Air Force Base, New Jersey | \$4,400,000 |
| | Minot Air Force Base, North Dakota | \$14,000,000 |
| | Philadelphia, Pennsylvania | \$2,429,000 |
| | Pope Air Force Base, North Carolina | \$3,400,000 |
| Special Operations Command | Aberdeen Proving Ground, Maryland | \$3,200,000 |
| | CONUS Classified | \$2,400,000 |
| | Fort Benning, Georgia | \$5,100,000 |
| | Fort Bragg, North Carolina | \$33,562,000 |
| | Fort Lewis, Washington | \$6,900,000 |
| | Hurlburt Field, Florida | \$13,400,000 |
| | MacDill Air Force Base, Florida | \$12,000,000 |
| | Naval Station, San Diego, California | \$13,650,000 |
| TRICARE Management Activity | Andrews Air Force Base, Maryland .. | \$10,250,000 |
| | Dyess Air Force Base, Texas | \$3,300,000 |
| | F. E. Warren Air Force Base, Wyoming | \$2,700,000 |
| | Fort Hood, Texas | \$12,200,000 |
| | Fort Stewart/Hunter Army Air Field, Georgia | \$11,000,000 |
| | Holloman Air Force Base, New Mexico | \$5,700,000 |
| | Hurlburt Field, Florida | \$8,800,000 |
| | Marine Corps Base, Camp Pendleton, California | \$15,300,000 |
| | Marine Corps Logistics Base, Albany, Georgia | \$5,800,000 |
| | Naval Air Station, Whidbey Island, Washington | \$6,600,000 |
| | Naval Hospital, Twentynine Palms, California | \$1,600,000 |
| | Naval Station, Mayport, Florida | \$24,000,000 |
| | Naval Station, Norfolk, Virginia | \$21,000,000 |
| | Schriever Air Force Base, Colorado .. | \$4,000,000 |
| | Washington Headquarters Services | Pentagon Reservation, Virginia ..... | $25,000,000 |
| Total: | | \$391,308,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

| Agency | Installation or location | Amount |
|----------------------------------|-------------------------------------|-------------|
| Defense Education Activity | Aviano Air Base, Italy | \$3,647,000 |
| | Geilenkirchen AB, Germany | \$1,733,000 |
| | Heidelberg, Germany | \$3,312,000 |
| | Kaiserslautern, Germany | \$1,439,000 |
| | Kitzingen, Germany | \$1,394,000 |
| | Landstuhl, Germany | \$1,444,000 |
| | Ramstein Air Force Base, Germany .. | \$2,814,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Defense Agencies: Outside the United States—Continued

| Agency | Installation or location | Amount |
|--|---|---------------|
| Defense Logistics Agency | Royal Air Force, Feltwell, United Kingdom | \$22,132,000 |
| | Vogelweh Annex, Germany | \$1,558,000 |
| | Wiesbaden Air Base, Germany | \$1,378,000 |
| | Wuerzburg, Germany | \$2,684,000 |
| | Anderson Air Force Base, Guam | \$20,000,000 |
| | Camp Casey, Korea | \$5,500,000 |
| | Naval Station, Rota, Spain | \$3,000,000 |
| Office Secretary of Defense TRICARE Management Activity | Yokota Air Base, Japan | \$13,000,000 |
| | Comalapa Air Base, El Salvador | \$12,577,000 |
| | Heidelberg, Germany | \$28,000,000 |
| | Lajes Field, Azores, Portugal | \$3,750,000 |
| | Thule, Greenland | \$10,800,000 |
| Total: | | \$140,162,000 |

SEC. 2402. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(6), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of \$27,100,000.

SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of \$1,481,208,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), \$391,308,000.

(2) For military construction projects outside the United States authorized by section 2401(b), \$140,162,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, \$24,492,000.

(4) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, \$10,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, \$54,496,000.

(6) For energy conservation projects authorized by section 2402, \$27,100,000.

(7) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note), \$632,713,000.

(8) For military family housing functions:

(A) For improvement of military family housing and facilities, \$250,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), \$43,762,000, of which not more than \$37,298,000 may be obligated or expended for the leasing of military family housing units worldwide.

(C) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, \$2,000,000.

(9) For the construction of phase 6 of an ammunition demilitarization facility at Pine Bluff Arsenal, Arkansas, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public

PUBLIC LAW 107-107—DEC. 28, 2001

Law 103-337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104-106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105-85; 111 Stat. 1982), section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2197), and section 2407 of this Act, \$26,000,000.

(10) For the construction of phase 3 of an ammunition demilitarization facility at Pueblo Army Depot, Colorado, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104-201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 839), \$11,000,000.

(11) For construction of phase 4 of an ammunition demilitarization facility at Newport Army Depot, Indiana, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2193), \$66,000,000.

(12) For construction of phase 4 of an ammunition demilitarization facility at Aberdeen Proving Ground, Maryland, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2193), as amended by section 2406 of this Act, \$66,500,000.

(13) For the construction of phase 2 of an ammunition demilitarization facility at Blue Grass Army Depot, Kentucky, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65, 113 Stat. 836), as amended by section 2405 of this Act, \$3,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (13) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by \$17,575,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction, military family housing construction, and military family housing support outside the United States and savings resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2404. CANCELLATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) CANCELLATION OF PROJECTS AT CAMP PENDLETON, CALIFORNIA.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-402) is amended—

(1) under the agency heading TRICARE Management Activity, by striking the item relating to Marine Corps Base, Camp Pendleton, California; and

(2) by striking the amount identified as the total in the amount column and inserting “\$242,756,000”.

(b) CANCELLATION OF PROJECTS AT UNSPECIFIED WORLDWIDE LOCATIONS.—Section 2401(c) of that Act (114 Stat. 1654A-404) is amended by striking “\$451,135,000” and inserting “\$30,065,000”.

(c) TREATMENT OF AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN CANCELED PROJECTS.—Of the amount authorized to be appro-

PUBLIC LAW 107-107—DEC. 28, 2001

priated by section 2403(a) of that Act (114 Stat. 1654A-404), and paragraph (1) of that section, \$14,150,000 shall be available for purposes relating to construction of the Portsmouth Naval Hospital, Virginia, as authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1640).

(d) **REDUCTION IN AUTHORIZATION OF APPROPRIATIONS FOR PROJECTS AT UNSPECIFIED WORLDWIDE LOCATIONS.**—Section 2403 of that Act (114 Stat. 1654A-404) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “\$1,883,902,000” and inserting “\$1,828,872,000”; and

(B) in paragraph (3), by striking “\$85,095,000” and inserting “\$30,065,000”; and

(2) in subsection (b), by striking “may not exceed—” and all that follows through the end of the subsection and inserting “may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).”.

SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) **MODIFICATION.**—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 835) is amended—

(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Blue Grass Army Depot, Kentucky, by striking “\$206,800,000” in the amount column and inserting “\$254,030,000”;

(2) under the agency heading relating to TRICARE Management Agency—

(A) in the item relating to Fort Wainwright, Alaska, by striking “\$133,000,000” in the amount column and inserting “\$215,000,000”; and

(B) by striking the item relating to Naval Air Station, Whidbey Island, Washington; and

(3) by striking the amount identified as the total in the amount column and inserting “\$711,950,000”.

(b) **TREATMENT OF AUTHORIZATION OF APPROPRIATIONS FOR CANCELED WHIDBEY ISLAND PROJECT.**—Of the amount authorized to be appropriated by section 2405(a) of that Act (113 Stat. 837), and paragraph (1) of that section, \$4,700,000 shall be available for purposes relating to construction of the Portsmouth Naval Hospital, Virginia, as authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1640).

(c) **CONFORMING AMENDMENTS.**—Section 2405(b) of that Act (113 Stat. 839) is amended—

(1) in paragraph (2), by striking “\$115,000,000” and inserting “\$197,000,000”; and

(2) in paragraph (3), by striking “\$184,000,000” and inserting “\$231,230,000”.

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECT.

(a) **MODIFICATION.**—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2193) is amended—

(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Aberdeen Proving Ground, Maryland, by striking “\$186,350,000” in the amount column and inserting “\$223,950,000”; and

(2) by striking the amount identified as the total in the amount column and inserting “\$727,616,000”.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) CONFORMING AMENDMENT.—Section 2404(b)(3) of that Act (112 Stat. 2196) is amended by striking “\$158,000,000” and inserting “\$195,600,000”.

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1995 PROJECT.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103-337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104-106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105-85; 111 Stat. 1982), and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2197), is amended under the agency heading relating to Chemical Agents and Munitions Destruction, in the item relating to Pine Bluff Arsenal, Arkansas, by striking “\$154,400,000” in the amount column and inserting “\$177,400,000”.

SEC. 2408. PROHIBITION ON EXPENDITURES TO DEVELOP FORWARD OPERATING LOCATION ON ARUBA.

None of the funds appropriated under the heading “MILITARY CONSTRUCTION, DEFENSE-WIDE” in chapter 3 of title III of the Emergency Supplemental Act, 2000 (Public Law 106-246; 114 Stat. 579), may be used by the Secretary of Defense to develop any forward operating location on the island of Aruba.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment Program authorized by section 2501, in the amount of \$162,600,000.

TITLE XXVI—GUARD AND RESERVE FACILITIES

Sec. 2601. Authorized guard and reserve construction and land acquisition projects.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) IN GENERAL.—There are authorized to be appropriated for fiscal years beginning after September 30, 2001, for the costs of acquisition, architectural and engineering services, and construction

PUBLIC LAW 107-107—DEC. 28, 2001

of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

- (1) For the Department of the Army—
 - (A) for the Army National Guard of the United States, \$393,253,000; and
 - (B) for the Army Reserve, \$168,969,000.
- (2) For the Department of the Navy, for the Naval and Marine Corps Reserve, \$52,896,000.
- (3) For the Department of the Air Force—
 - (A) for the Air National Guard of the United States, \$253,852,000; and
 - (B) for the Air Force Reserve, \$73,032,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.

Sec. 2702. Extension of authorizations of certain fiscal year 1999 projects.

Sec. 2703. Extension of authorizations of certain fiscal year 1998 projects.

Sec. 2704. Effective date.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2004; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2005.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before the later of—

(1) October 1, 2004; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2005 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2199), authorizations set forth in the tables in subsection (b), as provided in section 2302 or 2601 of that Act, shall remain in effect until October 1, 2002, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

PUBLIC LAW 107-107—DEC. 28, 2001

Air Force: Extension of 1999 Project Authorizations

| State | Installation or location | Project | Amount |
|------------------|---------------------------------------|---|-------------|
| Delaware | Dover Air Force Base | Replace Family Housing (55 units) | \$8,998,000 |
| Florida | Patrick Air Force Base | Replace Family Housing (46 units) | \$9,692,000 |
| New Mexico | Kirtland Air Force Base | Replace Family Housing (37 units) | \$6,400,000 |
| Ohio | Wright-Patterson Air Force Base | Replace Family Housing (40 units) | \$5,600,000 |

Army National Guard: Extension of 1999 Project Authorizations

| State | Installation or location | Project | Amount |
|----------------------|--------------------------|--------------------------------------|-------------|
| Massachusetts | Westfield | Army Aviation Support Facility | \$9,274,000 |
| South Carolina | Spartanburg | Readiness Center | \$5,260,000 |

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1998 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105-85; 111 Stat. 1984), authorizations set forth in the tables in subsection (b), as provided in section 2102, 2202, or 2302 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-408), shall remain in effect until October 1, 2002, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1998 Project Authorization

| State | Installation or location | Project | Amount |
|----------------|--------------------------|--|-------------|
| Maryland | Fort Meade | Family Housing Construction (56 units) | \$7,900,000 |

Navy: Extension of 1998 Project Authorizations

| State | Installation or location | Project | Amount |
|------------------|---|---|--------------|
| California | Naval Complex, San Diego | Replace Family Housing (94 units) | \$13,500,000 |
| California | Marine Corps Air Station, Miramar | Family Housing Construction (166 units) | \$28,881,000 |
| Louisiana | Naval Complex, New Orleans | Replace Family Housing (100 units) | \$11,930,000 |

PUBLIC LAW 107-107—DEC. 28, 2001

Navy: Extension of 1998 Project Authorizations—Continued

| State | Installation or location | Project | Amount |
|-------------|---|--|--------------|
| Texas | Naval Air Station, Corpus Christi | Family Housing Construction (212 units) | \$22,250,000 |

Air Force: Extension of 1998 Project Authorization

| State | Installation or location | Project | Amount |
|------------------|-------------------------------|--|--------------|
| New Mexico | Kirtland Air Force Base | Replace Family Housing (180 units) | \$20,900,000 |

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

- (1) October 1, 2001; or
- (2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

- Sec. 2801. Increase in thresholds for certain unspecified minor military construction projects.
- Sec. 2802. Exclusion of unforeseen environmental hazard remediation from limitation on authorized cost variations.
- Sec. 2803. Repeal of annual reporting requirement on military construction and military family housing activities.
- Sec. 2804. Funds for housing allowances of members assigned to military family housing under alternative authority for acquisition and improvement of military housing.
- Sec. 2805. Extension of alternative authority for acquisition and improvement of military housing.
- Sec. 2806. Treatment of financing costs as allowable expenses under contracts for utility services from utility systems conveyed under privatization initiative.

Subtitle B—Real Property and Facilities Administration

- Sec. 2811. Use of military installations for certain recreational activities.
- Sec. 2812. Availability of proceeds of sales of Department of Defense property from certain closed military installations.
- Sec. 2813. Pilot program to provide additional tools for efficient operation of military installations.
- Sec. 2814. Demonstration program on reduction in long-term facility maintenance costs.
- Sec. 2815. Base efficiency project at Brooks Air Force Base, Texas.

Subtitle C—Implementation of Prior Base Closure and Realignment Rounds

- Sec. 2821. Lease back of base closure property.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

- Sec. 2831. Land conveyance, Whittier-Anchorage Pipeline Tank Farm, Anchorage, Alaska.
- Sec. 2832. Lease authority, Fort DeRussy, Hawaii.
- Sec. 2833. Modification of land exchange, Rock Island Arsenal, Illinois.
- Sec. 2834. Land conveyance, Fort Des Moines, Iowa.
- Sec. 2835. Modification of land conveyances, Fort Dix, New Jersey.
- Sec. 2836. Land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia.
- Sec. 2837. Land exchange and consolidation, Fort Lewis, Washington.
- Sec. 2838. Land conveyance, Army Reserve Center, Kewaunee, Wisconsin.

PART II—NAVY CONVEYANCES

- Sec. 2841. Transfer of jurisdiction, Centerville Beach Naval Station, Humboldt County, California.

PUBLIC LAW 107-107—DEC. 28, 2001

- Sec. 2842. Land conveyance, Port of Long Beach, California.
 Sec. 2843. Conveyance of pier, Naval Base, San Diego, California.
 Sec. 2844. Modification of authority for conveyance of Naval Computer and Telecommunications Station, Cutler, Maine.
 Sec. 2845. Land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine.
 Sec. 2846. Land acquisition, Perquimans County, North Carolina.
 Sec. 2847. Land conveyance, Naval Weapons Industrial Reserve Plant, Toledo, Ohio.
 Sec. 2848. Modification of land conveyance, former United States Marine Corps Air Station, Eagle Mountain Lake, Texas.

PART III—AIR FORCE CONVEYANCES

- Sec. 2851. Conveyance of aviation easements, former Norton Air Force Base, California.
 Sec. 2852. Reexamination of land conveyance, Lowry Air Force Base, Colorado.
 Sec. 2853. Water rights conveyance, Andersen Air Force Base, Guam.
 Sec. 2854. Conveyance of segment of Loring petroleum pipeline, Maine, and related easements.
 Sec. 2855. Land conveyance, petroleum terminal serving former Loring Air Force Base and Bangor Air National Guard Base, Maine.
 Sec. 2856. Land conveyances, certain former Minuteman III ICBM facilities in North Dakota.
 Sec. 2857. Land conveyances, Charleston Air Force Base, South Carolina.
 Sec. 2858. Transfer of jurisdiction, Mukilteo Tank Farm, Everett, Washington.

Subtitle E—Other Matters

- Sec. 2861. Management of the Presidio of San Francisco.
 Sec. 2862. Transfer of jurisdiction for development of Air Force morale, welfare, and recreation facility, Park City, Utah.
 Sec. 2863. Alternate site for United States Air Force Memorial, preservation of open space on Arlington Ridge tract, and related land transfer at Arlington National Cemetery, Virginia.
 Sec. 2864. Establishment of memorial to victims of terrorist attack on Pentagon Reservation and authority to accept monetary contributions for memorial and repair of Pentagon.
 Sec. 2865. Repeal of limitation on cost of renovation of Pentagon Reservation.
 Sec. 2866. Development of United States Army Heritage and Education Center at Carlisle Barracks, Pennsylvania.
 Sec. 2867. Effect of limitation on construction of roads or highways, Marine Corps Base, Camp Pendleton, California.
 Sec. 2868. Establishment of World War II memorial at additional location on Guam.
 Sec. 2869. Demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.
 Sec. 2870. Report on future land needs of United States Military Academy, New York, and adjacent community.
 Sec. 2871. Naming of Patricia C. Lamar Army National Guard Readiness Center, Oxford, Mississippi.

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. INCREASE IN THRESHOLDS FOR CERTAIN UNSPECIFIED MINOR MILITARY CONSTRUCTION PROJECTS.

(a) PROJECTS REQUIRING ADVANCE APPROVAL OF SECRETARY CONCERNED.—Subsection (b)(1) of section 2805 of title 10, United States Code, is amended by striking “\$500,000” and inserting “\$750,000”.

(b) PROJECTS USING AMOUNTS FOR OPERATION AND MAINTENANCE.—Subsection (c)(1) of that section is amended—

(1) in subparagraph (A), by striking “\$1,000,000” and inserting “\$1,500,000”; and

(2) in subparagraph (B), by striking “\$500,000” and inserting “\$750,000”.

SEC. 2802. EXCLUSION OF UNFORESEEN ENVIRONMENTAL HAZARD REMEDIATION FROM LIMITATION ON AUTHORIZED COST VARIATIONS.

Subsection (d) of section 2853 of title 10, United States Code, is amended to read as follows:

“(d) The limitation on cost increases in subsection (a) does not apply to the following:

PUBLIC LAW 107-107—DEC. 28, 2001

“(1) The settlement of a contractor claim under a contract.

“(2) The costs associated with the required remediation of an environmental hazard in connection with a military construction project or military family housing project, such as asbestos removal, radon abatement, lead-based paint removal or abatement, or any other legally required environmental hazard remediation, if the required remediation could not have reasonably been anticipated at the time the project was approved originally by Congress.”.

SEC. 2803. REPEAL OF ANNUAL REPORTING REQUIREMENT ON MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING ACTIVITIES.

(a) REPEAL.—Section 2861 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter III of chapter 169 of such title is amended by striking the item relating to section 2861.

SEC. 2804. FUNDS FOR HOUSING ALLOWANCES OF MEMBERS ASSIGNED TO MILITARY FAMILY HOUSING UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) IN GENERAL.—Subchapter IV of chapter 169 of title 10, United States Code, is amended by inserting after section 2883 the following new section:

“§ 2883a. Funds for housing allowances of members of the armed forces assigned to certain military family housing units

“(a) AUTHORITY TO TRANSFER FUNDS TO COVER HOUSING ALLOWANCES.—During the fiscal year in which a contract is awarded for the acquisition or construction of military family housing units under this subchapter that are not to be owned by the United States, the Secretary of Defense may transfer the amount determined under subsection (b) with respect to such housing from appropriations available for support of military housing for the armed force concerned for that fiscal year to appropriations available for pay and allowances of military personnel of that same armed force for that same fiscal year.

“(b) AMOUNT TRANSFERRED.—The total amount authorized to be transferred under subsection (a) in connection with a contract under this subchapter may not exceed an amount equal to any additional amounts payable during the fiscal year in which the contract is awarded to members of the armed forces assigned to the acquired or constructed housing units as basic allowance for housing under section 403 of title 37 that would not otherwise have been payable to such members if not for assignment to such housing units.

“(c) TRANSFERS SUBJECT TO APPROPRIATIONS.—The transfer of funds under the authority of subsection (a) is limited to such amounts as may be provided in advance in appropriations Acts.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that subchapter is amended by inserting after the item relating to section 2883 the following new item:

“2883a. Funds for housing allowances of members of the armed forces assigned to certain military family housing units.”.

SEC. 2805. EXTENSION OF ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

Section 2885 of title 10, United States Code, is amended by striking “2004” and inserting “2012”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2806. TREATMENT OF FINANCING COSTS AS ALLOWABLE EXPENSES UNDER CONTRACTS FOR UTILITY SERVICES FROM UTILITY SYSTEMS CONVEYED UNDER PRIVATIZATION INITIATIVE.

(a) **EVALUATION OF FEDERAL ACQUISITION REGULATION.**—The Secretary of Defense shall conduct an evaluation of the Federal Acquisition Regulation to determine whether or not it is advisable to modify the Federal Acquisition Regulation to provide that a contract for utility services from a utility system conveyed under section 2688(a) of title 10, United States Code, may include terms and conditions that recognize financing costs, such as return on equity and interest on debt, as an allowable expense when incurred by the conveyee of the utility system to acquire, operate, renovate, replace, upgrade, repair, or expand the utility system. The Secretary shall complete the evaluation not later than 90 days after the date of the enactment of this Act.

(b) **SUBMISSION OF RECOMMENDATION TO FEDERAL ACQUISITION REGULATORY COUNCIL.**—If the Secretary determines under subsection (a) that it is advisable to modify the Federal Acquisition Regulation to provide that a contract described in such subsection may include terms and conditions described in such subsection, the Secretary shall submit the results of the evaluation to the Federal Acquisition Regulatory Council together with a recommendation regarding the amendments to the Federal Acquisition Regulation necessary to effectuate the modification.

Subtitle B—Real Property and Facilities Administration

SEC. 2811. USE OF MILITARY INSTALLATIONS FOR CERTAIN RECREATIONAL ACTIVITIES.

(a) **WAIVER AUTHORITY.**—Section 2671 of title 10, United States Code, is amended—

(1) in subsection (b), by striking “(b)” and inserting “(e) REGULATIONS.—” and transferring the subsection to the end of the section; and

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

“(b) **WAIVER AUTHORITY.**—(1) The Secretary of Defense may waive or otherwise modify the fish and game laws of a State or Territory otherwise applicable under subsection (a)(1) to hunting, fishing, or trapping at a military installation or facility if the Secretary determines that the application of such laws to such hunting, fishing, or trapping without modification could result in undesirable consequences for public health or safety at the installation or facility. The authority to waive such laws includes the authority to extend, but not reduce, the specified season for certain hunting, fishing, or trapping. The Secretary may not waive the requirements under subsection (a)(2) regarding a license for such hunting, fishing, or trapping or any fee imposed by a State or Territory to obtain such a license.

“(2) If the Secretary determines that a waiver of fish and game laws of a State or Territory is appropriate under paragraph (1), the Secretary shall provide written notification to the appropriate State or Territory officials stating the reasons for, and extent of, the waiver. The notification shall be provided at least 30 days before implementation of the waiver.”

(b) **CLERICAL AMENDMENTS.**—Such section is further amended—

(1) in subsection (a), by inserting “GENERAL REQUIREMENTS FOR HUNTING, FISHING, AND TRAPPING.—” after “(a)”;

(2) in subsection (c), by inserting “VIOLATIONS.—” after “(c)”;

PUBLIC LAW 107-107—DEC. 28, 2001

(3) in subsection (d), by inserting “RELATION TO TREATY RIGHTS.—” after “(d)”.

SEC. 2812. AVAILABILITY OF PROCEEDS OF SALES OF DEPARTMENT OF DEFENSE PROPERTY FROM CERTAIN CLOSED MILITARY INSTALLATIONS.

(a) **MODIFICATION OF AVAILABILITY PERCENTAGES.**—Subsection (h)(2) of section 204 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485) is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

“(A) In the case of property located at a military installation that is closed, such amount shall be available for facility maintenance and repair or environmental restoration by the military department that had jurisdiction over such property before the closure of the military installation.

“(B) In the case of property located at any other military installation—

“(i) 50 percent of such amount shall be available for facility maintenance and repair or environmental restoration at the military installation where such property was located before it was disposed of or transferred; and

“(ii) 50 percent of such amount shall be available for facility maintenance and repair and for environmental restoration by the military department that had jurisdiction over such property before it was disposed of or transferred.”

(b) **RELATION TO OTHER LAWS.**—Subsection (h) of such section is further amended—

(1) in paragraph (1), by inserting “pursuant to a base closure law” after “realignment” in the first sentence; and

(2) in paragraph (5), by inserting before the period at the end the following: “, and the term ‘base closure law’ shall have the meaning given that term in section 2667(h)(2) of such title”.

10 USC 2661
note.

SEC. 2813. PILOT PROGRAM TO PROVIDE ADDITIONAL TOOLS FOR EFFICIENT OPERATION OF MILITARY INSTALLATIONS.

(a) **INITIATIVE AUTHORIZED.**—The Secretary of Defense may carry out a pilot program (to be known as the “Pilot Efficient Facilities Initiative”) for purposes of determining the potential for increasing the efficiency and effectiveness of the operation of military installations.

(b) **DESIGNATION OF PARTICIPATING MILITARY INSTALLATIONS.**—

(1) The Secretary of Defense may designate up to two military installations of each military department for participation in the Initiative.

(2) Before designating a military installation under paragraph (1), the Secretary shall consult with employees at the installation and communities in the vicinity of the installation regarding the Initiative.

Notification.
Deadline.

(3) The Secretary shall transmit to Congress written notification of the designation of a military installation to participate in the Initiative not later than 30 days before taking any action to carry out the Initiative at the installation. The notification shall include a description of the steps taken by the Secretary to comply with paragraph (2).

(c) **MANAGEMENT PLAN.**—(1) As part of the notification required under subsection (b), the Secretary of Defense shall submit a management plan for the Initiative at the military installation designated in the notification.

(2) The management plan for a designated military installation shall include a description of—

(A) each proposed lease of real or personal property located at the military installation;

PUBLIC LAW 107-107—DEC. 28, 2001

(B) each proposed disposal of real or personal property located at the installation;

(C) each proposed leaseback of real or personal property leased or disposed of at the installation;

(D) each proposed conversion of services at the installation from Federal Government performance to non-Federal Government performance, including performance by contract with a State or local government or private entity or performance as consideration for the lease or disposal of property at the installation; and

(E) each other action proposed to be taken to improve mission effectiveness and reduce the cost of providing quality installation support at the installation.

(3) With respect to each proposed action described under paragraph (2), the management plan shall include—

(A) an estimate of the savings expected to be achieved as a result of the action;

(B) each regulation not required by statute that is proposed to be waived to implement the action; and

(C) each statute or regulation required by statute that is proposed to be waived to implement the action, including—

(i) an explanation of the reasons for the proposed waiver; and

(ii) a description of the action to be taken to protect the public interests served by the statute or regulation, as the case may be, in the event of the waiver.

(4) The management plan shall include measurable criteria for the evaluation of the effects of the actions taken pursuant to the Initiative at the designated military installation.

(d) WAIVER OF STATUTORY REQUIREMENTS.—The Secretary of Defense may waive any statute, or regulation required by statute, for purposes of carrying out the Initiative only if specific authority for the waiver of such statute or regulation is provided in a law that is enacted after the date of the enactment of this Act.

(e) INSTALLATION EFFICIENCY INITIATIVE FUND.—(1) There is established on the books of the Treasury a fund to be known as the “Installation Efficiency Initiative Fund”.

Establishment.

(2) There shall be deposited in the Fund all cash rents, payments, reimbursements, proceeds, and other amounts from leases, sales, or other conveyances or transfers, joint activities, and other actions taken under the Initiative.

(3) To the extent provided in advance in authorization Acts and appropriations Acts, amounts in the Fund shall be available to the Secretary of Defense for purposes of managing capital assets and providing support services at military installations participating in the Initiative. Amounts in the Fund may be used for such purposes in addition to, or in combination with, other amounts authorized to be appropriated for such purposes. Amounts in the Fund shall be available for such purposes for five years.

(4) Subject to applicable financial management regulations, the Secretary shall structure the Fund, and provide administrative policies and procedures, in order to provide proper control of deposits in and disbursements from the Fund.

(f) REPORT.—Not later than December 31, 2004, the Secretary of Defense shall submit to Congress a report on the Initiative. The report shall contain a description of the actions taken under the Initiative and include such other information, including recommendations, as the Secretary considers appropriate regarding the Initiative.

Deadline.

(g) DEFINITIONS.—In this section:

(1) The term “Initiative” means the Pilot Efficient Facilities Initiative.

(2) The term “Fund” means the Installation Efficiency Initiative Fund.

PUBLIC LAW 107-107—DEC. 28, 2001

(3) The term “military installation” has the meaning given such term in section 2687(e) of title 10, United States Code.

(h) TERMINATION.—The authority of the Secretary of Defense to carry out the Initiative shall terminate December 31, 2005.

10 USC 2809
note.

SEC. 2814. DEMONSTRATION PROGRAM ON REDUCTION IN LONG-TERM FACILITY MAINTENANCE COSTS.

(a) AUTHORITY TO CARRY OUT PROGRAM.—The Secretary of the Army may conduct a demonstration program to assess the feasibility and desirability of including facility maintenance requirements in construction contracts for military construction projects for the purpose of determining whether such requirements facilitate reductions in the long-term facility maintenance costs of the military departments.

(b) CONTRACTS.—Not more than three contracts entered into in any year may contain requirements referred to in subsection (a) for the purpose of the demonstration program. The demonstration program may only cover contracts entered into on or after the date of the enactment of this Act.

(c) EFFECTIVE PERIOD OF REQUIREMENTS.—The effective period of a requirement referred to in subsection (a) that is included in a contract for the purpose of the demonstration program may not exceed five years.

Deadline.

(d) REPORTING REQUIREMENTS.—Not later than January 31, 2005, the Secretary of the Army shall submit to Congress a report on the demonstration program, including the following:

(1) A description of all contracts that contain requirements referred to in subsection (a) for the purpose of the demonstration program.

(2) An evaluation of the demonstration program and a description of the experience of the Secretary with respect to such contracts.

(3) Any recommendations, including recommendations for the termination, continuation, or expansion of the demonstration program, that the Secretary considers appropriate.

(e) EXPIRATION.—The authority under subsection (a) to include requirements referred to in that subsection in contracts under the demonstration program shall expire on September 30, 2006.

(f) FUNDING.—Amounts authorized to be appropriated for the Army for a fiscal year for military construction shall be available for the demonstration program under this section in such fiscal year.

SEC. 2815. BASE EFFICIENCY PROJECT AT BROOKS AIR FORCE BASE, TEXAS.

(a) ADMINISTRATION OF PROJECT.—Section 136(m)(9) of the Military Construction Appropriations Act, 2001 (division A of Public Law 106-246; 114 Stat. 524), is amended by striking “, who shall be a civilian official of the Department appointed by the President with the advice and consent of the Senate”.

Deadline.

(b) INDEMNIFICATION OF TRANSFEREES.—Not later than March 1, 2002, the Secretary of Defense shall submit to Congress a report evaluating the base efficiency project conducted under section 136 of the Military Construction Appropriations Act, 2001 (division A of Public Law 106-246; 114 Stat. 520). The evaluation shall address whether the disposal of real property under subsection (e) or other provisions of that section requires any additional authority for the Secretary beyond the authority provided under existing law to hold harmless, defend, and indemnify the recipients of the property against claims arising out of Department of Defense activities on the property before disposal. If the Secretary determines that inclusion of such an indemnity provision would facilitate activities under the base efficiency project, the Secretary shall include a recommendation in the report regarding the nature and extent of the indemnification to be provided.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle C—Implementation of Prior Base Closure and Realignment Rounds

SEC. 2821. LEASE BACK OF BASE CLOSURE PROPERTY.

(a) 1988 LAW.—Section 204(b)(4) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(1) by redesignating subparagraphs (E), (F), (G), (H), and (I) as subparagraphs (F), (G), (H), (I), and (J), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph (E):

“(E)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this title (including property at an installation approved for realignment which will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, one or more portions of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

“(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

“(iii) A lease under clause (i) may not require rental payments by the United States.

“(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease. Exercise of the authority provided by this clause shall be made in consultation with the redevelopment authority concerned.

“(v) Notwithstanding clause (iii), if a lease under clause (i) involves a substantial portion of the installation, the department or agency concerned may obtain facility services for the leased property and common area maintenance from the redevelopment authority or the redevelopment authority’s assignee as a provision of the lease. The facility services and common area maintenance shall be provided at a rate no higher than the rate charged to non-Federal tenants of the transferred property. Facility services and common area maintenance covered by the lease shall not include—

“(I) municipal services that a State or local government is required by law to provide to all landowners in its jurisdiction without direct charge; or

“(II) firefighting or security-guard functions.”.

(b) 1990 LAW.—Section 2905(b)(4)(E) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by adding at the end the following new clause:

“(v) Notwithstanding clause (iii), if a lease under clause (i) involves a substantial portion of the installation, the department or agency concerned may obtain facility services for the leased property and common area maintenance from the redevelopment authority or the redevelopment authority’s assignee as a provision of the lease. The facility services and common area maintenance shall be provided at a rate no higher than the rate charged to non-Federal tenants of the transferred property. Facility services and common area maintenance covered by the lease shall not include—

PUBLIC LAW 107-107—DEC. 28, 2001

“(I) municipal services that a State or local government is required by law to provide to all landowners in its jurisdiction without direct charge; or

“(II) firefighting or security-guard functions.”

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2831. LAND CONVEYANCE, WHITTIER-ANCHORAGE PIPELINE TANK FARM, ANCHORAGE, ALASKA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Port of Anchorage, an entity of the Municipality of Anchorage, Alaska (in this section referred to as the “Port”), all right, title, and interest of the United States in and to two adjoining parcels of real property, including any improvements thereon, consisting of approximately 48 acres in Anchorage, Alaska, which are known as the Whittier-Anchorage Pipeline Tank Farm, for the purpose of permitting the Port to use the parcels for economic development.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Port shall pay to the United States an amount, in cash or in-kind, equal to not less than the fair market value of the conveyed property, as determined by the Secretary. The Secretary may authorize the Port to carry out, as in-kind consideration, environmental remediation activities for the property to be conveyed.

(c) TIME FOR CONVEYANCE.—The Secretary may delay the conveyance under subsection (a) until such time as the Army studies relating to the Alaska deployment of the Interim Brigade Combat Team in Alaska are completed.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Port.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2832. LEASE AUTHORITY, FORT DERUSSY, HAWAII.

(a) LEASE AUTHORIZED.—Notwithstanding section 809 of the Military Construction Authorization Act, 1968 (Public Law 90-110; 81 Stat. 309), and section 2814(b) of the Military Construction Authorization Act, 1989 (Public Law 100-456; 102 Stat. 2117), the Secretary of the Army may enter into a lease with the City and County of Honolulu, Hawaii, for the purpose of making available to the City and County a parcel of real property at Fort DeRussy, Hawaii, for the construction and operation of a parking facility. The size and location of the parcel shall be determined by the Secretary.

(b) TERMS AND CONDITIONS.—The lease under subsection (a) may be for such term of years, require such consideration, and contain such other terms and conditions as the Secretary considers appropriate to protect the interests of the United States.

(c) RELATIONSHIP TO OTHER LEASE AUTHORITY.—Section 2667 of title 10, United States Code, shall not apply to the lease under subsection (a).

(d) DISPOSITION OF MONEY RENTALS.—All money rentals received pursuant to the lease under subsection (a) shall be—

- (1) retained by the Secretary;
- (2) credited to an appropriation account that supports the operation and maintenance of Fort DeRussy; and
- (3) available for such purpose until expended.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2833. MODIFICATION OF LAND EXCHANGE, ROCK ISLAND ARSENAL, ILLINOIS.

(a) **ADDITIONAL CONVEYANCE AUTHORIZED.**—Subsection (a) of section 2832 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 857) is amended—

(1) by inserting “(1)” after “CONVEYANCE AUTHORIZED.—”; and

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

“(2) The Secretary may convey to the City all right, title, and interest of the United States in and to an additional parcel of real property, including improvements thereon, at the Rock Island Arsenal consisting of approximately .513 acres.”.

(b) **CONSIDERATION.**—Subsection (b) of such section is amended—

(1) by inserting “(1)” after “CONSIDERATION.—”;

(2) by striking “subsection (a)” both places it appears and inserting “subsection (a)(1)”; and

(3) by adding at the end the following new paragraph:

“(2) As consideration for the conveyance under subsection (a)(2), the City shall convey to the Secretary all right, title, and interest of the City in and to a parcel of real property consisting of approximately .063 acres and construct on the parcel, at the City’s expense, a new access ramp to the Rock Island Arsenal.”.

SEC. 2834. LAND CONVEYANCE, FORT DES MOINES, IOWA.

(a) **CONVEYANCE AUTHORIZED.**—The Secretary of the Army may convey, without consideration, to Fort Des Moines Memorial Park, Inc., a nonprofit organization (in this section referred to as the “Memorial Park”), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4.6 acres located at Fort Des Moines United States Army Reserve Center, Des Moines, Iowa, for the purpose of the establishment of the Fort Des Moines Memorial Park and Education Center.

(b) **CONDITION OF CONVEYANCE.**—The conveyance under subsection (a) shall be subject to the condition that the Memorial Park use the property for museum and park purposes.

(c) **REVERSION.**—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used for museum and park purposes, all right, title, and interest in and to the real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(d) **REIMBURSEMENT FOR COSTS OF CONVEYANCE.**—(1) The Memorial Park shall reimburse the Secretary for the excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance authorized by this section, if the excess costs were incurred as a result of a request by the Memorial Park. In this paragraph, the term “excess costs” means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance authorized by subsection (a).

(2) Section 2695(c) of title 10, United States Code, shall apply to any amount received under this subsection.

(e) **DESCRIPTION OF PROPERTY.**—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Memorial Park.

(f) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2835. MODIFICATION OF LAND CONVEYANCES, FORT DIX, NEW JERSEY.

Section 2835(c) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105-85; 111 Stat. 2004) is amended by adding at the end the following new paragraph:

“(3) Notwithstanding paragraph (1) or (2), the Borough and Board may exchange between each other, without the consent of the Secretary, all or any portion of the property conveyed under subsection (a) so long as the property continues to be used by the grantees for economic development or educational purposes.”.

SEC. 2836. LAND CONVEYANCE, ENGINEER PROVING GROUND, FORT BELVOIR, VIRGINIA.

(a) **CONVEYANCE AUTHORIZED.**—The Secretary of the Army may convey to the Commonwealth of Virginia (in this section referred to as the “Commonwealth”) all right, title, and interest of United States in and to two parcels of real property, including any improvements thereon, located at the Engineer Proving Ground, Fort Belvoir, Virginia, as follows:

(1) The parcel, consisting of approximately 170 acres, that is to be used for construction of a portion of the Fairfax County Parkway.

(2) The parcel, consisting of approximately 11.45 acres, that is subject to an easement previously granted to the Commonwealth as Army easement DACA 31-3-96-440 for the construction of a portion of Interstate Highway 95.

(b) **CONSIDERATION.**—As consideration for the conveyance under subsection (a), the Commonwealth shall—

(1) design and construct, at its expense and for public benefit, the portion of the Fairfax County Parkway through the Engineer Proving Ground;

(2) provide a conceptual design for eventual incorporation and construction by others of access into the Engineer Proving Ground at the Rolling Road Interchange from Fairfax County Parkway as specified in Virginia Department of Transportation Project #R000-029-249, C514;

(3) provide such easements or rights of way for utilities under or across the Fairfax County Parkway as the Secretary considers appropriate for the optimum development of the Engineer Proving Ground; and

(4) pay the United States an amount, jointly determined by the Secretary and the Commonwealth, appropriate to cover the costs of constructing a replacement building for building 5089 located on the Engineer Proving Ground.

(c) **RESPONSIBILITY FOR ENVIRONMENTAL CLEANUP.**—The Secretary shall retain liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), and any other applicable environmental statute or regulation, for any environmental hazard on the property conveyed under subsection (a) as of the date of the conveyance under that subsection.

(d) **ACCEPTANCE AND DISPOSITION OF FUNDS.**—(1) The Secretary of the Army may accept the funds paid by the Commonwealth as consideration under subsection (b)(4) and shall credit the accepted funds to the appropriation or appropriations that are appropriate for paying the costs of the replacement of Building 5089, located on the Engineer Proving Ground, Fort Belvoir, Virginia, consistent with paragraphs (2) and (3) of this subsection.

(2) Funds accepted under paragraph (1) shall be available, until expended, for the replacement of Building 5089.

(3) Funds appropriated pursuant to the authorization of appropriations in section 301(a)(1), and funds appropriated pursuant to the authorization of appropriations in section 2104(a)(4), shall be available in accordance with section 2805 of title 10, United States Code, for the excess, if any, of the cost of the replacement

PUBLIC LAW 107-107—DEC. 28, 2001

of Building 5089 over the amount available for such project under paragraph (2).

(e) DESCRIPTION OF PROPERTY.—(1) The exact acreage and legal description of the real property to be conveyed under subsection (a)(1) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Commonwealth.

(2) The exact acreage and legal description of the real property to be conveyed under subsection (a)(2) are as set forth in Army easement DACA 31-3-96-440.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2837. LAND EXCHANGE AND CONSOLIDATION, FORT LEWIS, WASHINGTON.

(a) EXCHANGE AUTHORIZED.—(1) The Secretary of the Army may convey to the Nisqually Tribe, a federally recognized Indian tribe whose tribal lands are located within the State of Washington, all right, title, and interest of the United States in and to two parcels of real property, including any improvements thereon, consisting of approximately 138 acres at Fort Lewis, Washington, in exchange for the real property described in subsection (b).

(2) The property authorized for conveyance under paragraph (1) does not include Bonneville Power Administration transmission facilities or the right of way described in subsection (c).

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Nisqually Tribe shall—

(1) acquire from Thurston County, Washington, several parcels of real property consisting of approximately 416 acres that are owned by the county, are located within the boundaries of Fort Lewis, and are currently leased by the Army; and

(2) convey fee title over the acquired property to the Secretary.

(c) RIGHT-OF-WAY FOR BONNEVILLE POWER ADMINISTRATION.—The Secretary may use the authority provided in section 2668 of title 10, United States Code, to convey to the Bonneville Power Administration a right-of-way that authorizes the Bonneville Power Administration to use real property at Fort Lewis as a route for the Grand Coulee-Olympia and Olympia-White River electric transmission lines and appurtenances for the purpose of facilitating the removal of such transmission lines from tribal lands of the Nisqually Tribe.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) and acquired under subsection (b) shall be determined by surveys satisfactory to the Secretary and the Nisqually Tribe. The cost of a survey shall be borne by the recipient of the property being surveyed.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2838. LAND CONVEYANCE, ARMY RESERVE CENTER, KEWAUNEE, WISCONSIN.

(a) CONVEYANCE AUTHORIZED.—The Administrator of General Services may convey, without consideration, to the City of Kewaunee, Wisconsin (in this section referred to as the “City”), all right, title, and interest of the United States in and to a parcel of Federal real property, including improvements thereon, that is located at 401 5th Street in Kewaunee, Wisconsin, and contains a surplus Army Reserve Center. After such conveyance, the property may be used and occupied only by the City or by another local or State government entity approved by the City.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) REVERSIONARY INTEREST.—(1) During the 20-year period beginning on the date the Administrator makes the conveyance under subsection (a), if the Administrator determines that the conveyed property is not being used and occupied in accordance with such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States.

(2) Upon reversion, the Administrator shall immediately proceed to a public sale of the property. The Administrator shall deposit the net proceeds from the public sale in the land and water conservation fund established under section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C 4601-5).

(c) ADDITIONAL LIMITATION ON USE.—The property conveyed under subsection (a) shall not be used for commercial purposes.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Administrator. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2841. TRANSFER OF JURISDICTION, CENTERVILLE BEACH NAVAL STATION, HUMBOLDT COUNTY, CALIFORNIA.

(a) TRANSFER AUTHORIZED.—The Secretary of the Navy may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior the real property, including any improvements thereon, consisting of the closed Centerville Beach Naval Station in Humboldt County, California, for the purpose of permitting the Secretary of the Interior to manage the real property as open space or for other public purposes.

(b) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of the survey shall be borne by the Secretary of the Interior.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the transfer under subsection (a) as the Secretary of the Navy considers appropriate to protect the interests of the United States.

SEC. 2842. LAND CONVEYANCE, PORT OF LONG BEACH, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the City of Long Beach, California, acting by and through its Board of Harbor Commissioners (in this section referred to as the “City”), all right, title, and interest of the United States in and to up to 11.08 acres of real property, including any improvements thereon, comprising a portion of the Navy Mole at the former Long Beach Naval Complex, Long Beach, California, for the purpose of permitting the City to use the property to support the reuse of other former Navy property conveyed to the City.

(b) CONSIDERATION.—(1) Subject to paragraph (2), as consideration for the conveyance under subsection (a), the City shall—

(A) convey to the Secretary all right, title, and interest of the City in and to a parcel of real property of equal size on the Mole that is acceptable to the Secretary; and

(B) construct on the property conveyed under subparagraph (A) suitable replacement fuel transfer and storage facilities for the Navy, similar or equivalent to the facilities on the property to be conveyed under subsection (a), as determined necessary by the Secretary.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) If the Secretary determines that replacement fuel transfer and storage facilities are not required by the Navy, the Secretary may make the conveyance under subsection (a) at no cost to the City.

(c) TIME FOR CONVEYANCE.—Unless the Secretary makes the determination referred to in subsection (b)(2), the conveyance to the City authorized by subsection (a) shall be made only after the Secretary determines that the replacement fuel transfer and storage facilities have been constructed and are ready for use.

(d) CONSTRUCTION SCHEDULE.—The City shall construct the replacement fuel transfer and storage facilities pursuant to such schedule and in such a manner so as to not interrupt or otherwise adversely affect the capability of the Navy to accomplish its mission.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsections (a) and (b) shall be determined by surveys satisfactory to the Secretary. The City shall be responsible for conducting the surveys.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2843. CONVEYANCE OF PIER, NAVAL BASE, SAN DIEGO, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey, without consideration, to the San Diego Aircraft Carrier Museum or its designee (in this section referred to as the “Museum”) all right, title, and interest of the United States in and to the property known as Pier 11A at Naval Base, San Diego, California, together with associated structures and interests in the land underlying the pier, if any, for the purpose of permitting the Museum to use the property to berth a vessel and operate a museum for the general public.

(2) The Secretary may not make the conveyance until such time as the Museum certifies that the Museum has acquired an interest in property from the State of California or a political subdivision of the State to facilitate the use of the conveyed pier to berth a vessel and operate a museum for the general public.

(b) ASSUMPTION OF LIABILITY.—The Museum shall expressly accept any and all liability pertaining to the physical condition of the property conveyed under subsection (a) and shall hold the United States harmless from any and all liability arising from the property’s physical condition.

(c) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Museum shall reimburse the Secretary for the excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance authorized by this section, if the excess costs were incurred as a result of a request by the Museum. In this paragraph, the term “excess costs” means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance authorized by subsection (a).

(2) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Museum.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2844. MODIFICATION OF AUTHORITY FOR CONVEYANCE OF NAVAL COMPUTER AND TELECOMMUNICATIONS STATION, CUTLER, MAINE.

Section 2853(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-430) is amended by inserting “any or” before “all right”.

SEC. 2845. LAND TRANSFER AND CONVEYANCE, NAVAL SECURITY GROUP ACTIVITY, WINTER HARBOR, MAINE.

(a) **TRANSFER OF JURISDICTION OF SCHOODIC POINT PROPERTY AUTHORIZED.**—(1) The Secretary of the Navy may transfer to the Secretary of the Interior administrative jurisdiction of a parcel of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 26 acres as generally depicted as Tract 15-116 on the map entitled “Acadia National Park Schoodic Point Area”, numbered 123/80,418 and dated May 2001. The map shall be on file and available for inspection in the appropriate offices of the National Park Service.

(2) The transfer authorized by this subsection shall occur, if at all, concurrently with the reversion of administrative jurisdiction of a parcel of real property consisting of approximately 71 acres, as depicted as Tract 15-115 on the map referred to in paragraph (1), from the Secretary of the Navy to the Secretary of the Interior as authorized by Public Law 80-260 (61 Stat. 519) and to be executed on or about June 30, 2002.

(b) **CONVEYANCE OF COREA AND WINTER HARBOR PROPERTIES AUTHORIZED.**—The Secretary of the Navy may convey, without consideration, to the State of Maine, any political subdivision of the State of Maine, or any tax-supported agency in the State of Maine, all right, title, and interest of the United States in and to any of the parcels of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 485 acres and comprising the former facilities of the Naval Security Group Activity, Winter Harbor, Maine, located in Hancock County, Maine, less the real property described in subsection (a)(1), for the purpose of economic redevelopment.

(c) **TRANSFER OF PERSONAL PROPERTY.**—The Secretary of the Navy may transfer, without consideration, to the Secretary of the Interior in the case of the real property transferred under subsection (a), or to any recipient of such real property in the case of real property conveyed under subsection (b), any or all personal property associated with the real property so transferred or conveyed, including any personal property required to continue the maintenance of the infrastructure of such real property (including the generators for an uninterrupted power supply in building 154 at the Corea site).

(d) **MAINTENANCE OF PROPERTY PENDING CONVEYANCE.**—(1) The Secretary of the Navy shall maintain any real property, including any improvements thereon, appurtenances thereto, and supporting infrastructure, to be conveyed under subsection (b) in accordance with the protection and maintenance standards specified in section 101-47.4913 of title 41, Code of Federal Regulations, until the earlier of—

(A) the date of the conveyance of such real property under subsection (b); or

(B) September 30, 2003.

(2) The requirement in paragraph (1) shall not be construed as authority to improve the real property, improvements, and infrastructure referred to in that paragraph so as to bring such real property, improvements, or infrastructure into compliance with any zoning or property maintenance codes or to repair any damage to such improvements and infrastructure caused by natural accident or disaster.

(e) **INTERIM LEASE.**—(1) Until such time as any parcel of real property to be conveyed under subsection (b) is conveyed by deed

PUBLIC LAW 107-107—DEC. 28, 2001

under that subsection, the Secretary of the Navy may lease such parcel to any person or entity determined by the Secretary to be an appropriate lessee of such parcel.

(2) The amount of rent for a lease under paragraph (1) shall be the amount determined by the Secretary to be appropriate, and may be an amount less than the fair market value of the lease.

(f) REIMBURSEMENT FOR ENVIRONMENTAL AND OTHER ASSESSMENTS.—(1) The Secretary of the Navy may require each recipient of real property conveyed under subsection (b) to reimburse the Secretary for the excess costs incurred by the Secretary for any environmental assessment, study, or analysis carried out by the Secretary in connection with the conveyance of such property, if the excess costs were incurred as a result of a request by the recipient. In this paragraph, the term “excess costs” means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance to the recipient.

(2) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property transferred under subsection (a), and each parcel of real property conveyed under subsection (b), shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of any survey for real property conveyed under subsection (b) shall be borne by the recipient of the real property.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with any conveyance under subsection (b), and any lease under subsection (e), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2846. LAND ACQUISITION, PERQUIMANS COUNTY, NORTH CAROLINA.

The Secretary of the Navy may, using funds previously appropriated for such purpose, acquire any and all right, title, and interest in and to a parcel of real property, including improvements thereon, consisting of approximately 240 acres, or any portion thereof, in Perquimans County, North Carolina, for purposes of including such parcel in the Harvey Point Defense Testing Activity, Hertford, North Carolina.

SEC. 2847. LAND CONVEYANCE, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, TOLEDO, OHIO.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey, without consideration, to the Toledo-Lucas County Port Authority, Ohio (in this section referred to as the “Port Authority”), any or all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 29 acres and comprising the Naval Weapons Industrial Reserve Plant, Toledo, Ohio.

(2) The Secretary may include in the conveyance under paragraph (1) such facilities, equipment, fixtures, and other personal property located or based on the parcel conveyed under that paragraph, or used in connection with the parcel, as the Secretary determines to be excess to the Navy.

(b) LEASE AUTHORITY.—Until such time as the real property described in subsection (a)(1) is conveyed by deed, the Secretary may lease such real property, and any personal property described in subsection (a)(2), to the Port Authority in exchange for such security, fire protection, and maintenance services as the Secretary considers appropriate.

(c) CONDITIONS OF CONVEYANCE.—The conveyance under subsection (a), and any lease under subsection (b), shall be subject to the conditions that the Port Authority—

PUBLIC LAW 107-107—DEC. 28, 2001

(1) accept the real and personal property concerned in their condition at the time of the conveyance or lease, as the case may be; and

(2) except as provided in subsection (d), use the real and personal property concerned, whether directly or through an agreement with a public or private entity, for economic development or such other public purposes as the Port Authority considers appropriate.

(d) **SUBSEQUENT USE.**—(1) Subject to the approval of the Secretary, the Port Authority may sublease real property or personal property covered by a lease under subsection (b) to another person for economic development or such other public purposes as the Port Authority considers appropriate.

(2) Following the conveyance of real property under subsection (a), the Port Authority may lease or reconvey the real property, and any personal property conveyed with such real property under that subsection, for economic development or such other public purposes as the Port Authority considers appropriate.

(e) **REIMBURSEMENT FOR COSTS OF CONVEYANCE AND LEASE.**—(1) The Port Authority shall reimburse the Secretary for the excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance authorized by this section, if the excess costs were incurred as a result of a request by the Port Authority. In this paragraph, the term “excess costs” means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance authorized by subsection (a).

(2) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(f) **DESCRIPTION OF PROPERTY.**—The exact acreage and legal description of the real property to be conveyed under subsection (a)(1), and an appropriate inventory or other description of the personal property to be conveyed under subsection (a)(2), shall be determined by a survey and other means satisfactory to the Secretary. The cost of the survey shall be borne by the Port Authority.

(g) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a)(1), and any lease under subsection (b), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2848. MODIFICATION OF LAND CONVEYANCE, FORMER UNITED STATES MARINE CORPS AIR STATION, EAGLE MOUNTAIN LAKE, TEXAS.

Section 5 of Public Law 85-258 (71 Stat. 583) is amended by inserting before the period at the end the following: “or for the protection, maintenance, and operation of other Texas National Guard facilities”.

PART III—AIR FORCE CONVEYANCES

SEC. 2851. CONVEYANCE OF AVIGATION EASEMENTS, FORMER NORTON AIR FORCE BASE, CALIFORNIA.

(a) **CONVEYANCE REQUIRED.**—The Administrator of General Services shall convey, without consideration, to the Inland Valley Development Agency (the redevelopment authority for former Norton Air Force Base, California) two avigation easements (identified as APN 289-231-08 and APN 289-232-08) held by the United States.

(b) **CONDITION OF CONVEYANCE.**—The conveyance required by subsection (a) shall be subject to the condition that, if the recipient sells one or both of the easements conveyed under subsection (a),

PUBLIC LAW 107-107—DEC. 28, 2001

the recipient shall pay to the United States an amount equal to the lesser of—

- (1) the sale price of the easement; or
- (2) the fair market value of the easement.

(c) DURATION OF CONDITION.—The condition specified in subsection (b) shall apply only to a conveyance that occurs during the 10-year period beginning on the date the Administrator makes the conveyance required by subsection (a).

SEC. 2852. REEXAMINATION OF LAND CONVEYANCE, LOWRY AIR FORCE BASE, COLORADO.

The Secretary of the Air Force shall reevaluate the terms and conditions of the pending negotiated sale agreement with the Lowry Redevelopment Authority for certain real property at Lowry Air Force Base, Colorado, in light of changed circumstances regarding the property, including changes in the flood plain designations affecting some of the property, to determine whether the changed circumstances warrant a reduction in the amount of consideration otherwise required under the agreement or other modifications to the agreement.

SEC. 2853. WATER RIGHTS CONVEYANCE, ANDERSEN AIR FORCE BASE, GUAM.

(a) AUTHORITY TO CONVEY.—In conjunction with the conveyance of the water supply system for Andersen Air Force Base, Guam, under the authority of section 2688 of title 10, United States Code, and in accordance with all the requirements of that section, the Secretary of the Air Force may convey all right, title, and interest of the United States, or such lesser estate as the Secretary considers appropriate to serve the interests of the United States, in the water rights related to the following Air Force properties located on Guam:

- (1) Andy South, also known as the Andersen Administrative Annex.
- (2) Marianas Bonins Base Command.
- (3) Andersen Water Supply Annex, also known as the Tumon Water Well or the Tumon Maui Well.

(b) ADDITIONAL REQUIREMENTS.—The Secretary may exercise the authority contained in subsection (a) only if the Secretary—

- (1) determines that adequate supplies of potable groundwater exist under the main base and northwest field portions of Andersen Air Force Base to meet the current and long-term requirements of the installation for water;
- (2) determines that such supplies of groundwater are economically obtainable; and

(3) requires the conveyee of the water rights under subsection (a) to provide a water system capable of meeting the water supply needs of the main base and northwest field portions of Andersen Air Force Base, as determined by the Secretary.

(c) INTERIM WATER SUPPLIES.—If the Secretary determines that it is in the best interests of the United States to transfer title to the water rights and utility systems at Andy South and Andersen Water Supply Annex before placing into service a replacement water system and well field on Andersen Air Force Base, the Secretary may require that the United States have the primary right to all water produced from Andy South and Andersen Water Supply Annex until the replacement water system and well field is placed into service and operates to the satisfaction of the Secretary. In exercising the authority provided by this subsection, the Secretary may retain a reversionary interest in the water rights and utility systems at Andy South and Andersen Water Supply Annex until such time as the replacement water system and well field is placed into service and operates to the satisfaction of the Secretary.

PUBLIC LAW 107-107—DEC. 28, 2001

(d) **SALE OF EXCESS WATER AUTHORIZED.**—(1) As part of the conveyance of water rights under subsection (a), the Secretary may authorize the conveyee of the water system to sell to public or private entities such water from Andersen Air Force Base as the Secretary determines to be excess to the needs of the United States. In the event the Secretary authorizes the conveyee to resell water, the Secretary shall negotiate a reasonable return to the United States of the value of such excess water sold by the conveyee, which return the Secretary may receive in the form of reduced charges for utility services provided by the conveyee.

(2) If the Secretary cannot meet the requirements of subsection (b), and the Secretary determines to proceed with a water utility system conveyance under section 2688 of title 10, United States Code, without the conveyance of water rights, the Secretary may provide in any such conveyance that the conveyee of the water system may sell to public or private entities such water from Andy South and Andersen Water Supply Annex as the Secretary determines to be excess to the needs of the United States. The Secretary shall negotiate a reasonable return to the United States of the value of such excess water sold by the conveyee, which return the Secretary may receive in the form of reduced charges for utility services provided by the conveyee.

(e) **TREATMENT OF WATER RIGHTS.**—For purposes of section 2688 of title 10, United States Code, the water rights referred to in subsection (a) shall be considered as part of a utility system (as that term is defined in subsection (h)(2) of such section).

SEC. 2854. CONVEYANCE OF SEGMENT OF LORING PETROLEUM PIPELINE, MAINE, AND RELATED EASEMENTS.

(a) **CONVEYANCE AUTHORIZED.**—The Secretary of the Air Force may convey, without consideration, to the Loring Development Authority, Maine (in this section referred to as the “Authority”), all right, title, and interest of the United States in and to the segment of the Loring Petroleum (POL) Pipeline, Maine, consisting of approximately 27 miles in length and running between the Searsport terminal and Bangor Air National Guard Base.

(b) **RELATED EASEMENTS.**—As part of the conveyance authorized by subsection (a), the Secretary may convey to the Authority, without consideration, all right, title, and interest of the United States in and to any easements or rights-of-way necessary for the operation or maintenance of the segment of pipeline conveyed under that subsection.

(c) **REIMBURSEMENT FOR COSTS OF CONVEYANCE.**—(1) The Authority shall reimburse the Secretary for the excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance authorized by this section, if the excess costs were incurred as a result of a request by the Authority. In this paragraph, the term “excess costs” means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance authorized by subsection (a).

(2) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(d) **DESCRIPTION OF PROPERTY.**—The exact acreage and legal description of the segment of pipeline conveyed under subsection (a), and of any easements or rights-of-way conveyed under subsection (b), shall be determined by surveys and other means satisfactory to the Secretary. The cost of any survey or other services performed at the direction of the Secretary under the preceding sentence shall be borne by the Authority.

(e) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2855. LAND CONVEYANCE, PETROLEUM TERMINAL SERVING FORMER LORING AIR FORCE BASE AND BANGOR AIR NATIONAL GUARD BASE, MAINE.

(a) **CONVEYANCE AUTHORIZED.**—(1) The Secretary of the Air Force may convey to the Maine Port Authority of the State of Maine (in this section referred to as the “Authority”) all right, title, and interest of the United States in and to the Petroleum Terminal (POL) at Mack Point, Searsport, Maine, which served former Loring Air Force Base and Bangor Air National Guard Base, Maine.

(2) The conveyance under paragraph (1) may include the following:

(A) A parcel of real property, including any improvements thereon, consisting of approximately 20 acres and comprising a portion of the Petroleum Terminal.

(B) Any additional fuel tanks, other improvements, and equipment located on the 43-acre parcel of property adjacent to the property described in subparagraph (A), and leased by the Secretary as of the date of the enactment of this Act, which constitutes the remaining portion of the Petroleum Terminal.

(b) **CONDITION OF CONVEYANCE.**—The Secretary may not make the conveyance under subsection (a) unless the Authority agrees to utilize the property to be conveyed under that subsection solely for economic development purposes.

(c) **CONSIDERATION.**—(1) As consideration for the conveyance under subsection (a), the Authority shall lease to the Secretary approximately one acre of the real property conveyed under that subsection, together with any improvements thereon, that constitutes the Aerospace Fuels Laboratory (also known as Building 14).

(2) The real property leased under this subsection shall include the parking lot, outbuildings, and other improvements associated with the Aerospace Fuels Laboratory and such easements of ingress and egress to the real property, including easements for utilities, as are required for the operations of the Aerospace Fuels Laboratory.

(3) As part of the lease of real property under this subsection, the Authority shall maintain around the real property for the term of the lease a zone, not less than 75 feet in depth, free of improvements or encumbrances.

(4) The lease under this subsection shall be without cost to the United States.

(5) The term of the lease under this subsection may not exceed 25 years. If operations at the Aerospace Fuels Laboratory cease before the expiration of the term of the lease otherwise provided for under this subsection, the lease shall be deemed to have expired upon the cessation of such operations.

(d) **CONVEYANCE CONTINGENT ON EXPIRATION OF LEASE OF FUEL TANKS.**—The Secretary may not make the conveyance under subsection (a) until the expiration of the lease referred to in paragraph (2)(B) of that subsection.

(e) **REIMBURSEMENT FOR COSTS OF CONVEYANCE.**—(1) The Authority shall reimburse the Secretary for the excess costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other excess costs incurred by the Secretary, in connection with the conveyance authorized by this section, if the excess costs were incurred as a result of a request by the Authority. In this paragraph, the term “excess costs” means costs in excess of those costs considered reasonable and necessary by the Secretary to comply with existing law to make the conveyance authorized by subsection (a).

(2) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

PUBLIC LAW 107-107—DEC. 28, 2001

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Authority.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a), and the lease under subsection (c), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2856. LAND CONVEYANCES, CERTAIN FORMER MINUTEMAN III ICBM FACILITIES IN NORTH DAKOTA.

(a) CONVEYANCES AUTHORIZED.—(1) The Secretary of the Air Force may convey, without consideration, to the State Historical Society of North Dakota (in this section referred to as the “Historical Society”) all right, title, and interest of the United States in and to parcels of real property, together with any improvements thereon, of the Minuteman III ICBM facilities of the former 321st Missile Group at Grand Forks Air Force Base, North Dakota, as follows:

(A) The parcel consisting of the launch facility designated “November-33”.

(B) The parcel consisting of the missile alert facility and launch control center designated “Oscar-O”.

(2) The purpose of the conveyance of the facilities is to provide for the establishment of an historical site allowing for the preservation, protection, and interpretation of the facilities.

(b) CONSULTATION.—The Secretary shall consult with the Secretary of State and the Secretary of Defense in order to ensure that the conveyances required by subsection (a) are carried out in accordance with applicable treaties.

(c) HISTORICAL SITE.—The Secretary may, in cooperation with the Historical Society, enter into one or more cooperative agreements with appropriate public or private entities or individuals in order to provide for the establishment and maintenance of the historic site referred to in subsection (a)(2).

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by survey satisfactory to the Secretary. The cost of the survey shall be borne by the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2857. LAND CONVEYANCES, CHARLESTON AIR FORCE BASE, SOUTH CAROLINA.

(a) CONVEYANCE TO STATE OF SOUTH CAROLINA AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the State of South Carolina (in this section referred to as the “State”), all right, title, and interest of the United States in and to a portion (as determined under subsection (c)) of the real property, including any improvements thereon, consisting of approximately 24 acres at Charleston Air Force Base, South Carolina, and comprising the Air Force Family Housing Annex. The purpose of the conveyance is to facilitate the Remount Road Project.

(b) CONVEYANCE TO CITY OF NORTH CHARLESTON AUTHORIZED.—The Secretary may convey, without consideration, to the City of North Charleston, South Carolina (in this section referred to as the “City”), all right, title, and interest of the United States in and to a portion (as determined under subsection (c)) of the real property, including any improvements thereon, referred to in subsection (a). The purpose of the conveyance is to permit the use of the property by the City for municipal purposes.

(c) DETERMINATION OF PORTIONS OF PROPERTY TO BE CONVEYED.—(1) Subject to paragraph (2), the Secretary, the State,

PUBLIC LAW 107-107—DEC. 28, 2001

and the City shall jointly determine the portion of the property referred to in subsection (a) that is to be conveyed to the State under subsection (a) and the portion of the property that is to be conveyed to the City under subsection (b).

(2) In determining under paragraph (1) the portions of property to be conveyed under this section, the portion to be conveyed to the State shall be the minimum portion of the property required by the State for the purpose specified in subsection (a), and the portion to be conveyed to the City shall be the balance of the property.

(d) **LIMITATION ON CONVEYANCES.**—The Secretary may not carry out the conveyance of property authorized by subsection (a) or (b) until the completion of an assessment of environmental contamination of the property authorized to be conveyed by such subsection for purposes of determining responsibility for environmental remediation of such property.

(e) **DESCRIPTION OF PROPERTY.**—The exact acreage and legal description of the real property to be conveyed under subsections (a) and (b) shall be determined by surveys satisfactory to the Secretary. The cost of the survey for the property to be conveyed under subsection (a) shall be borne by the State, and the cost of the survey for the property to be conveyed under subsection (b) shall be borne by the City.

(f) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in connection with the conveyances under subsections (a) and (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2858. TRANSFER OF JURISDICTION, MUKILTEO TANK FARM, EVERETT, WASHINGTON.

(a) **TRANSFER AUTHORIZED.**—The Secretary of the Air Force shall transfer, without reimbursement, to the Secretary of Commerce administrative jurisdiction over a parcel of real property, including improvements thereon, consisting of approximately 1.1 acres located at the Mukilteo Tank Farm in Everett, Washington, and containing the Mukilteo Research Center facility of the National Marine Fisheries Service.

(b) **TIME FOR CONVEYANCE.**—The Secretary of the Air Force shall make the transfer under subsection (a) at the same time that the Secretary makes the conveyance authorized by section 2866 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-436).

(c) **EXCHANGE.**—With the consent of the Port Authority for Everett, Washington, the Secretary of Commerce may exchange with the Port Authority all or any portion of the property transferred under subsection (a) for a parcel of real property of equal area at the Mukilteo Tank Farm that is owned by the Port Authority.

(d) **ADMINISTRATION.**—The Secretary of Commerce shall administer the property transferred under subsection (a) or received under subsection (c) through the Administrator of the National Oceanic and Atmospheric Administration as part of the Administration. The Administrator shall use the property as the location of a research facility, and may construct a new facility on the property for such research purposes as the Administrator considers appropriate.

(e) **EFFECT OF FAILURE TO UTILIZE TRANSFERRED PROPERTY.**—
(1) If, after the 12-year period beginning on the date of the enactment of this Act, the Administrator is not using any portion of the property transferred under subsection (a) or received under subsection (c) for the purpose specified in subsection (d), the Administrator shall convey, without consideration, to the Port Authority for Everett, Washington, all right, title, and interest in and to such portion of the real property, including improvements thereon.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) The Port Authority shall use any real property conveyed to the Port Authority under this subsection for development and operation of a port facility and for other public purposes.

(f) **LEGAL DESCRIPTION.**—The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force. The cost of the survey shall be borne by the Secretary of Commerce.

(g) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary of the Air Force may require such additional terms and conditions in connection with the transfer under subsection (a) as the Secretary of the Air Force considers appropriate to protect the interests of the United States.

(h) **CONFORMING AMENDMENT.**—Section 2866(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-436) is amended by striking “22 acres” and inserting “20.9 acres”.

Subtitle E—Other Matters

SEC. 2861. MANAGEMENT OF THE PRESIDIO OF SAN FRANCISCO.

(a) **AUTHORITY TO LEASE CERTAIN HOUSING UNITS FOR USE AS ARMY HOUSING.**—Title I of division I of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104-333; 16 U.S.C. 460bb note) is amended by adding at the end the following new section:

“SEC. 107. CONDITIONAL AUTHORITY TO LEASE CERTAIN HOUSING UNITS WITHIN THE PRESIDIO.

“(a) **AVAILABILITY OF HOUSING UNITS FOR LONG-TERM ARMY LEASE.**—Subject to subsection (c), the Trust shall make available for lease, to those persons designated by the Secretary of the Army and for such length of time as requested by the Secretary of the Army, 22 housing units located within the Presidio that are under the administrative jurisdiction of the Trust and specified in the agreement between the Trust and the Secretary of the Army in existence as of the date of the enactment of this section.

“(b) **LEASE AMOUNT.**—The monthly amount charged by the Trust for the lease of a housing unit under this section shall be equivalent to the monthly rate of the basic allowance for housing that the occupant of the housing unit is entitled to receive under section 403 of title 37, United States Code.

“(c) **CONDITION ON CONTINUED AVAILABILITY OF HOUSING UNITS.**—Effective after the end of the four-year period beginning on the date of the enactment of this section, the Trust shall have no obligation to make housing units available under subsection (a) unless, during that four-year period, the Secretary of the Treasury purchases new obligations of at least \$80,000,000 issued by the Trust under section 104(d)(2). In the event that this condition is not satisfied, the existing agreement referred to in subsection (a) shall be renewed on the same terms and conditions for an additional five years.”.

(b) **INCREASED BORROWING AUTHORITY AND TECHNICAL CORRECTIONS.**—Paragraphs (2) and (3) of section 104(d) of title I of division I of the Omnibus Parks and Public Lands Management Act of 1996, as amended by section 334 of appendix C of Public Law 106-113 (113 Stat. 1501A-198) and amended and redesignated by section 101(13) of Public Law 106-176 (114 Stat. 25), are amend-

16 USC 460bb
note.

(1) in paragraph (2), by striking “including a review of the creditworthiness of the loan and establishment of a repayment schedule,” the second place it appears; and

(2) in paragraph (3)—

PUBLIC LAW 107-107—DEC. 28, 2001

- (A) by striking “\$50,000,000” and inserting “\$150,000,000”; and
(B) by striking “paragraph (3) of”.

SEC. 2862. TRANSFER OF JURISDICTION FOR DEVELOPMENT OF AIR FORCE MORALE, WELFARE, AND RECREATION FACILITY, PARK CITY, UTAH.

(a) **TRANSFER AUTHORIZED.**—(1) The Secretary of the Interior may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Air Force a parcel of real property in Park City, Utah, including any improvements thereon, that consists of approximately 35 acres, is located on the north side of State highway 248 in township 2 south, range 4 east, Salt Lake meridian, and is designated as parcel 3 by the Bureau of Land Management. The real property to be transferred under this paragraph does not include any lands located on the south side of State highway 248.

(2) The transfer shall be subject to existing rights, except that the Secretary of the Interior shall terminate any lease with respect to the parcel issued under the Act of June 14, 1926 (commonly known as the Recreation and Public Purposes Act; 43 U.S.C. 689 et seq.), and still in effect as of the date of the enactment of this Act.

(b) **USE OF TRANSFERRED LAND.**—(1) The Secretary of the Air Force may use the real property transferred under subsection (a) as the location for an Air Force morale, welfare, and recreation facility to be developed using nonappropriated funds.

(2) The Secretary of the Air Force may return the transferred property (or property acquired in exchange for the transferred property under subsection (c)) to the administrative jurisdiction of the Secretary of the Interior at any time upon certifying that development of the morale, welfare, and recreation facility would not be in the best interests of the Government.

(c) **SUBSEQUENT CONVEYANCE AUTHORITY.**—(1) In lieu of developing the Air Force morale, welfare, and recreation facility on the real property transferred under subsection (a), the Secretary of the Air Force may convey or lease the property to the State of Utah, a local government, or a private entity in exchange for other property to be used as the site of the facility.

(2) The values of the properties exchanged by the Secretary under this subsection either shall be equal, or if they are not equal, the values shall be equalized by the payment of money to the grantor or to the Secretary as the circumstances require. The conveyance or lease shall be on such other terms as the Secretary of the Air Force considers to be advantageous to the development of the facility.

(d) **ALTERNATIVE DEVELOPMENT AUTHORITY.**—The Secretary of the Air Force may lease the real property transferred under subsection (a), or any property acquired pursuant to subsection (c), to another party and may enter into a contract with the party for the design, construction, and operation of the Air Force morale, welfare, and recreation facility. The Secretary of the Air Force may authorize the contractor to operate the facility as both a military and a commercial operation if the Secretary determines that such an authorization is a necessary incentive for the contractor to agree to design, construct, and operate the facility.

(e) **LEGAL DESCRIPTION.**—The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey. The cost of the survey shall be borne by the Secretary of the Air Force.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2863. ALTERNATE SITE FOR UNITED STATES AIR FORCE MEMORIAL, PRESERVATION OF OPEN SPACE ON ARLINGTON RIDGE TRACT, AND RELATED LAND TRANSFER AT ARLINGTON NATIONAL CEMETERY, VIRGINIA.40 USC 1003
note.

(a) DEFINITIONS.—In this section:

(1) The term “Arlington Naval Annex” means the parcel of Federal land located in Arlington County, Virginia, that is subject to transfer to the administrative jurisdiction of the Secretary of the Army under section 2881 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 879).

(2) The term “Foundation” means the Air Force Memorial Foundation, which was authorized in Public Law 103-163 (107 Stat. 1973; 40 U.S.C. 1003 note) to establish a memorial in the District of Columbia or its environs to honor the men and women who have served in the United States Air Force and its predecessors.

(3) The term “Air Force Memorial” means the United States Air Force Memorial to be established by the Foundation.

(4) The term “Arlington Ridge tract” means the parcel of Federal land in Arlington County, Virginia, known as the Nevius Tract and transferred to the Department of the Interior in 1953, that is bounded generally by—

(A) Arlington Boulevard (United States Route 50) to the north;

(B) Jefferson Davis Highway (Virginia Route 110) to the east;

(C) Marshall Drive to the south; and

(D) North Meade Street to the west.

(5) The term “Section 29” means a parcel of Federal land in Arlington County, Virginia, that is currently administered by the Secretary of the Interior within the boundaries of Arlington National Cemetery and is identified as “Section 29”.

40 USC 1003
note.

(b) USE OF ARLINGTON NAVAL ANNEX AS SITE FOR AIR FORCE MEMORIAL.—

(1) AVAILABILITY OF SITE.—The Secretary of Defense shall make available to the Foundation, without reimbursement, up to three acres of the Arlington Naval Annex, which the Foundation shall use as the location for the Air Force Memorial in lieu of any previously approved location for the Air Force Memorial. The land made available shall include the promontory adjacent to, and the land underlying, Wing 8 of Federal Office Building #2 in the northeast quadrant of the Arlington Naval Annex.

(2) EXCEPTION.—The requirement to use the land made available under paragraph (1) as the location for the Air Force Memorial, and the prohibition on the use of any previously approved location, shall not apply if the Secretary of Defense determines that it is physically impracticable to construct the Air Force Memorial on such land on account of the geological nature of the land.

(3) RELATION TO OTHER TRANSFER AUTHORITY.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall transfer to the Secretary of the Army administrative jurisdiction over the Arlington Naval Annex site made available under this subsection for construction of the Air Force Memorial. Nothing in this subsection alters the deadline for transfer of the remainder of the Arlington Naval Annex to the Secretary of the Army and remediation of the transferred land for use as part of Arlington National Cemetery, as required by section 2881 of the Military Construction Authorization Act for Fiscal Year 2000.

40 USC 1003
note.

(c) SITE PREPARATION.—

(1) PREPARATION FOR CONSTRUCTION.—Upon receipt of notification from the Foundation that the Foundation has suffi-

PUBLIC LAW 107-107—DEC. 28, 2001

cient funds to commence construction of the Air Force Memorial, the Secretary of Defense, in coordination with the Foundation, shall remove Wing 8 of Federal Office Building #2 at the Arlington Naval Annex, as well as its associated outbuilding and parking lot, and prepare the land made available under subsection (b) for construction of the Air Force Memorial. In addition to demolition and removal, such site preparation work may include environmental remediation, installation of water, sewer, telephone, electrical, and storm water management infrastructure necessary for the memorial, installation of sidewalks consistent with the design of the memorial compliant with the requirements of the Americans With Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), and the placement of screening berms and mature evergreen trees between Federal Office Building #2 and the memorial.

(2) COMPLETION.—Not later than two years after the date on which the Foundation provides the notification referred to in paragraph (1), the Secretary of Defense shall complete the demolition and removal of the structures and such site preparation work as the Secretary agrees to undertake under this subsection.

Deadline.

(3) FUNDING SOURCE.—The Secretary of Defense shall use amounts appropriated for operation and maintenance to carry out the demolition and removal work and site preparation described in paragraph (1).

(4) ASSISTANCE FOR DISPLACED AGENCY.—The Secretary of the Army shall serve as the Executive Agent for the Ballistic Missile Defense Organization in securing suitable sites, including, if necessary, sites not currently owned by the United States, to replace offices lost as a result of the demolition of Wing 8 of Federal Office Building #2 at the Arlington Naval Annex.

(d) CONSTRUCTION OF AIR FORCE MEMORIAL.—

(1) COMMENCEMENT.—Upon the demolition and removal of the structures required to be removed under subsection (c)(1), the Secretary of Defense shall permit the Foundation to commence construction of the Air Force Memorial on the Arlington Naval Annex site made available under subsection (b).

40 USC 1003
note.

(2) OVERSIGHT.—The Secretary of Defense shall have exclusive authority in all matters relating to approval of the siting and design of the Air Force Memorial on the Arlington Naval Annex site, and the siting, design, and construction of the memorial on such site shall not be subject to the requirements of the Commemorative Works Act (40 U.S.C. 1001 et seq.).

(3) EFFECT OF FAILURE TO COMMENCE CONSTRUCTION.—If, within five years after the date of the enactment of this Act, the Foundation has not commenced construction of the Air Force Memorial on the Arlington Naval Annex site made available under subsection (b), the Secretary of Defense may revoke the authority of the Foundation to use the site as the location of the memorial.

(e) ACCESS AND MANAGEMENT OF AIR FORCE MEMORIAL.—The Secretary of the Army may enter into a cooperative agreement with the Foundation to provide for management, maintenance, and repair of the Air Force Memorial constructed on the Arlington Naval Annex site made available under subsection (b) and to guarantee public access to the memorial.

40 USC 1003
note.

(f) LIMITATION ON USE OF ARLINGTON NAVAL ANNEX AS SITE FOR OTHER MEMORIALS OR MUSEUMS.—Section 2881(b) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106-65; 113 Stat. 879) is amended by striking paragraph (2) and inserting the following new paragraph (2):

“(2) The Secretary of Defense shall reserve not more than four acres of the Navy Annex property south of the existing Columbia Pike as a site for—

PUBLIC LAW 107-107—DEC. 28, 2001

“(A) a National Military Museum, if such site is recommended for such purpose by the Commission on the National Military Museum established under section 2901 and the Secretary of Defense considers such site compatible with Arlington National Cemetery and the Air Force Memorial; or

“(B) such other memorials or museums that the Secretary of Defense considers compatible with Arlington National Cemetery and the Air Force Memorial.”

(g) PRESERVATION OF ARLINGTON RIDGE TRACT.—

(1) GENERAL RULE.—After the date of the enactment of this Act, no additional structure or memorials shall be constructed on the Arlington Ridge tract.

(2) OPTION FOR FUTURE BURIALS.—Paragraph (1) does not prohibit the eventual use of a portion of the Arlington Ridge tract as a location for in-ground burial sites and columbarium for the burial of individuals eligible for burial in Arlington National Cemetery, if the development of such sites is specifically authorized in a law enacted after the date of the enactment of this Act.

(h) LAND TRANSFER, SECTION 29.—

Deadline.

(1) TRANSFER REQUIRED.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Interior shall transfer, without reimbursement, to the Secretary of the Army administrative jurisdiction over that portion of Section 29 designated as the interment zone and consisting of approximately 12 acres. The Secretary of the Interior shall modify the boundaries of the George Washington Memorial Parkway as may be necessary to reflect the land transfer required by this subsection.

(2) USE OF TRANSFERRED LAND.—The Secretary of the Army shall use the transferred property for the development of in-ground burial sites and columbarium that are designed to meet the contours of Section 29.

(3) MANAGEMENT OF REMAINDER.—The Secretary of the Interior shall manage that portion of Section 29 not transferred under this subsection in perpetuity to provide a natural setting and visual buffer for Arlington House, the Robert E. Lee Memorial.

(4) REPEAL OF OBSOLETE LAW.—Section 2821(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104-201; 110 Stat. 2791) is repealed.

10 USC 2674
note.

SEC. 2864. ESTABLISHMENT OF MEMORIAL TO VICTIMS OF TERRORIST ATTACK ON PENTAGON RESERVATION AND AUTHORITY TO ACCEPT MONETARY CONTRIBUTIONS FOR MEMORIAL AND REPAIR OF PENTAGON.

(a) MEMORIAL AUTHORIZED.—The Secretary of Defense may establish a memorial at the Pentagon Reservation dedicated to the victims of the terrorist attack on the Pentagon that occurred on September 11, 2001. The Secretary shall use necessary amounts in the Pentagon Reservation Maintenance Revolving Fund established by section 2674(e) of title 10, United States Code, including amounts deposited in the Fund under subsection (c), to plan, design, construct, and maintain the memorial.

(b) ACCEPTANCE OF CONTRIBUTIONS.—The Secretary of Defense may accept monetary contributions made for the purpose of assisting in—

(1) the establishment of the memorial to the victims of the terrorist attack; and

(2) the repair of the damage caused to the Pentagon Reservation by the terrorist attack.

(c) DEPOSIT OF CONTRIBUTIONS.—The Secretary of Defense shall deposit contributions accepted under subsection (b) in the Pentagon Reservation Maintenance Revolving Fund. The contributions shall

PUBLIC LAW 107-107—DEC. 28, 2001

be available for expenditure only for the purposes specified in subsection (b).

SEC. 2865. REPEAL OF LIMITATION ON COST OF RENOVATION OF PENTAGON RESERVATION.

Section 2864 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104-201; 110 Stat. 2806) is repealed.

SEC. 2866. DEVELOPMENT OF UNITED STATES ARMY HERITAGE AND EDUCATION CENTER AT CARLISLE BARRACKS, PENNSYLVANIA.

(a) **AUTHORITY TO ENTER INTO AGREEMENT.**—(1) The Secretary of the Army may enter into an agreement with the Military Heritage Foundation, a nonprofit organization, for the design, construction, and operation of a facility for the United States Army Heritage and Education Center at Carlisle Barracks, Pennsylvania (in this section referred to as the “facility”).

(2) The facility is to be used for curation and storage of artifacts, research facilities, classrooms, and offices, and for education and other activities, agreed to by the Secretary, relating to the heritage of the Army. The facility may also be used to support such education and training as the Secretary considers appropriate.

(b) **DESIGN AND CONSTRUCTION.**—The design of the facility shall be subject to the approval of the Secretary. At the election of the Secretary, the Secretary may—

(1) accept funds from the Military Heritage Foundation for the design and construction of the facility; or

(2) permit the Military Heritage Foundation to contract for the design and construction of the facility.

(c) **ACCEPTANCE OF FACILITY.**—(1) Upon satisfactory completion, as determined by the Secretary, of the facility, and upon the satisfaction of any and all financial obligations incident thereto by the Military Heritage Foundation, the Secretary shall accept the facility from the Military Heritage Foundation, and all right, title, and interest in and to the facility shall vest in the United States.

(2) Upon becoming property of the United States, the facility shall be under the jurisdiction of the Secretary.

(d) **USE OF CERTAIN GIFTS.**—(1) Under regulations prescribed by the Secretary, the Commandant of the Army War College may, without regard to section 2601 of title 10, United States Code, accept, hold, administer, invest, and spend any gift, devise, or bequest of personnel property of a value of \$250,000 or less made to the United States if such gift, devise, or bequest is for the benefit of the United States Army Heritage and Education Center.

(2) The Secretary may pay or authorize the payment of any reasonable and necessary expense in connection with the conveyance or transfer of a gift, devise, or bequest under this subsection.

(e) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in connection with the agreement authorized to be entered into by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2867. EFFECT OF LIMITATION ON CONSTRUCTION OF ROADS OR HIGHWAYS, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

Section 2851(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105-261; 112 Stat. 2219) is amended in the first sentence by inserting after “maintain” the following: “, notwithstanding any provision of State law to the contrary,”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2868. ESTABLISHMENT OF WORLD WAR II MEMORIAL AT ADDITIONAL LOCATION ON GUAM.

Section 2886 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A-441) is amended—

16 USC 431 note.

(1) in subsection (a), by inserting “, and on Federal lands near Yigo,” after “Fena Caves”;

(2) in the heading of subsection (b), by striking “MEMORIAL” and inserting “MEMORIALS”; and

(3) in subsections (b) and (c), by striking “memorial” each place it appears and inserting “memorials”.

SEC. 2869. DEMONSTRATION PROJECT FOR PURCHASE OF FIRE, SECURITY, POLICE, PUBLIC WORKS, AND UTILITY SERVICES FROM LOCAL GOVERNMENT AGENCIES.

(a) EXTENSION.—Subsection (c) of section 816 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2820), as added by section 2873 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 112 Stat. 2225), is amended by striking “September 30, 2001.” and inserting “January 31, 2002, with regard to fire-fighting and police services, and September 30, 2003, with regard to other services described in subsection (a).”.

(b) CONFORMING AMENDMENT.—Section 1206 of the Supplemental Appropriations Act, 2001 (Public Law 107-20; 115 Stat. 161), is repealed.

SEC. 2870. REPORT ON FUTURE LAND NEEDS OF UNITED STATES MILITARY ACADEMY, NEW YORK, AND ADJACENT COMMUNITY.

Deadline.

(a) REPORT REQUIRED.—Not later than February 1, 2002, the Secretary of the Army shall submit to Congress a report evaluating the future needs of the United States Military Academy for lands suitable for use for military training and the feasibility of making unneeded lands available to the Village of Highland Falls, New York, through fee simple conveyance, long-term lease under section 2667 of title 10, United States Code, or other means.

(b) CONSULTATION.—The Secretary shall prepare the report in consultation with appropriate officials of the Village of Highland Falls.

SEC. 2871. NAMING OF PATRICIA C. LAMAR ARMY NATIONAL GUARD READINESS CENTER, OXFORD, MISSISSIPPI.

The Oxford Army National Guard Readiness Center, Oxford, Mississippi, shall be known and designated as the “Patricia C. Lamar Army National Guard Readiness Center”. Any reference to that readiness center in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Patricia C. Lamar Army National Guard Readiness Center.

Fort Irwin
Military Land
Withdrawal Act
of 2001.

TITLE XXIX—FORT IRWIN MILITARY LAND WITHDRAWAL

Sec. 2901. Short title.

Sec. 2902. Withdrawal and reservation of lands for National Training Center.

Sec. 2903. Map and legal description.

Sec. 2904. Management of withdrawn and reserved lands.

Sec. 2905. Water rights.

Sec. 2906. Environmental compliance and environmental response requirements.

Sec. 2907. West Mojave Coordinated Management Plan.

Sec. 2908. Release of wilderness study areas.

Sec. 2909. Training activity separation from utility corridors.

Sec. 2910. Duration of withdrawal and reservation.

Sec. 2911. Extension of initial withdrawal and reservation.

Sec. 2912. Termination and relinquishment.

Sec. 2913. Delegation of authority.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 2901. SHORT TITLE.

This title may be cited as the “Fort Irwin Military Land Withdrawal Act of 2001”.

SEC. 2902. WITHDRAWAL AND RESERVATION OF LANDS FOR NATIONAL TRAINING CENTER.

(a) **WITHDRAWAL.**—Subject to valid existing rights and except as otherwise provided in this title, all public lands and interests in lands described in subsection (c) are hereby withdrawn from all forms of appropriation under the general land laws, including the mining laws and mineral and geothermal leasing laws, and jurisdiction over such lands and interests in lands withdrawn and reserved by this title is hereby transferred to the Secretary of the Army.

(b) **RESERVATION.**—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army for the following purposes:

- (1) The conduct of combined arms military training at the National Training Center.
- (2) The development and testing of military equipment at the National Training Center.
- (3) Other defense-related purposes consistent with the purposes specified in paragraphs (1) and (2).
- (4) Conservation and related research purposes.

(c) **LAND DESCRIPTION.**—The public lands and interests in lands withdrawn and reserved by this section comprise approximately 110,000 acres in San Bernardino County, California, as generally depicted as “Proposed Withdrawal Land” on the map entitled “National Training Center—Proposed Withdrawal of Public Lands for Training Purposes”, dated September 21, 2000, and filed in accordance with section 2903.

(d) **CHANGES IN USE.**—The Secretary of the Army shall consult with the Secretary of the Interior before using the lands withdrawn and reserved by this section for any purpose other than those purposes identified in subsection (b).

(e) **INDIAN TRIBES.**—Nothing in this title shall be construed as altering any rights reserved for tribal use by treaty or Federal law. The Secretary of the Army shall consult with federally recognized Indian tribes in the vicinity of the lands withdrawn under subsection (a) before taking action affecting rights or cultural resources protected by treaty or Federal law.

SEC. 2903. MAP AND LEGAL DESCRIPTION.

(a) **PREPARATION OF MAP AND LEGAL DESCRIPTION.**—As soon as practicable after the date of the enactment of this Act, the Secretary of the Interior shall—

- (1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this title; and
- (2) file a map and legal description of the lands withdrawn and reserved by this title with the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(b) **LEGAL EFFECT.**—The map and legal description shall have the same force and effect as if included in this title, except that the Secretary of the Interior may correct clerical and typographical errors in the map and legal description.

(c) **AVAILABILITY.**—Copies of the map and the legal description shall be available for public inspection in the following offices:

- (1) The offices of the California State Director, California Desert District Office, and Riverside and Barstow Field Offices of the Bureau of Land Management.
- (2) The Office of the Commander, National Training Center and Fort Irwin.

PUBLIC LAW 107-107—DEC. 28, 2001

(d) COSTS.—The Secretary of the Army shall reimburse the Secretary of the Interior for the costs incurred by the Secretary of the Interior in implementing this section.

SEC. 2904. MANAGEMENT OF WITHDRAWN AND RESERVED LANDS.

(a) GENERAL MANAGEMENT AUTHORITY.—During the period of the withdrawal and reservation made by this title, the Secretary of the Army shall manage the lands withdrawn and reserved by this title for the purposes specified in section 2902.

(b) TEMPORARY PROHIBITION ON CERTAIN USE.—Military use of the lands withdrawn and reserved by this title that result in ground disturbance, as determined by the Secretary of the Army and the Secretary of the Interior, are prohibited until the Secretary of the Army and the Secretary of the Interior certify to Congress that there has been full compliance with respect to such lands with the appropriate provisions of this title, the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other applicable laws.

(c) ACCESS RESTRICTIONS.—

(1) IN GENERAL.—If the Secretary of the Army determines that military operations, public safety, or national security require the closure to the public of any road, trail, or other portion of the lands withdrawn and reserved by this title, the Secretary may take such action as the Secretary determines necessary or desirable to effect and maintain such closure.

(2) LIMITATION.—Any closure under paragraph (1) shall be limited to the minimum areas and periods that the Secretary of the Army determines are required for the purposes specified in such paragraph.

(3) NOTICE.—Immediately preceding and during any closure under paragraph (1), the Secretary of the Army shall post appropriate warning notices and take other steps, as necessary, to notify the public of the closure.

(d) INTEGRATED NATURAL RESOURCES MANAGEMENT PLAN.—The Secretary of the Army shall prepare and implement, in accordance with title I of the Sikes Act (16 U.S.C. 670 et seq.), an integrated natural resources management plan for the lands withdrawn and reserved by this title. In addition to the elements required under the Sikes Act, the integrated natural resources management plan shall include the following:

(1) A requirement that any hunting, fishing, and trapping on the lands withdrawn and reserved by this title be conducted in accordance with section 2671 of title 10, United States Code.

(2) A requirement that the Secretary of the Army take necessary actions to prevent, suppress, and manage brush and range fires occurring within the boundaries of Fort Irwin and brush and range fires occurring outside the boundaries of Fort Irwin that result from military activities at Fort Irwin.

(e) FIREFIGHTING.—Notwithstanding section 2465 of title 10, United States Code, the Secretary of the Army may obligate funds appropriated or otherwise available to the Secretary of the Army to enter into a memorandum of understanding, cooperative agreement, or contract for fire-fighting services to carry out the requirements of subsection (d)(2). The Secretary of the Army shall reimburse the Secretary of the Interior for costs incurred by the Secretary of the Interior to assist in carrying out the requirements of such subsection.

(f) CONSULTATION WITH NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.—In preparing and implementing any plan, report, assessment, survey, opinion, or impact statement regarding the lands withdrawn and reserved by this title, the Secretary of the Army shall consult with the Administrator of the National Aeronautics and Space Administration whenever proposed Army actions have the potential to affect the operations or the environmental

PUBLIC LAW 107-107—DEC. 28, 2001

management of the Goldstone Deep Space Communications Complex. The requirement for consultation shall apply, at a minimum, to the following:

(1) Plans for military training, military equipment testing, or related activities that have the potential of impacting communications between Goldstone Deep Space Communications Complex and space flight missions or other transmission or receipt of signals from outer space by the Goldstone Deep Space Communications Complex.

(2) The integrated natural resources management plan required by subsection (d).

(3) The West Mojave Coordinated Management Plan referred to in section 2907.

(4) Any document prepared in compliance with the Endangered Species Act of 1973, the National Environmental Policy Act of 1969, and other laws applicable to the lands withdrawn and reserved by this title.

(g) **USE OF MINERAL MATERIALS.**—Notwithstanding any other provision of this title or the Act of July 31, 1947 (commonly known as the Materials Act of 1947; 30 U.S.C. 601 et seq.), the Secretary of the Army may use sand, gravel, or similar mineral material resources of the type subject to disposition under such Act from the lands withdrawn and reserved by this title if the use of such resources is required for construction needs of the National Training Center.

SEC. 2905. WATER RIGHTS.

(a) **NO RESERVED WATER RIGHT ESTABLISHED.**—Nothing in this title shall be construed—

(1) to establish a reservation in favor of the United States with respect to any water or water right on the lands withdrawn and reserved by this title; or

(2) to authorize the appropriation of water on such lands by the United States after the date of the enactment of this Act, except in accordance with applicable State law.

(b) **EFFECT ON PREVIOUSLY ACQUIRED OR RESERVED WATER RIGHTS.**—This section shall not be construed to affect any water rights acquired or reserved by the United States before the date of the enactment of this Act, and the Secretary of the Army may exercise any such previously acquired or reserved water rights.

SEC. 2906. ENVIRONMENTAL COMPLIANCE AND ENVIRONMENTAL RESPONSE REQUIREMENTS.

(a) **AGREEMENTS CONCERNING THE ENVIRONMENT AND PUBLIC HEALTH.**—The Secretary of the Army and the Secretary of the Interior shall enter into such agreements as are necessary, appropriate, and in the public interest to carry out the purposes of this title.

(b) **RELATION TO OTHER ENVIRONMENTAL LAWS.**—Nothing in this title shall relieve, and no action taken under this title may relieve, the Secretary of the Army or the Secretary of the Interior, or any other person from any liability or other obligation under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.) or any other Federal or State law.

SEC. 2907. WEST MOJAVE COORDINATED MANAGEMENT PLAN.

(a) **COMPLETION.**—The Secretary of the Interior shall make every effort to complete the West Mojave Coordinated Management Plan not later than two years after the date of the enactment of this Act.

(b) **CONSIDERATION OF WITHDRAWAL AND RESERVATION IMPACTS.**—The Secretary of the Interior shall ensure that the West Mojave Coordinated Management Plan considers the impacts of

PUBLIC LAW 107-107—DEC. 28, 2001

the availability or nonavailability of the lands withdrawn and reserved by this title on the plan as a whole.

(c) **CONSULTATION.**—The Secretary of the Interior shall consult with the Secretary of the Army and the Administrator of the National Aeronautics and Space Administration in the development of the West Mojave Coordinated Management Plan.

SEC. 2908. RELEASE OF WILDERNESS STUDY AREAS.

Congress hereby finds and directs that lands withdrawn and reserved by this title have been adequately studied for wilderness designation pursuant to section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)), and are no longer subject to the requirement of such section pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

SEC. 2909. TRAINING ACTIVITY SEPARATION FROM UTILITY CORRIDORS.

(a) **REQUIRED SEPARATION.**—All military ground activity training on the lands withdrawn and reserved by this title shall remain at least 500 meters from any utility system, in existence as of the date of the enactment of this Act, in Utility Planning Corridor D, as described in the California Desert Conservation Area Plan, dated 1980 and subsequently amended.

(b) **EXCEPTION.**—Subsection (a) does not modify the use of any lands used, as of the date of the enactment of this Act, by the National Training Center for training or alter any right of access granted by interagency agreement.

SEC. 2910. DURATION OF WITHDRAWAL AND RESERVATION.

(a) **TERMINATION DATE.**—Unless extended pursuant to section 2911, unless relinquishment is postponed by the Secretary of the Interior pursuant to section 2912(b), and except as provided in section 2912(d), the withdrawal and reservation made by this title shall terminate 25 years after the date of the enactment of this Act.

(b) **LIMITATION ON SUBSEQUENT AVAILABILITY FOR APPROPRIATION.**—At the time of termination of the withdrawal and reservation made by this title, the previously withdrawn lands shall not be open to any forms of appropriation under the general land laws, including the mining laws and the mineral and geothermal leasing laws, until the Secretary of the Interior publishes in the Federal Register an appropriate order specifying the date upon which such lands shall be restored to the public domain and opened.

SEC. 2911. EXTENSION OF INITIAL WITHDRAWAL AND RESERVATION.

Deadline.

(a) **NOTIFICATION REQUIREMENT.**—Not later than three years before the termination date specified in section 2910(a), the Secretary of the Army shall notify Congress and the Secretary of the Interior whether the Army will have a continuing military need, beyond the termination date, for all or any portion of the lands withdrawn and reserved by this title.

(b) **PROCESS FOR EXTENSION OF WITHDRAWAL AND RESERVATION.**—

(1) **CONSULTATION AND APPLICATION.**—If the Secretary of the Army determines that there will be a continuing military need after the termination date for any of the lands withdrawn and reserved by this title, the Secretary of the Army shall—

(A) consult with the Secretary of the Interior concerning any adjustments to be made to the extent of, or to the allocation of management responsibility for, such needed lands; and

(B) file with the Secretary of the Interior, within one year after the notice required by subsection (a), an application for extension of the withdrawal and reservation of such needed lands.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) APPLICATION REQUIREMENTS.—Notwithstanding any general procedure of the Department of the Interior for processing Federal land withdrawals, an application for extension of the land withdrawal and reservation made by this title shall be considered to be complete if the application includes the information required by section 3 of Public Law 85-337 (commonly known as the Engle Act; 43 U.S.C. 157), except that no information shall be required concerning the use or development of mineral, timber, or grazing resources unless, and only to the extent, the Secretary of the Army proposes to use or develop such resources during the period of extension.

(c) SUBMISSION OF PROPOSED EXTENSION TO CONGRESS.—The Secretary of the Interior and the Secretary of the Army may submit to Congress a legislative proposal for the extension of the withdrawal and reservation made by this title. The legislative proposal shall be accompanied by an appropriate analysis of environmental impacts associated with the proposal, as required by section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

SEC. 2912. TERMINATION AND RELINQUISHMENT.

(a) NOTICE OF TERMINATION.—During the first 22 years of the withdrawal and reservation made by this title, if the Secretary of the Army determines that there is no continuing military need for the lands withdrawn and reserved by this title, or any portion of such lands, the Secretary of the Army shall submit to the Secretary of the Interior a notice of intent to relinquish jurisdiction over such lands. The notice shall specify the proposed date of relinquishment.

(b) ACCEPTANCE OF JURISDICTION.—The Secretary of the Interior may accept jurisdiction over any lands covered by a notice under subsection (a) if the Secretary of the Interior determines that the Secretary of the Army has taken or will take all environmental response and restoration activities required under applicable laws and regulations with respect to such lands.

(c) NOTICE OF ACCEPTANCE.—If the Secretary of the Interior decides to accept jurisdiction over lands covered by a notice under subsection (a) before the termination date of the withdrawal and reservation, the Secretary shall publish in the Federal Register an appropriate order that shall—

Federal Register,
publication.

(1) terminate the withdrawal and reservation of such lands under this title;

(2) constitute official acceptance of administrative jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which such lands shall be opened to the operation of the general land laws, including the mining laws and the mineral and geothermal leasing laws, if appropriate.

(d) RETAINED ARMY JURISDICTION.—Notwithstanding the termination date specified in section 2910, unless and until the Secretary of the Interior accepts jurisdiction of land proposed for relinquishment pursuant to this section, such land shall remain withdrawn and reserved for the Secretary of the Army for the limited purposes of environmental response and restoration actions under section 2906 and continued land management responsibilities pursuant to the integrated natural resources management plan required under section 2904, until such environmental response and restoration activities on those lands are completed.

(e) SEVERABILITY OF FUNCTIONS.—All functions described under this section, including transfers, relinquishments, extensions, and other determinations, may be made on a parcel-by-parcel basis.

SEC. 2913. DELEGATION OF AUTHORITY.

(a) SECRETARY OF THE ARMY.—The Secretary of the Army may delegate to officials in the Department of the Army such functions

PUBLIC LAW 107-107—DEC. 28, 2001

as the Secretary of the Army may determine appropriate to carry out this title.

(b) SECRETARY OF THE INTERIOR.—The functions of the Secretary of the Interior under this title may be delegated, except that the order described in section 2912(c) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

TITLE XXX—REALIGNMENT AND CLOSURE OF MILITARY INSTALLATIONS AND PREPARATION OF INFRASTRUCTURE PLAN FOR THE NUCLEAR WEAPONS COMPLEX

Sec. 3001. Authorization of round of realignments and closures of military installations in 2005.

Sec. 3002. Selection criteria.

Sec. 3003. Revised procedures for making recommendations for realignments and closures and commission consideration of recommendations.

Sec. 3004. Limitations on privatization in place.

Sec. 3005. Department of Defense Base Closure Account 2005.

Sec. 3006. Implementation of closure and realignment decisions.

Sec. 3007. Technical and clarifying amendments.

Sec. 3008. Preparation of infrastructure plan for the nuclear weapons complex.

SEC. 3001. AUTHORIZATION OF ROUND OF REALIGNMENTS AND CLOSURES OF MILITARY INSTALLATIONS IN 2005.

The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by adding at the end the following new section:

“SEC. 2912. 2005 ROUND OF REALIGNMENTS AND CLOSURES OF MILITARY INSTALLATIONS.

“(a) FORCE-STRUCTURE PLAN AND INFRASTRUCTURE INVENTORY.—

“(1) PREPARATION AND SUBMISSION.—As part of the budget justification documents submitted to Congress in support of the budget for the Department of Defense for fiscal year 2005, the Secretary shall include the following:

“(A) A force-structure plan for the Armed Forces based on an assessment by the Secretary of the probable threats to the national security during the 20-year period beginning with fiscal year 2005, the probable end-strength levels and major military force units (including land force divisions, carrier and other major combatant vessels, air wings, and other comparable units) needed to meet these threats, and the anticipated levels of funding that will be available for national defense purposes during such period.

“(B) A comprehensive inventory of military installations world-wide for each military department, with specifications of the number and type of facilities in the active and reserve forces of each military department.

“(2) RELATIONSHIP OF PLAN AND INVENTORY.—Using the force-structure plan and infrastructure inventory prepared under paragraph (1), the Secretary shall prepare (and include as part of the submission of such plan and inventory) the following:

“(A) A description of the infrastructure necessary to support the force structure described in the force-structure plan.

“(B) A discussion of categories of excess infrastructure and infrastructure capacity.

PUBLIC LAW 107-107—DEC. 28, 2001

“(C) An economic analysis of the effect of the closure or realignment of military installations to reduce excess infrastructure.

“(3) SPECIAL CONSIDERATIONS.—In determining the level of necessary versus excess infrastructure under paragraph (2), the Secretary shall consider the following:

“(A) The anticipated continuing need for and availability of military installations outside the United States, taking into account current restrictions on the use of military installations outside the United States and the potential for future prohibitions or restrictions on the use of such military installations.

“(B) Any efficiencies that may be gained from joint tenancy by more than one branch of the Armed Forces at a military installation.

“(4) REVISION.—The Secretary may revise the force-structure plan and infrastructure inventory. If the Secretary makes such a revision, the Secretary shall submit the revised plan or inventory to Congress as part of the budget justification documents submitted to Congress for fiscal year 2006.

“(b) CERTIFICATION OF NEED FOR FURTHER CLOSURES AND REALIGNMENTS.—

“(1) CERTIFICATION REQUIRED.—On the basis of the force-structure plan and infrastructure inventory prepared under subsection (a) and the descriptions and economic analysis prepared under such subsection, the Secretary shall include as part of the submission of the plan and inventory—

“(A) a certification regarding whether the need exists for the closure or realignment of additional military installations; and

“(B) if such need exists, a certification that the additional round of closures and realignments would result in annual net savings for each of the military departments beginning not later than fiscal year 2011.

“(2) EFFECT OF FAILURE TO CERTIFY.—If the Secretary does not include the certifications referred to in paragraph (1), the process by which military installations may be selected for closure or realignment under this part in 2005 shall be terminated.

“(c) COMPTROLLER GENERAL EVALUATION.—

“(1) EVALUATION REQUIRED.—If the certification is provided under subsection (b), the Comptroller General shall prepare an evaluation of the following:

“(A) The force-structure plan and infrastructure inventory prepared under subsection (a) and the final selection criteria prepared under section 2913, including an evaluation of the accuracy and analytical sufficiency of such plan, inventory, and criteria.

“(B) The need for the closure or realignment of additional military installations.

“(2) SUBMISSION.—The Comptroller General shall submit the evaluation to Congress not later than 60 days after the date on which the force-structure plan and infrastructure inventory are submitted to Congress. Deadline.

“(d) AUTHORIZATION OF ADDITIONAL ROUND; COMMISSION.—

“(1) APPOINTMENT OF COMMISSION.—Subject to the certifications required under subsection (b), the President may commence an additional round for the selection of military installations for closure and realignment under this part in 2005 by transmitting to the Senate, not later than March 15, 2005, nominations pursuant to section 2902(c) for the appointment of new members to the Defense Base Closure and Realignment Commission. Deadline.

“(2) EFFECT OF FAILURE TO NOMINATE.—If the President does not transmit to the Senate the nominations for the Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

Commission by March 15, 2005, the process by which military installations may be selected for closure or realignment under this part in 2005 shall be terminated.

“(3) MEMBERS.—Notwithstanding section 2902(c)(1), the Commission appointed under the authority of this subsection shall consist of nine members.

“(4) TERMS; MEETINGS; TERMINATION.—Notwithstanding subsections (d), (e)(1), and (l) of section 2902, the Commission appointed under the authority of this subsection shall meet during calendar year 2005 and shall terminate on April 15, 2006.

“(5) FUNDING.—If no funds are appropriated to the Commission by the end of the second session of the 108th Congress for the activities of the Commission in 2005, the Secretary may transfer to the Commission for purposes of its activities under this part in that year such funds as the Commission may require to carry out such activities. The Secretary may transfer funds under the preceding sentence from any funds available to the Secretary. Funds so transferred shall remain available to the Commission for such purposes until expended.”.

SEC. 3002. SELECTION CRITERIA.

The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by inserting after section 2912, as added by section 3001, the following new section:

“SEC. 2913. SELECTION CRITERIA FOR 2005 ROUND.

“(a) PREPARATION OF PROPOSED SELECTION CRITERIA.—

“(1) IN GENERAL.—Not later than December 31, 2003, the Secretary shall publish in the Federal Register and transmit to the congressional defense committees the criteria proposed to be used by the Secretary in making recommendations for the closure or realignment of military installations inside the United States under this part in 2005.

“(2) PUBLIC COMMENT.—The Secretary shall provide an opportunity for public comment on the proposed criteria for a period of at least 30 days and shall include notice of that opportunity in the publication required under this subsection.

“(b) MILITARY VALUE AS PRIMARY CONSIDERATION.—The selection criteria prepared by the Secretary shall ensure that military value is the primary consideration in the making of recommendations for the closure or realignment of military installations under this part in 2005. Military value shall include at a minimum the following:

“(1) Preservation of training areas suitable for maneuver by ground, naval, or air forces to guarantee future availability of such areas to ensure the readiness of the Armed Forces.

“(2) Preservation of military installations in the United States as staging areas for the use of the Armed Forces in homeland defense missions.

“(3) Preservation of military installations throughout a diversity of climate and terrain areas in the United States for training purposes.

“(4) The impact on joint warfighting, training, and readiness.

“(5) Contingency, mobilization, and future total force requirements at both existing and potential receiving locations to support operations and training.

“(c) SPECIAL CONSIDERATIONS.—The selection criteria for military installations shall also address at a minimum the following:

“(1) The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs.

Deadline.
Federal Register,
publication.

PUBLIC LAW 107-107—DEC. 28, 2001

“(2) The economic impact on existing communities in the vicinity of military installations.

“(3) The ability of both existing and potential receiving communities’ infrastructure to support forces, missions, and personnel.

“(4) The impact of costs related to potential environmental restoration, waste management, and environmental compliance activities.

“(d) EFFECT ON DEPARTMENT AND OTHER AGENCY COSTS.—Any selection criteria proposed by the Secretary relating to the cost savings or return on investment from the proposed closure or realignment of military installations shall take into account the effect of the proposed closure or realignment on the costs of any other activity of the Department of Defense or any other Federal agency that may be required to assume responsibility for activities at the military installations.

“(e) FINAL SELECTION CRITERIA.—Not later than February 16, 2004, the Secretary shall publish in the Federal Register and transmit to the congressional defense committees the final criteria to be used in making recommendations for the closure or realignment of military installations inside the United States under this part in 2005. Such criteria shall be the final criteria to be used, along with the force-structure plan and infrastructure inventory referred to in section 2912, in making such recommendations unless disapproved by an Act of Congress enacted on or before March 15, 2004.

Deadline.
Federal Register,
publication.

“(f) RELATION TO CRITERIA FOR EARLIER ROUNDS.—Section 2903(b), and the selection criteria prepared under such section, shall not apply with respect to the process of making recommendations for the closure or realignment of military installations in 2005.”

SEC. 3003. REVISED PROCEDURES FOR MAKING RECOMMENDATIONS FOR REALIGNMENTS AND CLOSURES AND COMMISSION CONSIDERATION OF RECOMMENDATIONS.

The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by inserting after section 2913, as added by section 3002, the following new section:

“SEC. 2914. SPECIAL PROCEDURES FOR MAKING RECOMMENDATIONS FOR REALIGNMENTS AND CLOSURES FOR 2005 ROUND; COMMISSION CONSIDERATION OF RECOMMENDATIONS.

“(a) RECOMMENDATIONS REGARDING CLOSURE OR REALIGNMENT OF MILITARY INSTALLATIONS.—If the Secretary makes the certifications required under section 2912(b), the Secretary shall publish in the Federal Register and transmit to the congressional defense committees and the Commission, not later than May 16, 2005, a list of the military installations inside the United States that the Secretary recommends for closure or realignment on the basis of the force-structure plan and infrastructure inventory prepared by the Secretary under section 2912 and the final selection criteria prepared by the Secretary under section 2913.

Federal Register,
publication.
Deadline.

“(b) PREPARATION OF RECOMMENDATIONS.—

“(1) IN GENERAL.—The Secretary shall comply with paragraphs (2) through (6) of section 2903(c) in preparing and transmitting the recommendations under this section. However, paragraph (6) of section 2903(c) relating to submission of information to Congress shall be deemed to require such submission within 48 hours.

“(2) CONSIDERATION OF LOCAL GOVERNMENT VIEWS.—(A) In making recommendations to the Commission in 2005, the Secretary shall consider any notice received from a local government in the vicinity of a military installation that the govern-

PUBLIC LAW 107-107—DEC. 28, 2001

ment would approve of the closure or realignment of the installation.

“(B) Notwithstanding the requirement in subparagraph (A), the Secretary shall make the recommendations referred to in that subparagraph based on the force-structure plan, infrastructure inventory, and final selection criteria otherwise applicable to such recommendations.

“(C) The recommendations shall include a statement of the result of the consideration of any notice described in subparagraph (A) that is received with respect to a military installation covered by such recommendations. The statement shall set forth the reasons for the result.

“(c) RECOMMENDATIONS TO RETAIN BASES IN INACTIVE STATUS.—In making recommendations for the closure or realignment of military installations, the Secretary may recommend that an installation be placed in an inactive status if the Secretary determines that—

“(1) the installation may be needed in the future for national security purposes; or

“(2) retention of the installation is otherwise in the interest of the United States.

“(d) COMMISSION REVIEW AND RECOMMENDATIONS.—

“(1) IN GENERAL.—Except as provided in this subsection, section 2903(d) shall apply to the consideration by the Commission of the recommendations transmitted by the Secretary in 2005. The Commission’s report containing its findings and conclusions, based on a review and analysis of the Secretary’s recommendations, shall be transmitted to the President not later than September 8, 2005.

“(2) AVAILABILITY OF RECOMMENDATIONS TO CONGRESS.—After September 8, 2005, the Commission shall promptly provide, upon request, to any Member of Congress information used by the Commission in making its recommendations.

“(3) LIMITATIONS ON AUTHORITY TO ADD TO CLOSURE OR REALIGNMENT LISTS.—The Commission may not consider making a change in the recommendations of the Secretary that would add a military installation to the Secretary’s list of installations recommended for closure or realignment unless, in addition to the requirements of section 2903(d)(2)(C)—

“(A) the Commission provides the Secretary with at least a 15-day period, before making the change, in which to submit an explanation of the reasons why the installation was not included on the closure or realignment list by the Secretary; and

“(B) the decision to add the installation for Commission consideration is supported by at least seven members of the Commission.

“(4) TESTIMONY BY SECRETARY.—The Commission shall invite the Secretary to testify at a public hearing, or a closed hearing if classified information is involved, on any proposed change by the Commission to the Secretary’s recommendations.

“(5) COMPTROLLER GENERAL REPORT.—The Comptroller General report required by section 2903(d)(5)(B) analyzing the recommendations of the Secretary and the selection process in 2005 shall be transmitted to the congressional defense committees not later than July 1, 2005.

“(e) REVIEW BY THE PRESIDENT.—

“(1) IN GENERAL.—Except as provided in this subsection, section 2903(e) shall apply to the review by the President of the recommendations of the Commission under this section, and the actions, if any, of the Commission in response to such review, in 2005. The President shall review the recommendations of the Secretary and the recommendations contained in the report of the Commission under subsection (d) and prepare a report, not later than September 23, 2005,

Deadline.

Reports.
Deadline.

PUBLIC LAW 107-107—DEC. 28, 2001

containing the President's approval or disapproval of the Commission's recommendations.

“(2) COMMISSION RECONSIDERATION.—If the Commission prepares a revised list of recommendations under section 2903(e)(3) in 2005 in response to the review of the President in that year under paragraph (1), the Commission shall transmit the revised list to the President not later than October 20, 2005.

Deadline.

“(3) EFFECT OF FAILURE TO TRANSMIT.—If the President does not transmit to Congress an approval and certification described in paragraph (2) or (4) of section 2903(e) by November 7, 2005, the process by which military installations may be selected for closure or realignment under this part in 2005 shall be terminated.

Deadline.
Termination.

“(4) EFFECT OF TRANSMITTAL.—A report of the President under this subsection containing the President's approval of the Commission's recommendations is deemed to be a report under section 2903(e) for purposes of sections 2904 and 2908.”.

SEC. 3004. LIMITATIONS ON PRIVATIZATION IN PLACE.

Section 2904(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following new paragraph (3):

“(3) carry out the privatization in place of a military installation recommended for closure or realignment by the Commission in the 2005 report only if privatization in place is a method of closure or realignment of the military installation specified in the recommendations of the Commission in such report and is determined by the Commission to be the most cost-effective method of implementation of the recommendation.”.

SEC. 3005. DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005.

(a) ESTABLISHMENT.—The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by inserting after section 2906 the following new section:

“SEC. 2906A. DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 2005.

“(a) IN GENERAL.—(1) If the Secretary makes the certifications required under section 2912(b), there shall be established on the books of the Treasury an account to be known as the ‘Department of Defense Base Closure Account 2005’ (in this section referred to as the ‘Account’). The Account shall be administered by the Secretary as a single account.

“(2) There shall be deposited into the Account—

“(A) funds authorized for and appropriated to the Account;

“(B) any funds that the Secretary may, subject to approval in an appropriation Act, transfer to the Account from funds appropriated to the Department of Defense for any purpose, except that such funds may be transferred only after the date on which the Secretary transmits written notice of, and justification for, such transfer to the congressional defense committees; and

“(C) except as provided in subsection (d), proceeds received from the lease, transfer, or disposal of any property at a military installation that is closed or realigned under this part pursuant to a closure or realignment the date of approval of which is after January 1, 2005.

“(3) The Account shall be closed at the time and in the manner provided for appropriation accounts under section 1555 of title

PUBLIC LAW 107-107—DEC. 28, 2001

31, United States Code. Unobligated funds which remain in the Account upon closure shall be held by the Secretary of the Treasury until transferred by law after the congressional defense committees receive the final report transmitted under subsection (c)(2).

“(b) USE OF FUNDS.—(1) The Secretary may use the funds in the Account only for the purposes described in section 2905 with respect to military installations the date of approval of closure or realignment of which is after January 1, 2005.

“(2) When a decision is made to use funds in the Account to carry out a construction project under section 2905(a) and the cost of the project will exceed the maximum amount authorized by law for a minor military construction project, the Secretary shall notify in writing the congressional defense committees of the nature of, and justification for, the project and the amount of expenditures for such project. Any such construction project may be carried out without regard to section 2802(a) of title 10, United States Code.

Deadline.

“(c) REPORTS.—(1)(A) No later than 60 days after the end of each fiscal year in which the Secretary carries out activities under this part using amounts in the Account, the Secretary shall transmit a report to the congressional defense committees of the amount and nature of the deposits into, and the expenditures from, the Account during such fiscal year and of the amount and nature of other expenditures made pursuant to section 2905(a) during such fiscal year.

“(B) The report for a fiscal year shall include the following:

“(i) The obligations and expenditures from the Account during the fiscal year, identified by subaccount, for each military department and Defense Agency.

“(ii) The fiscal year in which appropriations for such expenditures were made and the fiscal year in which funds were obligated for such expenditures.

“(iii) Each military construction project for which such obligations and expenditures were made, identified by installation and project title.

“(iv) A description and explanation of the extent, if any, to which expenditures for military construction projects for the fiscal year differed from proposals for projects and funding levels that were included in the justification transmitted to Congress under section 2907(1), or otherwise, for the funding proposals for the Account for such fiscal year, including an explanation of—

“(I) any failure to carry out military construction projects that were so proposed; and

“(II) any expenditures for military construction projects that were not so proposed.

Deadline.

“(2) No later than 60 days after the termination of the authority of the Secretary to carry out a closure or realignment under this part with respect to military installations the date of approval of closure or realignment of which is after January 1, 2005, and no later than 60 days after the closure of the Account under subsection (a)(3), the Secretary shall transmit to the congressional defense committees a report containing an accounting of—

“(A) all the funds deposited into and expended from the Account or otherwise expended under this part with respect to such installations; and

“(B) any amount remaining in the Account.

“(d) DISPOSAL OR TRANSFER OF COMMISSARY STORES AND PROPERTY PURCHASED WITH NONAPPROPRIATED FUNDS.—(1) If any real property or facility acquired, constructed, or improved (in whole or in part) with commissary store funds or nonappropriated funds is transferred or disposed of in connection with the closure or realignment of a military installation under this part the date of approval of closure or realignment of which is after January 1, 2005, a portion of the proceeds of the transfer or other disposal

PUBLIC LAW 107-107—DEC. 28, 2001

of property on that installation shall be deposited in the reserve account established under section 204(b)(7)(C) of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note).

“(2) The amount so deposited shall be equal to the depreciated value of the investment made with such funds in the acquisition, construction, or improvement of that particular real property or facility. The depreciated value of the investment shall be computed in accordance with regulations prescribed by the Secretary.

“(3) The Secretary may use amounts in the reserve account, without further appropriation, for the purpose of acquiring, constructing, and improving—

“(A) commissary stores; and

“(B) real property and facilities for nonappropriated fund instrumentalities.

“(4) In this subsection, the terms ‘commissary store funds’, ‘nonappropriated funds’, and ‘nonappropriated fund instrumentality’ shall have the meaning given those terms in section 2906(d)(4).

“(e) ACCOUNT EXCLUSIVE SOURCE OF FUNDS FOR ENVIRONMENTAL RESTORATION PROJECTS.—Except as provided in section 2906(e) with respect to funds in the Department of Defense Base Closure Account 1990 under section 2906 and except for funds deposited into the Account under subsection (a), funds appropriated to the Department of Defense may not be used for purposes described in section 2905(a)(1)(C). The prohibition in this subsection shall expire upon the closure of the Account under subsection (a)(3).”.

(b) CONFORMING AMENDMENTS.—Section 2906 of that Act is amended—

10 USC 2687
note.

(1) in subsection (a)(2)(C), by inserting “the date of approval of closure or realignment of which is before January 1, 2005” after “under this part”;

(2) in subsection (b)(1), by inserting “with respect to military installations the date of approval of closure or realignment of which is before January 1, 2005,” after “section 2905”;

(3) in subsection (c)(2)—

(A) in the matter preceding subparagraph (A), by inserting “with respect to military installations the date of approval of closure or realignment of which is before January 1, 2005,” after “under this part”; and

(B) in subparagraph (A), by inserting “with respect to such installations” after “under this part”;

(4) in subsection (d)(1), by inserting “the date of approval of closure or realignment of which is before January 1, 2005” after “under this part”; and

(5) in subsection (e), by striking “Except for” and inserting “Except as provided in section 2906A(e) with respect to funds in the Department of Defense Base Closure Account 2005 under section 2906A and except for”.

(c) CLERICAL AMENDMENT.—The section heading of section 2906 of that Act is amended by striking “ACCOUNT” and inserting “DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 1990”.

SEC. 3006. IMPLEMENTATION OF CLOSURE AND REALIGNMENT DECISIONS.

(a) REQUIREMENT TO RECEIVE FAIR MARKET VALUE.—Section 2905(b)(4)(B) of that Act is amended—

10 USC 2687
note.

(1) in the first sentence, by striking “shall be without consideration” in the matter preceding clause (i) and inserting “may be without consideration”; and

(2) by inserting after “(B)” the following new sentence: “With respect to military installations for which the date of approval of closure or realignment is after January 1, 2005, the Secretary shall seek to obtain consideration in connection with any transfer under this paragraph of property located

PUBLIC LAW 107-107—DEC. 28, 2001

at the installation in an amount equal to the fair market value of the property, as determined by the Secretary.”.

(b) TRANSFERS IN CONNECTION WITH PAYMENT OF ENVIRONMENTAL REMEDIATION.—Section 2905(e) of that Act is amended—

(1) in paragraph (1)(B), by adding at the end the following new sentence: “The real property and facilities referred to in subparagraph (A) are also the real property and facilities located at an installation approved for closure or realignment under this part after 2001 that are available for purposes other than to assist the homeless.”;

(2) in paragraph (2)(A), by striking “to be paid by the recipient of the property or facilities” and inserting “otherwise to be paid by the Secretary with respect to the property or facilities”;

(3) by striking paragraph (6);

(4) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(5) by inserting after paragraph (2) the following new paragraph (3):

“(3) In the case of property or facilities covered by a certification under paragraph (2)(A), the Secretary may pay the recipient of such property or facilities an amount equal to the lesser of—

“(A) the amount by which the costs incurred by the recipient of such property or facilities for all environmental restoration, waste, management, and environmental compliance activities with respect to such property or facilities exceed the fair market value of such property or facilities as specified in such certification; or

“(B) the amount by which the costs (as determined by the Secretary) that would otherwise have been incurred by the Secretary for such restoration, management, and activities with respect to such property or facilities exceed the fair market value of such property or facilities as so specified.”.

(c) SCOPE OF INDEMNIFICATION OF TRANSFEREES IN CONNECTION WITH PAYMENT OF ENVIRONMENTAL REMEDIATION.—Paragraph (6) of section 2905(e) of that Act, as redesignated by subsection (b)(4), is amended by inserting before the period the following: “, except in the case of releases or threatened releases not disclosed pursuant to paragraph (4)”.

SEC. 3007. TECHNICAL AND CLARIFYING AMENDMENTS.

(a) RELATIONSHIP TO OTHER BASE CLOSURE AUTHORITY.—Section 2909(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking “the date of the enactment of this Act and ending on December 31, 1995,” and inserting “November 5, 1990, and ending on April 15, 2006,”.

(b) COMMENCEMENT OF PERIOD FOR NOTICE OF INTEREST IN PROPERTY FOR HOMELESS.—Section 2905(b)(7)(D)(ii)(I) of that Act is amended by striking “that date” and inserting “the date of publication of such determination in a newspaper of general circulation in the communities in the vicinity of the installation under subparagraph (B)(i)(IV)”.

(c) COMMITTEE NAME.—That Act is further amended by striking “National Security” and inserting “Armed Services” each place it appears in the following provisions:

(A) Section 2902(e)(2)(B)(ii).

(B) Section 2908(b).

(d) OTHER CLARIFYING AMENDMENTS.—(1) That Act is further amended by inserting “or realignment” after “closure” each place it appears in the following provisions:

(A) Section 2905(b)(3).

(B) Section 2905(b)(5).

(C) Section 2905(b)(7)(B)(iv).

(D) Section 2905(b)(7)(N).

10 USC 2687
note.
10 USC 2687
note.
10 USC 2687
note.

PUBLIC LAW 107-107—DEC. 28, 2001

(E) Section 2910(10)(B).

(2) That Act is further amended by inserting “or realigned” after “closed” each place it appears in the following provisions:

(A) Section 2905(b)(3)(C)(ii).

(B) Section 2905(b)(3)(D).

(C) Section 2905(b)(3)(E).

(D) Section 2905(b)(5)(A).

(E) Section 2910(9).

(F) Section 2910(10).

(3) Section 2905(e)(1)(B) of that Act is amended by inserting “, or realigned or to be realigned,” after “closed or to be closed”.

SEC. 3008. PREPARATION OF INFRASTRUCTURE PLAN FOR THE NUCLEAR WEAPONS COMPLEX.

50 USC 2401
note.

(a) INFRASTRUCTURE PLAN FOR NUCLEAR WEAPONS COMPLEX.—

(1) PREPARATION AND SUBMISSION.—Not later than the date on which the budget for the Department of Energy for fiscal year 2004 is submitted to Congress, the Secretary of Energy shall submit to Congress an infrastructure plan for the nuclear weapons complex adequate to support the nuclear weapons stockpile, the naval reactors program, and nonproliferation and national security activities.

Deadline.

(2) SPECIAL CONSIDERATIONS.—In preparing the infrastructure plan, the Secretary shall take into consideration the following:

(A) The Department of Defense Nuclear Posture Review required pursuant to section 1041 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-262).

(B) Any efficiencies and security benefits of consolidation of facilities of the nuclear weapons complex.

(C) The necessity to have a residual production capability.

(b) RECOMMENDATIONS REGARDING REALIGNMENTS AND CLOSURES.—On the basis of the infrastructure plan prepared under subsection (a), the Secretary shall make such recommendations regarding the need to close or realign facilities of the nuclear weapons complex as the Secretary considers appropriate, including the Secretary’s recommendations on whether to establish a process by which a round of closures and realignments would be carried out and any additional legislative authority necessary to implement the recommendations. The Secretary shall submit the recommendations as part of the infrastructure plan under subsection (a).

(c) DEFINITIONS.—In this section:

(1) The terms “Secretary” and “Secretary of Energy” mean the Secretary of Energy, acting after consideration of the recommendations of the Administrator for Nuclear Security.

(2) The term “nuclear weapons complex” means the national security laboratories and nuclear weapons production facilities (as such terms are defined in section 3281 of the National Nuclear Security Administration Act (50 U.S.C. 2471)) and the facilities of the Naval Nuclear Propulsion Program provided for under the Naval Nuclear Propulsion Executive Order (as such term is defined in section 3216 of such Act (50 U.S.C. 2406)).

PUBLIC LAW 107-107—DEC. 28, 2001

**DIVISION C—DEPARTMENT OF ENERGY
NATIONAL SECURITY AUTHORIZA-
TIONS AND OTHER AUTHORIZATIONS**

**TITLE XXXI—DEPARTMENT OF ENERGY
NATIONAL SECURITY PROGRAMS**

Subtitle A—National Security Programs Authorizations

- Sec. 3101. National Nuclear Security Administration.
- Sec. 3102. Defense environmental restoration and waste management.
- Sec. 3103. Other defense activities.
- Sec. 3104. Defense environmental management privatization.
- Sec. 3105. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

- Sec. 3121. Reprogramming.
- Sec. 3122. Limits on minor construction projects.
- Sec. 3123. Limits on construction projects.
- Sec. 3124. Fund transfer authority.
- Sec. 3125. Authority for conceptual and construction design.
- Sec. 3126. Authority for emergency planning, design, and construction activities.
- Sec. 3127. Funds available for all national security programs of the Department of Energy.
- Sec. 3128. Availability of funds.
- Sec. 3129. Transfer of defense environmental management funds.
- Sec. 3130. Transfer of weapons activities funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

- Sec. 3131. Consolidation of Nuclear Cities Initiative program with Initiatives for Proliferation Prevention program.
- Sec. 3132. Nuclear Cities Initiative.
- Sec. 3133. Limitation on availability of funds for weapons activities for facilities and infrastructure.
- Sec. 3134. Limitation on availability of funds for other defense activities for national security programs administrative support.
- Sec. 3135. Termination date of Office of River Protection, Richland, Washington.
- Sec. 3136. Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico.
- Sec. 3137. Reports on achievement of milestones for National Ignition Facility.

Subtitle D—Matters Relating to Management of the National Nuclear Security Administration

- Sec. 3141. Establishment of Principal Deputy Administrator of National Nuclear Security Administration.
- Sec. 3142. Elimination of requirement that national security laboratories and nuclear weapons production facilities report to Deputy Administrator for Defense Programs.
- Sec. 3143. Repeal of duplicative provision relating to dual office holding by personnel of National Nuclear Security Administration.
- Sec. 3144. Report on adequacy of Federal pay and hiring authorities to meet personnel requirements of National Nuclear Security Administration.

Subtitle E—Other Matters

- Sec. 3151. Improvements to Energy Employees Occupational Illness Compensation Program.
- Sec. 3152. Department of Energy counterintelligence polygraph program.
- Sec. 3153. One-year extension of authority of Department of Energy to pay voluntary separation incentive payments.
- Sec. 3154. Annual assessment and report on vulnerability of Department of Energy facilities to terrorist attack.
- Sec. 3155. Disposition of surplus defense plutonium at Savannah River Site, Aiken, South Carolina.
- Sec. 3156. Modification of date of report of panel to assess the reliability, safety, and security of the United States nuclear stockpile.

Subtitle F—Rocky Flats National Wildlife Refuge

- Sec. 3171. Short title.
- Sec. 3172. Findings and purposes.
- Sec. 3173. Definitions.
- Sec. 3174. Future ownership and management.
- Sec. 3175. Transfer of management responsibilities and jurisdiction over Rocky Flats.
- Sec. 3176. Administration of retained property; continuation of cleanup and closure.
- Sec. 3177. Rocky Flats National Wildlife Refuge.

PUBLIC LAW 107-107—DEC. 28, 2001

Sec. 3178. Comprehensive planning process.
 Sec. 3179. Property rights.
 Sec. 3180. Liabilities and other obligations.
 Sec. 3181. Rocky Flats Museum.
 Sec. 3182. Annual report on funding.

Subtitle A—National Security Programs Authorizations

SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of \$7,121,094,000, to be allocated as follows:

(1) WEAPONS ACTIVITIES.—For weapons activities, \$5,343,567,000, to be allocated as follows:

(A) For stewardship operation and maintenance, \$4,601,871,000, to be allocated as follows:

(i) For directed stockpile work, \$1,002,274,000.

(ii) For campaigns, \$2,074,473,000, to be allocated as follows:

(I) For operation and maintenance, \$1,704,501,000.

(II) For construction, \$369,972,000, to be allocated as follows:

Project 01-D-101, distributed information systems laboratory, Sandia National Laboratories, Livermore, California, \$5,400,000.

Project 00-D-103, terascale simulation facility, Lawrence Livermore National Laboratory, Livermore, California, \$22,000,000.

Project 00-D-105, strategic computing complex, Los Alamos National Laboratory, Los Alamos, New Mexico, \$11,070,000.

Project 00-D-107, joint computational engineering laboratory, Sandia National Laboratories, Albuquerque, New Mexico, \$5,377,000.

Project 98-D-125, tritium extraction facility, Savannah River Plant, Aiken, South Carolina, \$81,125,000.

Project 96-D-111, national ignition facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, \$245,000,000.

(iii) For readiness in technical base and facilities, \$1,525,124,000, to be allocated as follows:

(I) For operation and maintenance, \$1,348,260,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), \$176,864,000, to be allocated as follows:

Project 02-D-103, project engineering and design (PED), various locations, \$22,830,000.

Project 02-D-105, engineering technology complex upgrade, Lawrence Livermore National Laboratory, Livermore, California, \$4,750,000.

Project 02-D-107, electrical power systems safety communications and bus upgrades, Nevada Test Site, Nevada, \$3,507,000.

PUBLIC LAW 107-107—DEC. 28, 2001

Project 01-D-101, microsystems and engineering sciences applications (MESA), Sandia National Laboratories, Albuquerque, New Mexico, \$39,000,000.

Project 01-D-103, preliminary project design and engineering, various locations, \$16,379,000.

Project 01-D-107, Atlas relocation, Nevada Test Site, Nevada, \$3,300,000.

Project 01-D-126, weapons evaluation test laboratory, Pantex Plant, Amarillo, Texas, \$7,700,000.

Project 01-D-800, sensitive compartmented information facility, Lawrence Livermore National Laboratory, Livermore, California, \$12,993,000.

Project 99-D-103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, \$4,400,000.

Project 99-D-104, protection of real property (roof reconstruction, phase II), Lawrence Livermore National Laboratory, Livermore, California, \$2,800,000.

Project 99-D-106, model validation and system certification center, Sandia National Laboratories, Albuquerque, New Mexico, \$4,955,000.

Project 99-D-108, renovate existing roadways, Nevada Test Site, Nevada, \$2,000,000.

Project 99-D-125, replace boilers and controls, Kansas City Plant, Kansas City, Missouri, \$300,000.

Project 99-D-127, stockpile management restructuring initiative, Kansas City plant, Kansas City, Missouri, \$22,200,000.

Project 99-D-128, stockpile management restructuring initiative, Pantex Plant, Amarillo, Texas, \$3,300,000.

Project 98-D-123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah River Plant, Aiken, South Carolina, \$13,700,000.

Project 98-D-124, stockpile management restructuring initiative, Y-12 consolidation, Oak Ridge, Tennessee, \$6,850,000.

Project 97-D-123, structural upgrades, Kansas City Plant, Kansas City, Missouri, \$3,000,000.

Project 96-D-102, stockpile stewardship facilities revitalization, Phase VI, various locations, \$2,900,000.

(B) For secure transportation asset, \$121,800,000, to be allocated as follows:

(i) For operation and maintenance, \$77,571,000.

(ii) For program direction, \$44,229,000.

(C) For safeguards and security, \$448,881,000, to be allocated as follows:

(i) For operations and maintenance, \$439,281,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), \$9,600,000, to be allocated as follows:

Project 99-D-132, stockpile management restructuring initiative, nuclear material safe-

PUBLIC LAW 107-107—DEC. 28, 2001

guards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, \$9,600,000.

(D) For facilities and infrastructure, \$200,000,000.

(E) The total amount authorized by this paragraph is the sum of the amounts authorized to be appropriated by subparagraphs (A) through (D), reduced by \$28,985,000, to be derived from a security charge for reimbursable work.

(2) DEFENSE NUCLEAR NONPROLIFERATION.—For defense nuclear nonproliferation activities, \$776,886,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, \$244,306,000, to be allocated as follows:

(i) For operation and maintenance, \$208,500,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), \$35,806,000, to be allocated as follows:

Project 00-D-192, nonproliferation and international security center (NISC), Los Alamos National Laboratory, Los Alamos, New Mexico, \$35,806,000.

(B) For arms control and Russian transition initiatives, \$117,741,000.

(C) For international materials protection, control, and accounting, \$143,800,000.

(D) For highly enriched uranium transparency implementation, \$13,950,000.

(E) For international nuclear safety, \$10,000,000.

(F) For fissile materials control and disposition, \$289,089,000, to be allocated as follows:

(i) For United States surplus fissile materials disposition, \$228,089,000, to be allocated as follows:

(I) For operation and maintenance, \$130,089,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), \$98,000,000, to be allocated as follows:

Project 01-D-407, highly enriched uranium blend-down, Savannah River Site, Aiken, South Carolina, \$24,000,000.

Project 99-D-141, pit disassembly and conversion facility, Savannah River Site, Aiken, South Carolina, \$11,000,000.

Project 99-D-143, mixed oxide fuel fabrication facility, Savannah River Site, Aiken, South Carolina, \$63,000,000.

(ii) For Russian surplus fissile materials disposition, \$61,000,000.

(G) The total amount authorized by this paragraph is the sum of the amounts authorized to be appropriated by subparagraphs (A) through (F), reduced by \$42,000,000, to be derived from offsets and use of prior year balances.

(3) NAVAL REACTORS.—For naval reactors, \$688,045,000, to be allocated as follows:

(A) For naval reactors development, \$665,445,000, to be allocated as follows:

(i) For operation and maintenance, \$652,245,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects

PUBLIC LAW 107-107—DEC. 28, 2001

authorized in prior years, and land acquisition related thereto), \$13,200,000, to be allocated as follows:

Project 01-D-200, major office replacement building, Schenectady, New York, \$9,000,000.

Project 90-N-102, expended core facility dry cell project, Naval Reactors Facility, Idaho, \$4,200,000.

(B) For program direction, \$22,600,000.

(4) OFFICE OF ADMINISTRATOR FOR NUCLEAR SECURITY.—For the Office of the Administrator for Nuclear Security, and for program direction for the National Nuclear Security Administration (other than for naval reactors and secure transportation asset), \$312,596,000.

SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for environmental restoration and waste management activities in carrying out programs necessary for national security in the amount of \$6,022,415,000, to be allocated as follows:

(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat. 2836; 42 U.S.C. 7277n), \$1,080,538,000.

(2) SITE/PROJECT COMPLETION.—For site completion and project completion in carrying out environmental management activities necessary for national security programs, \$959,696,000, to be allocated as follows:

(A) For operation and maintenance, \$919,030,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), \$40,666,000, to be allocated as follows:

Project 01-D-402, Intec cathodic protection system expansion, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, \$3,256,000.

Project 02-D-420, plutonium stabilization and packaging, Savannah River Site, Aiken, South Carolina, \$20,000,000.

Project 01-D-414, preliminary project, engineering and design (PE&D), various locations, \$2,754,000.

Project 99-D-402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, \$5,040,000.

Project 99-D-404, health physics instrumentation laboratory, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, \$2,700,000.

Project 98-D-453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, \$1,910,000.

Project 96-D-471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, \$4,244,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, \$762,000.

(3) POST-2006 COMPLETION.—For post-2006 completion in carrying out environmental restoration and waste management activities necessary for national security programs, \$3,265,201,000, to be allocated as follows:

(A) For operation and maintenance, \$1,955,979,000.

PUBLIC LAW 107-107—DEC. 28, 2001

(B) For uranium enrichment decontamination and decommissioning fund contribution, \$420,000,000.

(C) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), \$6,754,000, to be allocated as follows:

Project 93-D-187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, \$6,754,000.

(D) For the Office of River Protection in carrying out environmental restoration and waste management activities necessary for national security programs, \$882,468,000, to be allocated as follows:

(i) For operation and maintenance, \$322,151,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), \$560,317,000, to be allocated as follows:

Project 01-D-416, waste treatment and immobilization plant, Richland, Washington, \$520,000,000.

Project 97-D-402, tank farm restoration and safe operations, Richland, Washington, \$33,473,000.

Project 94-D-407, initial tank retrieval systems, Richland, Washington, \$6,844,000.

(4) SCIENCE AND TECHNOLOGY DEVELOPMENT.—For science and technology development in carrying out environmental restoration and waste management activities necessary for national security programs, \$216,000,000.

(5) EXCESS FACILITIES.—For excess facilities in carrying out environmental restoration and waste management activities necessary for national security programs, \$1,300,000.

(6) SAFEGUARDS AND SECURITY.—For safeguards and security in carrying out environmental restoration and waste management activities necessary for national security programs, \$205,621,000.

(7) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs, \$355,761,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated by subsection (a) is the sum of the amounts authorized to be appropriated by paragraphs (1) through (7) of that subsection, reduced by \$61,702,000, of which \$56,311,000 is to reflect an offset provided by use of prior year balances and \$5,391,000 is to be derived from a security charge for reimbursable work.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for other defense activities in carrying out programs necessary for national security in the amount of \$499,663,000, to be allocated as follows:

(1) INTELLIGENCE.—For intelligence, \$40,844,000.

(2) COUNTERINTELLIGENCE.—For counterintelligence, \$46,000,000.

(3) SECURITY AND EMERGENCY OPERATIONS.—For security and emergency operations, \$250,427,000, to be allocated as follows:

(A) For nuclear safeguards and security, \$116,500,000.

(B) For security investigations, \$44,927,000.

(C) For corporate management information programs, \$10,000,000.

PUBLIC LAW 107-107—DEC. 28, 2001

(D) For program direction, \$79,000,000.

(4) INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE.—For independent oversight and performance assurance, \$14,904,000.

(5) OFFICE OF ENVIRONMENT, SAFETY, AND HEALTH.—For the Office of Environment, Safety, and Health, \$113,307,000, to be allocated as follows:

(A) For environment, safety, and health (defense), \$91,307,000.

(B) For program direction, \$22,000,000.

(6) WORKER AND COMMUNITY TRANSITION ASSISTANCE.—For worker and community transition assistance, \$20,000,000, to be allocated as follows:

(A) For worker and community transition, \$18,000,000.

(B) For program direction, \$2,000,000.

(7) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, \$2,893,000.

(8) NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT.—For national security programs administrative support, \$22,000,000.

(b) ADJUSTMENT.—The amount authorized to be appropriated pursuant to subsection (a) is the total of the amounts authorized to be appropriated by paragraphs (1) through (8) of that subsection, reduced by \$10,712,000, of which \$10,000,000 is to reflect an offset provided by use of prior year balances and \$712,000 is to be derived from a security charge for reimbursable work.

SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of \$153,537,000, to be allocated as follows:

Project 02-PVT-1, Paducah disposal facility, Paducah, Kentucky, \$13,329,000.

Project 02-PVT-2, Portsmouth disposal facility, Portsmouth, Ohio, \$2,000,000.

Project 98-PVT-2, spent nuclear fuel dry storage, Idaho Falls, Idaho, \$49,332,000.

Project 98-PVT-5, environmental management/waste management disposal, Oak Ridge, Tennessee, \$26,065,000.

Project 97-PVT-2, advanced mixed waste treatment project, Idaho Falls, Idaho, \$52,000,000.

Project 97-PVT-3, transuranic waste treatment, Oak Ridge, Tennessee, \$10,826,000.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of \$280,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Except as provided in sections 3129 and 3130, until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

PUBLIC LAW 107-107—DEC. 28, 2001

(1) in amounts that exceed, in a fiscal year, the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON MINOR CONSTRUCTION PROJECTS.

(a) AUTHORITY.—The Secretary of Energy may carry out any minor construction project using operation and maintenance funds, or facilities and infrastructure funds, authorized by this title.

(b) ANNUAL REPORT.—The Secretary shall submit to the congressional defense committees on an annual basis a report on each exercise of the authority in subsection (a) during the preceding year. Each report shall provide a brief description of each minor construction project covered by the report.

(c) COST VARIATION REPORTS TO CONGRESSIONAL COMMITTEES.—If, at any time during the construction of any minor construction project authorized by this title, the estimated cost of the project is revised and the revised cost of the project exceeds \$5,000,000, the Secretary shall immediately submit to the congressional defense committees a report explaining the reasons for the cost variation.

(d) MINOR CONSTRUCTION PROJECT DEFINED.—In this section, the term “minor construction project” means any plant project not specifically authorized by law if the approved total estimated cost of the plant project does not exceed \$5,000,000.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, authorized by section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there is excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) does not apply to a construction project with a current estimated cost of less than \$5,000,000.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) **TRANSFER TO OTHER FEDERAL AGENCIES.**—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same time period as the authorizations of the Federal agency to which the amounts are transferred.

(b) **TRANSFER WITHIN DEPARTMENT OF ENERGY.**—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than 5 percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than 5 percent by a transfer under such paragraph.

(c) **LIMITATIONS.**—The authority provided by this subsection to transfer authorizations—

(1) may be used only to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

(d) **NOTICE TO CONGRESS.**—The Secretary of Energy shall promptly notify the Committees on Armed Services of the Senate and House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) **REQUIREMENT OF CONCEPTUAL DESIGN.**—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds \$3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a minor construction project the total estimated cost of which is less than \$5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) **AUTHORITY FOR CONSTRUCTION DESIGN.**—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed \$600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds \$600,000, funds for that design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) **AUTHORITY.**—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including funds authorized to be appropriated for

PUBLIC LAW 107-107—DEC. 28, 2001

advance planning, engineering, and construction design, and for plant projects, under sections 3101, 3102, 3103, and 3104 to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) **LIMITATION.**—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making those activities necessary.

(c) **SPECIFIC AUTHORITY.**—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) **IN GENERAL.**—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) **EXCEPTION FOR PROGRAM DIRECTION FUNDS.**—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2003.

SEC. 3129. TRANSFER OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) **TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.**—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of that office to another such program or project.

(b) **LIMITATIONS.**—(1) Not more than three transfers may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project in any one transfer under subsection (a) may not exceed \$5,000,000.

(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary—

(A) to address a risk to health, safety, or the environment;

or

(B) to assure the most efficient use of defense environmental management funds at the field office.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(c) **EXEMPTION FROM REPROGRAMMING REQUIREMENTS.**—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) **NOTIFICATION.**—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

PUBLIC LAW 107-107—DEC. 28, 2001

(e) DEFINITIONS.—In this section:

(1) The term “program or project” means, with respect to a field office of the Department of Energy, any of the following:

(A) A program referred to or a project listed in paragraph (2) or (3) of section 3102(a).

(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by that office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term “defense environmental management funds” means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 2001, and ending on September 30, 2002.

SEC. 3130. TRANSFER OF WEAPONS ACTIVITIES FUNDS.

(a) TRANSFER AUTHORITY FOR WEAPONS ACTIVITIES FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer weapons activities funds from a program or project under the jurisdiction of that office to another such program or project.

(b) LIMITATIONS.—(1) Not more than one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project in any one transfer under subsection (a) may not exceed \$5,000,000.

(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer—

(A) is necessary to address a risk to health, safety, or the environment; or

(B) will result in cost savings and efficiencies.

(4) A transfer may not be carried out by a manager of a field office under subsection (a) to cover a cost overrun or scheduling delay for any program or project.

(5) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary, acting through the Administrator for Nuclear Security, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) DEFINITIONS.—In this section:

(1) The term “program or project” means, with respect to a field office of the Department of Energy, any of the following:

(A) A program referred to or a project listed in section 3101(1).

(B) A program or project not described in subparagraph (A) that is for weapons activities necessary for national security programs of the Department, that is being carried out by that office, and for which weapons activities funds

PUBLIC LAW 107-107—DEC. 28, 2001

have been authorized and appropriated before the date of the enactment of this Act.

(2) The term “weapons activities funds” means funds appropriated to the Department of Energy pursuant to an authorization for carrying out weapons activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 2001, and ending on September 30, 2002.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. CONSOLIDATION OF NUCLEAR CITIES INITIATIVE PROGRAM WITH INITIATIVES FOR PROLIFERATION PREVENTION PROGRAM.

The Administrator for Nuclear Security shall consolidate the Nuclear Cities Initiative program with the Initiatives for Proliferation Prevention program under a single management line.

SEC. 3132. NUCLEAR CITIES INITIATIVE.

(a) LIMITATIONS ON USE OF FUNDS.—No funds authorized to be appropriated for the Nuclear Cities Initiative after fiscal year 2001 may be obligated or expended with respect to more than three nuclear cities, or more than two serial production facilities in Russia, until 30 days after the Administrator for Nuclear Security submits to the appropriate congressional committees an agreement signed by the Russian Federation on access under the Nuclear Cities Initiative to the ten closed nuclear cities and four serial production facilities of the Nuclear Cities Initiative.

(b) ANNUAL REPORT.—(1) Not later than the first Monday in February each year, the Administrator shall submit to the appropriate congressional committees a report on financial and programmatic activities with respect to the Nuclear Cities Initiative during the preceding fiscal year. Deadline.

(2) Each report shall include, for the fiscal year covered by such report, the following:

(A) A list of each project that is or was completed, ongoing, or planned under the Nuclear Cities Initiative during such fiscal year.

(B) For each project listed under subparagraph (A), information, current as of the end of such fiscal year, on the following:

(i) The purpose of such project.

(ii) The budget for such project.

(iii) The life-cycle costs of such project.

(iv) Participants in such project.

(v) The commercial viability of such project.

(vi) The number of jobs in Russia created or to be created by or through such project.

(vii) Of the total amount of funds spent on such project, the percentage of such amount spent in the United States and the percentage of such amount spent overseas.

(C) A certification by the Administrator that each project listed under subparagraph (A) did contribute, is contributing, or will contribute, as the case may be, to the downsizing of the nuclear weapons complex in Russia, together with a description of the evidence utilized to make such certification.

(c) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

PUBLIC LAW 107-107—DEC. 28, 2001

(2) **NUCLEAR CITIES INITIATIVE.**—The term “Nuclear Cities Initiative” means the initiative arising pursuant to the March 1998 discussion between the Vice President of the United States and the Prime Minister of the Russian Federation and between the Secretary of Energy of the United States and the Minister of Atomic Energy of the Russian Federation.

(3) **NUCLEAR CITY.**—The term “nuclear city” means any of the nuclear cities within the complex of the Russia Ministry of Atomic Energy (MINATOM) as follows:

- (A) Sarov (Arzamas-16 and Avangard).
- (B) Zarechnyy (Penza-19).
- (C) Novoural’sk (Sverdlovsk-44).
- (D) Lesnoy (Sverdlovsk-45).
- (E) Ozersk (Chelyabinsk-65).
- (F) Snezhinsk (Chelyabinsk-70).
- (G) Trechgor’nyy (Zlatoust-36).
- (H) Seversk (Tomsk-7).
- (I) Zhelznogorsk (Krasnoyarsk-26).
- (J) Zelenogorsk (Krasnoyarsk-45).

SEC. 3133. LIMITATION ON AVAILABILITY OF FUNDS FOR WEAPONS ACTIVITIES FOR FACILITIES AND INFRASTRUCTURE.

Not more than 50 percent of the funds authorized to be appropriated by section 3101(a)(1)(D) for the National Nuclear Security Administration for weapons activities for facilities and infrastructure may be obligated or expended until the Administrator for Nuclear Security submits to the congressional defense committees a report setting forth the following:

- (1) Criteria for the selection of projects to be carried out using such funds.
- (2) Criteria for establishing priorities among projects so selected.
- (3) A list of the projects so selected, including the priority assigned to each such project.

SEC. 3134. LIMITATION ON AVAILABILITY OF FUNDS FOR OTHER DEFENSE ACTIVITIES FOR NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT.

Not more than \$5,000,000 of the funds authorized to be appropriated by section 3103(a)(8) for other defense activities for national security programs administrative support may be obligated or expended until the latest of the following:

- (1) The date on which the Secretary of Energy submits to Congress a report setting forth the purposes for which the Secretary plans to obligate and expend such funds.
- (2) The date on which the Administrator for Nuclear Security submits to Congress the future-years nuclear security program for fiscal year 2002 required by section 3253 of the National Nuclear Security Administration Act (title XXXII of Public Law 106-65; 50 U.S.C. 2453).
- (3) The date on which the Secretary of Energy submits to Congress the report on the feasibility of using an energy savings performance contract mechanism to offset, or possibly cover, the cost of a new office building for the Albuquerque operations office of the Department of Energy, as completed by the Secretary in accordance with the directive contained in Senate Report 106-50 (the report of the Committee on Armed Services of the Senate to accompany the bill S. 1059 of the One Hundred Sixth Congress, relating to the National Defense Authorization Act for Fiscal Year 2000; p. 470).

SEC. 3135. TERMINATION DATE OF OFFICE OF RIVER PROTECTION, RICHLAND, WASHINGTON.

Subsection (f) of section 3139 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 112 Stat. 2250), as amended by section 3141 of the Floyd

PUBLIC LAW 107-107—DEC. 28, 2001

D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-462), is amended to read as follows:

“(f) TERMINATION.—(1) The Office shall terminate on the later to occur of the following dates:

“(A) September 30, 2010.

“(B) The date on which the Assistant Secretary of Energy for Environmental Management determines, in consultation with the head of the Office, that continuation of the Office is no longer necessary to carry out the responsibilities of the Department of Energy under the Tri-Party Agreement.

“(2) The Assistant Secretary shall notify, in writing, the committees referred to in subsection (d) of a determination under paragraph (1).

“(3) In this subsection, the term ‘Tri-Party Agreement’ means the Hanford Federal Facility Agreement and Consent Order entered into among the Department of Energy, the Environmental Protection Agency, and the State of Washington Department of Ecology.”.

SEC. 3136. SUPPORT FOR PUBLIC EDUCATION IN THE VICINITY OF LOS ALAMOS NATIONAL LABORATORY, NEW MEXICO.

(a) SUPPORT FOR FISCAL 2002.—From amounts appropriated or otherwise made available to the Secretary of Energy by this title—

(1) \$6,900,000 shall be available for payment by the Secretary for fiscal year 2002 to the Los Alamos National Laboratory Foundation, a not-for-profit foundation chartered in accordance with section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 111 Stat. 2052); and

(2) \$8,000,000 shall be available for extension of the contract between the Department of Energy and the Los Alamos Public Schools through fiscal year 2002.

(b) SUPPORT FOR FISCAL 2003.—Subject to the availability of appropriations, the Secretary is authorized to—

(1) make payment for fiscal year 2003 similar to the payment referred to in subsection (a)(1); and

(2) provide for a contract extension through fiscal year 2003 similar to the contract extension referred to in subsection (a)(2).

(c) USE OF FUNDS.—The foundation referred to in subsection (a)(1) shall—

(1) utilize funds provided under this section as a contribution to the endowment fund for the foundation; and

(2) use the income generated from investments in the endowment fund that are attributable to payments made under this section to fund programs to support the educational needs of children in public schools in the vicinity of Los Alamos National Laboratory.

(d) REPORT.—Not later than March 1, 2002, the Secretary shall submit to the congressional defense committees a report setting forth the following:

Deadline.

(1) An evaluation of the requirements for continued payments beyond fiscal year 2003 into the endowment fund of the foundation referred to in subsection (a) to enable the foundation to meet the goals of the Department to support the recruitment and retention of staff at the Los Alamos National Laboratory.

(2) The Secretary’s recommendations for any further support beyond fiscal year 2003 directly to the Los Alamos Public Schools.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 3137. REPORTS ON ACHIEVEMENT OF MILESTONES FOR NATIONAL IGNITION FACILITY.

(a) **NOTIFICATION OF ACHIEVEMENT.**—The Administrator for Nuclear Security shall notify the congressional defense committees when the National Ignition Facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, achieves each Level I milestone and Level II milestone for the National Ignition Facility.

(b) **REPORT ON FAILURE OF TIMELY ACHIEVEMENT.**—Not later than 10 days after the date on which the National Ignition Facility fails to achieve a Level I milestone or Level II milestone for the National Ignition Facility in a timely manner, the Administrator shall submit to the congressional defense committees a report on such failure. Each such report shall include—

(1) a statement of the failure of the National Ignition Facility to achieve the milestone concerned in a timely manner;

(2) an explanation for the failure; and

(3) either—

(A) an estimate when that milestone will be achieved;

or

(B) if that milestone will not be achieved—

(i) a statement that that milestone will not be achieved;

(ii) an explanation why that milestone will not be achieved; and

(iii) the implications for the overall scope, schedule, and budget of the National Ignition Facility project of not achieving that milestone.

(c) **MILESTONES.**—For purposes of this section, the Level I milestones and Level II milestones for the National Ignition Facility are as established in the August 2000 revised National Ignition Facility baseline document.

(d) **TERMINATION.**—The requirements of this section shall terminate on September 30, 2004.

Subtitle D—Matters Relating to Management of the National Nuclear Security Administration

SEC. 3141. ESTABLISHMENT OF PRINCIPAL DEPUTY ADMINISTRATOR OF NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) **ESTABLISHMENT.**—Subtitle A of the National Nuclear Security Administration Act (title XXXII of Public Law 106-65; 50 U.S.C. 2401 et seq.) is amended—

(1) by redesignating section 3213 as section 3220 and transferring such section, as so redesignated, to the end of that subtitle; and

(2) by inserting after section 3212 the following new section 3213:

50 USC 2403,
2410.

50 USC 2403.

“SEC. 3213. PRINCIPAL DEPUTY ADMINISTRATOR FOR NUCLEAR SECURITY.

“(a) **IN GENERAL.**—(1) There is in the Administration a Principal Deputy Administrator, who is appointed by the President, by and with the advice and consent of the Senate.

“(2) The Principal Deputy Administrator shall be appointed from among persons who have extensive background in organizational management and are well qualified to manage the nuclear weapons, nonproliferation, and materials disposition programs of the Administration in a manner that advances and protects the national security of the United States.

“(b) **DUTIES.**—Subject to the authority, direction, and control of the Administrator, the Principal Deputy Administrator shall perform such duties and exercise such powers as the Administrator

PUBLIC LAW 107-107—DEC. 28, 2001

may prescribe, including the coordination of activities among the elements of the Administration. The Principal Deputy Administrator shall act for, and exercise the powers of, the Administrator when the Administrator is disabled or the position of Administrator is vacant.”.

(b) PAY LEVEL.—Section 5315 of title 5, United States Code, is amended—

(1) by inserting before the item relating to Deputy Administrators of the National Nuclear Security Administration the following new item:

“Principal Deputy Administrator, National Nuclear Security Administration.”; and

(2) by inserting “Additional” before “Deputy Administrators of the National Nuclear Security Administration”.

(c) CLERICAL AMENDMENTS.—The table of contents preceding section 3201 of such Act is amended—

(1) by striking the item relating to section 3213 and inserting the following:

“Sec. 3213. Principal Deputy Administrator for National Security.”;

and

(2) by inserting after the item relating to section 3218 the following new items:

“Sec. 3219. Scope of authority of Secretary of Energy to modify organization of Administration.

“Sec. 3220. Status of Administration and contractor personnel within Department of Energy.”.

SEC. 3142. ELIMINATION OF REQUIREMENT THAT NATIONAL SECURITY LABORATORIES AND NUCLEAR WEAPONS PRODUCTION FACILITIES REPORT TO DEPUTY ADMINISTRATOR FOR DEFENSE PROGRAMS.

Section 3214 of the National Nuclear Security Administration Act (title XXXII of Public Law 106-65; 113 Stat. 959; 50 U.S.C. 2404) is amended by striking subsection (c).

SEC. 3143. REPEAL OF DUPLICATIVE PROVISION RELATING TO DUAL OFFICE HOLDING BY PERSONNEL OF NATIONAL NUCLEAR SECURITY ADMINISTRATION.

Section 3245 of the National Nuclear Security Administration Act (50 U.S.C. 2443), as added by section 315 of the Energy and Water Development Appropriations Act, 2001 (as enacted into law by Public Law 106-377; 114 Stat. 1441B-23), is repealed.

SEC. 3144. REPORT ON ADEQUACY OF FEDERAL PAY AND HIRING AUTHORITIES TO MEET PERSONNEL REQUIREMENTS OF NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) REPORT REQUIRED.—Not later than March 1, 2002, the Administrator for Nuclear Security shall submit to the congressional committees specified in subsection (b) a report on the adequacy of Federal pay and hiring authorities to meet the personnel requirements of the National Nuclear Security Administration. The report shall include the following:

Deadline.

(1) A description of the Federal pay and hiring authorities available to the Administrator.

(2) A description of the Federal pay and hiring authorities that are not available to the Administrator, and an explanation why such authorities are not available.

(3) If any Federal pay and hiring authorities referred to in paragraph (1) are not being used, an explanation why such authorities are not being used.

(4) An assessment of whether or not existing Federal pay and hiring authorities are adequate or inadequate to meet the personnel requirements of the Administration.

(5) Any recommendations that the Administrator considers appropriate for modifications or enhancements of existing Fed-

PUBLIC LAW 107-107—DEC. 28, 2001

eral pay and hiring authorities in order to meet the personnel requirements of the Administration.

(6) Any recommendations that the Administrator considers appropriate for new Federal pay and hiring authorities in order to meet the personnel requirements of the Administration.

(7) A plan for structuring the pay and hiring authorities with respect to the Federal workforce of the Administration so to ensure that such workforce meets applicable requirements of the most current five-year program plan for the Administration.

(b) SPECIFIED COMMITTEES.—The congressional committees referred to in subsection (a) are the following:

(1) The Committee on Armed Services and the Committee on Governmental Affairs of the Senate.

(2) The Committee on Armed Services and the Committee on Government Reform of the House of Representatives.

Subtitle E—Other Matters

SEC. 3151. IMPROVEMENTS TO ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

(a) AMENDMENTS TO ENERGY EMPLOYEES PROGRAM.—The Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398; 114 Stat. 1654A-394); 42 U.S.C. 7384 et seq.) is amended as follows:

(1) CERTAIN LEUKEMIA AS SPECIFIED CANCER.—Section 3621(17) (114 Stat. 1654A-502; 42 U.S.C. 7384l(17)), as amended by section 2403 of the Supplemental Appropriations Act, 2001 (Public Law 107-20; 115 Stat. 175), is further amended by adding at the end the following new subparagraph:

“(D) Leukemia (other than chronic lymphocytic leukemia), if initial occupational exposure occurred before 21 years of age and onset occurred more than two years after initial occupational exposure.”.

(2) ADDITIONAL MEMBERS OF SPECIAL EXPOSURE COHORT.—Section 3626(b) (114 Stat. 1654A-505; 42 U.S.C. 7384q(b)) is amended in the matter preceding paragraph (1) by inserting after “Department of Energy facility” the following: “, or at an atomic weapons employer facility,”.

(3) ESTABLISHMENT OF CHRONIC SILICOSIS.—Section 3627(e)(2)(A) (114 Stat. 1654A-506; 42 U.S.C. 7384r(e)(2)(A)) is amended by striking “category 1/1” and inserting “category 1/0”.

(4) SURVIVORS.—

(A) Section 3628(e) (114 Stat. 1654A-506; 42 U.S.C. 7384s(e)) is amended to read as follows:

“(e) PAYMENTS IN THE CASE OF DECEASED PERSONS.—(1) In the case of a covered employee who is deceased at the time of payment of compensation under this section, whether or not the death is the result of the covered employee’s occupational illness, such payment may be made only as follows:

“(A) If the covered employee is survived by a spouse who is living at the time of payment, such payment shall be made to such surviving spouse.

“(B) If there is no surviving spouse described in subparagraph (A), such payment shall be made in equal shares to all children of the covered employee who are living at the time of payment.

“(C) If there is no surviving spouse described in subparagraph (A) and if there are no children described in subparagraph (B), such payment shall be made in equal shares to

PUBLIC LAW 107-107—DEC. 28, 2001

the parents of the covered employee who are living at the time of payment.

“(D) If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B) or parents described in subparagraph (C), such payment shall be made in equal shares to all grandchildren of the covered employee who are living at the time of payment.

“(E) If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B), parents described in subparagraph (C), or grandchildren described in subparagraph (D), then such payment shall be made in equal shares to the grandparents of the covered employee who are living at the time of payment.

“(F) Notwithstanding the other provisions of this paragraph, if there is—

“(i) a surviving spouse described in subparagraph (A);

and

“(ii) at least one child of the covered employee who is living and a minor at the time of payment and who is not a recognized natural child or adopted child of such surviving spouse,

then half of such payment shall be made to such surviving spouse, and the other half of such payment shall be made in equal shares to each child of the covered employee who is living and a minor at the time of payment.

“(2) If a covered employee eligible for payment dies before filing a claim under this title, a survivor of that employee who may receive payment under paragraph (1) may file a claim for such payment.

“(3) For purposes of this subsection—

“(A) the ‘spouse’ of an individual is a wife or husband of that individual who was married to that individual for at least one year immediately before the death of that individual;

“(B) a ‘child’ includes a recognized natural child, a stepchild who lived with an individual in a regular parent-child relationship, and an adopted child;

“(C) a ‘parent’ includes fathers and mothers through adoption;

“(D) a ‘grandchild’ of an individual is a child of a child of that individual; and

“(E) a ‘grandparent’ of an individual is a parent of a parent of that individual.”

(B) Section 3630(e) (114 Stat. 1654A-507; 42 U.S.C. 7384u(e)) is amended to read as follows:

“(e) PAYMENTS IN THE CASE OF DECEASED PERSONS.—(1) In the case of a covered employee who is deceased at the time of payment of compensation under this section, whether or not the death is the result of the covered employee’s occupational illness, such payment may be made only as follows:

“(A) If the covered employee is survived by a spouse who is living at the time of payment, such payment shall be made to such surviving spouse.

“(B) If there is no surviving spouse described in subparagraph (A), such payment shall be made in equal shares to all children of the covered employee who are living at the time of payment.

“(C) If there is no surviving spouse described in subparagraph (A) and if there are no children described in subparagraph (B), such payment shall be made in equal shares to the parents of the covered employee who are living at the time of payment.

“(D) If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B) or parents described in subparagraph (C), such pay-

PUBLIC LAW 107-107—DEC. 28, 2001

ment shall be made in equal shares to all grandchildren of the covered employee who are living at the time of payment.

“(E) If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B), parents described in subparagraph (C), or grandchildren described in subparagraph (D), then such payment shall be made in equal shares to the grandparents of the covered employee who are living at the time of payment.

“(F) Notwithstanding the other provisions of this paragraph, if there is—

“(i) a surviving spouse described in subparagraph (A);

and

“(ii) at least one child of the covered employee who is living and a minor at the time of payment and who is not a recognized natural child or adopted child of such surviving spouse,

then half of such payment shall be made to such surviving spouse, and the other half of such payment shall be made in equal shares to each child of the covered employee who is living and a minor at the time of payment.

“(2) If a covered employee eligible for payment dies before filing a claim under this title, a survivor of that employee who may receive payment under paragraph (1) may file a claim for such payment.

“(3) For purposes of this subsection—

“(A) the ‘spouse’ of an individual is a wife or husband of that individual who was married to that individual for at least one year immediately before the death of that individual;

“(B) a ‘child’ includes a recognized natural child, a stepchild who lived with an individual in a regular parent-child relationship, and an adopted child;

“(C) a ‘parent’ includes fathers and mothers through adoption;

“(D) a ‘grandchild’ of an individual is a child of a child of that individual; and

“(E) a ‘grandparent’ of an individual is a parent of a parent of that individual.”

(C) Paragraph (18) of section 3621 (114 Stat. 1654A-502; 42 U.S.C. 7384l) is repealed.

(D) The amendments made by this paragraph shall take effect on July 1, 2001.

(5) ELECTION OF REMEDIES.—Section 3645 (114 Stat. 1654A-510; 42 U.S.C. 7385d) is amended by amending subsections (a) through (d) to read as follows:

“(a) EFFECT OF TORT CASES FILED BEFORE ENACTMENT OF ORIGINAL LAW.—(1) Except as provided in paragraph (2), if an otherwise eligible individual filed a tort case specified in subsection (d) before October 30, 2000, such individual shall be eligible for compensation and benefits under subtitle B.

“(2) If such tort case remained pending as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002, and such individual does not dismiss such tort case before December 31, 2003, such individual shall not be eligible for such compensation or benefits.

“(b) EFFECT OF TORT CASES FILED BETWEEN ENACTMENT OF ORIGINAL LAW AND ENACTMENT OF 2001 AMENDMENTS.—(1) Except as provided in paragraph (2), if an otherwise eligible individual filed a tort case specified in subsection (d) during the period beginning on October 30, 2000, and ending on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002, such individual shall not be eligible for such compensation or benefits.

“(2) If such individual dismisses such tort case on or before the last permissible date specified in paragraph (3), such individual shall be eligible for such compensation or benefits.

Effective date.
42 USC 7384l
note.

PUBLIC LAW 107-107—DEC. 28, 2001

“(3) The last permissible date referred to in paragraph (2) is the later of the following dates:

“(A) April 30, 2003.

“(B) The date that is 30 months after the date the individual first becomes aware that an illness covered by subtitle B of a covered employee may be connected to the exposure of the covered employee in the performance of duty under section 3623.

“(c) EFFECT OF TORT CASES FILED AFTER ENACTMENT OF 2001 AMENDMENTS.—(1) If an otherwise eligible individual files a tort case specified in subsection (d) after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002, such individual shall not be eligible for such compensation or benefits if a final court decision is entered against such individual in such tort case.

“(2) If such a final court decision is not entered, such individual shall nonetheless not be eligible for such compensation or benefits, except as follows: If such individual dismisses such tort case on or before the last permissible date specified in paragraph (3), such individual shall be eligible for such compensation and benefits.

“(3) The last permissible date referred to in paragraph (2) is the later of the following dates:

“(A) April 30, 2003.

“(B) The date that is 30 months after the date the individual first becomes aware that an illness covered by subtitle B of a covered employee may be connected to the exposure of the covered employee in the performance of duty under section 3623.

“(d) COVERED TORT CASES.—A tort case specified in this subsection is a tort case alleging a claim referred to in section 3643 against a beryllium vendor or atomic weapons employer.”.

(6) ATTORNEY FEES.—Section 3648 (114 Stat. 1654A-511; 42 U.S.C. 7385g) is amended—

(A) in subsection (a), by inserting after “the claim of an individual” the following: “for payment of lump-sum compensation”;

(B) in subsection (b)(1), by inserting after “initial claim” the following: “for payment of lump-sum compensation”;

(C) in subsection (b)(2), by striking “with respect to any claim” and all that follows through the period at the end and inserting “with respect to objections to a recommended decision denying payment of lump-sum compensation.”;

(D) by redesignating subsection (c) as subsection (d); and

(E) by inserting after subsection (b) the following new subsection (c):

“(c) INAPPLICABILITY TO OTHER SERVICES.—This section shall not apply with respect to services rendered that are not in connection with such a claim for payment of lump-sum compensation.”.

(b) STUDY OF RESIDUAL CONTAMINATION OF FACILITIES.—(1) The National Institute for Occupational Safety and Health shall, with the cooperation of the Department of Energy and the Department of Labor, carry out a study on the following matters:

(A) Whether or not significant contamination remained in any atomic weapons employer facility or facility of a beryllium vendor after such facility discontinued activities relating to the production of nuclear weapons.

(B) If so, whether or not such contamination could have caused or substantially contributed to the cancer of a covered employee with cancer or a covered beryllium illness, as the case may be.

(2)(A) The National Institute for Occupational Safety and Health shall submit to the applicable congressional committees the following reports:

42 USC 7384
note.

PUBLIC LAW 107-107—DEC. 28, 2001

- Deadline. (i) Not later than 180 days after the date of the enactment of this Act, a report on the progress made as of the date of the report on the study required by paragraph (1).
- (ii) Not later than one year after the date of the enactment of this Act, a final report on the study required by paragraph (1).
- (B) In this paragraph, the term “applicable congressional committees” means—
- (i) the Committee on Armed Services, Committee on Appropriations, Committee on the Judiciary, and Committee on Health, Education, Labor, and Pensions of the Senate; and
- (ii) the Committee on Armed Services, Committee on Appropriations, Committee on the Judiciary, and Committee on Education and the Workforce of the House of Representatives.
- (3) Amounts for the study under paragraph (1) shall be derived from amounts authorized to be appropriated by section 3614(a) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (114 Stat. 1654A-498).
- (4) In this subsection:
- (A) The terms “atomic weapons employer facility”, “beryllium vendor”, “covered employee with cancer”, and “covered beryllium illness” have the meanings given those terms in section 3621 of the Energy Employees Occupational Illness Compensation Program Act of 2000 (114 Stat. 1654A-498; 42 U.S.C. 7384l).
- (B) The term “contamination” means the presence of any—
- (i) material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling; or
- (ii) beryllium dust, particles, or vapor, exposure to which could cause or substantially contribute to the cancer of a covered employee with cancer or a covered beryllium illness, as the case may be.
- 42 USC 7383h-1. **SEC. 3152. DEPARTMENT OF ENERGY COUNTERINTELLIGENCE POLYGRAPH PROGRAM.**
- (a) **NEW COUNTERINTELLIGENCE POLYGRAPH PROGRAM REQUIRED.**—The Secretary of Energy shall carry out, under regulations prescribed under this section, a new counterintelligence polygraph program for the Department of Energy. The purpose of the new program is to minimize the potential for release or disclosure of classified data, materials, or information.
- Regulations. (b) **AUTHORITIES AND LIMITATIONS.**—(1) The Secretary shall prescribe regulations for the new counterintelligence polygraph program required by subsection (a) in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code (commonly referred to as the Administrative Procedures Act).
- (2) In prescribing regulations for the new program, the Secretary shall take into account the results of the Polygraph Review.
- Deadline. (3) Not later than six months after obtaining the results of the Polygraph Review, the Secretary shall issue a notice of proposed rulemaking for the new program.
- Effective date. 42 USC 7383h. (c) **REPEAL OF EXISTING POLYGRAPH PROGRAM.**—Effective 30 days after the Secretary submits to the congressional defense committees the Secretary’s certification that the final rule for the new counterintelligence polygraph program required by subsection (a) has been fully implemented, section 3154 of the Department of Energy Facilities Safeguards, Security, and Counterintelligence Enhancement Act of 1999 (subtitle D of title XXXI of Public Law 106-65; 42 U.S.C. 7383h) is repealed.
- Deadline. (d) **REPORT ON FURTHER ENHANCEMENT OF PERSONNEL SECURITY PROGRAM.**—(1) Not later than January 1, 2003, the Administrator for Nuclear Security shall submit to Congress a report setting forth the recommendations of the Administrator for any legislative action that the Administrator considers appropriate in order to

PUBLIC LAW 107-107—DEC. 28, 2001

enhance the personnel security program of the Department of Energy.

(2) Any recommendations under paragraph (1) regarding the use of polygraphs shall take into account the results of the Polygraph Review.

(e) POLYGRAPH REVIEW DEFINED.—In this section, the term “Polygraph Review” means the review of the Committee to Review the Scientific Evidence on the Polygraph of the National Academy of Sciences.

SEC. 3153. ONE-YEAR EXTENSION OF AUTHORITY OF DEPARTMENT OF ENERGY TO PAY VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) IN GENERAL.—Section 3161(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 942; 5 U.S.C. 5597 note) is amended by striking “January 1, 2003” and inserting “January 1, 2004”.

(b) CONSTRUCTION.—The amendment made by subsection (a) may be superseded by another provision of law that takes effect after the date of the enactment of this Act, and before January 1, 2004, establishing a uniform system for providing voluntary separation incentives (including a system for requiring approval of plans by the Office of Management and Budget) for employees of the Federal Government.

5 USC 5597 note.

SEC. 3154. ANNUAL ASSESSMENT AND REPORT ON VULNERABILITY OF DEPARTMENT OF ENERGY FACILITIES TO TERRORIST ATTACK.

(a) IN GENERAL.—Part C of title VI of the Department of Energy Organization Act (42 U.S.C. 7251 et seq.) is amended by adding at the end the following new section:

“ANNUAL ASSESSMENT AND REPORT ON VULNERABILITY OF FACILITIES TO TERRORIST ATTACK

“SEC. 663. (a) The Secretary shall, on an annual basis, conduct a comprehensive assessment of the vulnerability of Department facilities to terrorist attack.

42 USC 7270c.

“(b) Not later than January 31 each year, the Secretary shall submit to Congress a report on the assessment conducted under subsection (a) during the preceding year. Each report shall include the results of the assessment covered by such report, together with such findings and recommendations as the Secretary considers appropriate.”

Deadline.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that Act is amended by inserting after the item relating to section 662 the following new item:

“Sec. 663. Annual assessment and report on vulnerability of facilities to terrorist attack.”

SEC. 3155. DISPOSITION OF SURPLUS DEFENSE PLUTONIUM AT SAVANNAH RIVER SITE, AIKEN, SOUTH CAROLINA.

(a) CONSULTATION REQUIRED.—The Secretary of Energy shall consult with the Governor of the State of South Carolina regarding any decisions or plans of the Secretary related to the disposition of surplus defense plutonium and defense plutonium materials located at the Savannah River Site, Aiken, South Carolina.

(b) NOTICE REQUIRED.—For each shipment of defense plutonium or defense plutonium materials to the Savannah River Site, the Secretary shall, not less than 30 days before the commencement of such shipment, submit to the congressional defense committees a report providing notice of such shipment.

(c) PLAN FOR DISPOSITION.—The Secretary shall prepare a plan for disposal of the surplus defense plutonium and defense plutonium materials currently located at the Savannah River Site and for disposal of defense plutonium and defense plutonium materials

PUBLIC LAW 107-107—DEC. 28, 2001

to be shipped to the Savannah River Site in the future. The plan shall include the following:

(1) A review of each option considered for such disposal.

(2) An identification of the preferred option for such disposal.

(3) With respect to the facilities for such disposal that are required by the Department of Energy's Record of Decision for the Storage and Disposition of Weapons-Usable Fissile Materials Final Programmatic Environmental Impact Statement dated January 14, 1997—

(A) a statement of the cost of construction and operation of such facilities;

(B) a schedule for the expeditious construction of such facilities, including milestones; and

(C) a firm schedule for funding the cost of such facilities.

(4) A specification of the means by which all such defense plutonium and defense plutonium materials will be removed in a timely manner from the Savannah River Site for storage or disposal elsewhere.

(d) **PLAN FOR ALTERNATIVE DISPOSITION.**—If the Secretary determines not to proceed at the Savannah River Site with construction of the plutonium immobilization plant, or with the mixed oxide fuel fabrication facility, the Secretary shall prepare a plan that identifies a disposition path for all defense plutonium and defense plutonium materials that would otherwise have been disposed of at such plant or such facility, as applicable.

Deadline.

(e) **SUBMISSION OF PLANS.**—Not later than February 1, 2002, the Secretary shall submit to Congress the plan required by subsection (c) (and the plan prepared under subsection (d), if applicable).

(f) **LIMITATION ON PLUTONIUM SHIPMENTS.**—If the Secretary does not submit to Congress the plan required by subsection (c) (and the plan prepared under subsection (d), if applicable) by February 1, 2002, the Secretary shall be prohibited from shipping defense plutonium or defense plutonium materials to the Savannah River Site during the period beginning on February 1, 2002, and ending on the date on which such plans are submitted to Congress.

(g) **RULE OF CONSTRUCTION.**—Nothing in this section may be construed to prohibit or limit the Secretary from shipping defense plutonium or defense plutonium materials to sites other than the Savannah River Site during the period referred to in subsection (f) or any other period.

(h) **ANNUAL REPORT ON FUNDING FOR FISSILE MATERIALS DISPOSITION ACTIVITIES.**—The Secretary shall include with the budget justification materials submitted to Congress in support of the Department of Energy budget for each fiscal year (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) a report setting forth the extent to which amounts requested for the Department for such fiscal year for fissile materials disposition activities will enable the Department to meet commitments for the disposition of surplus defense plutonium and defense plutonium materials located at the Savannah River Site, and for any other fissile materials disposition activities, in such fiscal year.

SEC. 3156. MODIFICATION OF DATE OF REPORT OF PANEL TO ASSESS THE RELIABILITY, SAFETY, AND SECURITY OF THE UNITED STATES NUCLEAR STOCKPILE.

Section 3159(d) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 42 U.S.C. 2121 note) is amended by striking “of each year, beginning with 1999,” and inserting “of 1999 and 2000, and not later than February 1, 2002,”.

PUBLIC LAW 107-107—DEC. 28, 2001

Subtitle F—Rocky Flats National Wildlife Refuge

Rocky Flats
National Wildlife
Refuge Act of
2001.
16 USC 668dd
note.

SEC. 3171. SHORT TITLE.

This subtitle may be cited as the “Rocky Flats National Wildlife Refuge Act of 2001”.

SEC. 3172. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) The Federal Government, through the Atomic Energy Commission, acquired the Rocky Flats site in 1951 and began operations there in 1952. The site remains a Department of Energy facility. Since 1992, the mission of the Rocky Flats site has changed from the production of nuclear weapons components to cleanup and closure in a manner that is safe, environmentally and socially responsible, physically secure, and cost-effective.

(2) The majority of the Rocky Flats site has generally remained undisturbed since its acquisition by the Federal Government.

(3) The State of Colorado is experiencing increasing growth and development, especially in the metropolitan Denver Front Range area in the vicinity of the Rocky Flats site. That growth and development reduces the amount of open space and thereby diminishes for many metropolitan Denver communities the vistas of the striking Front Range mountain backdrop.

(4) Some areas of the Rocky Flats site contain contamination and will require further response action. The national interest requires that the ongoing cleanup and closure of the entire site be completed safely, effectively, and without unnecessary delay and that the site thereafter be retained by the United States and managed so as to preserve the value of the site for open space and wildlife habitat.

(5) The Rocky Flats site provides habitat for many wildlife species, including a number of threatened and endangered species, and is marked by the presence of rare xeric tallgrass prairie plant communities. Establishing the site as a unit of the National Wildlife Refuge System will promote the preservation and enhancement of those resources for present and future generations.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to provide for the establishment of the Rocky Flats site as a national wildlife refuge following cleanup and closure of the site;

(2) to create a process for public input on the management of the refuge referred to in paragraph (1) before transfer of administrative jurisdiction to the Secretary of the Interior; and

(3) to ensure that the Rocky Flats site is thoroughly and completely cleaned up.

SEC. 3173. DEFINITIONS.

In this subtitle:

(1) CERCLA.—The term “CERCLA” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(2) CLEANUP AND CLOSURE.—The term “cleanup and closure” means the response actions for covered substances carried out at Rocky Flats, as required by any of the following:

(A) The RFCA.

(B) CERCLA.

(C) RCRA.

(D) The Colorado Hazardous Waste Act, 25-15-101 to 25-15-327, Colorado Revised Statutes.

PUBLIC LAW 107-107—DEC. 28, 2001

(3) COVERED SUBSTANCE.—The term “covered substance” means any of the following:

(A) Any hazardous substance, as such term is defined in paragraph (14) of section 101 of CERCLA (42 U.S.C. 9601).

(B) Any pollutant or contaminant, as such term is defined in paragraph (33) of such section 101.

(C) Any petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14) of such section 101.

(4) RCRA.—The term “RCRA” means the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), popularly known as the Resource Conservation and Recovery Act.

(5) REFUGE.—The term “refuge” means the Rocky Flats National Wildlife Refuge established under section 3177.

(6) RESPONSE ACTION.—The term “response action” means any of the following:

(A) A response, as such term is defined in paragraph (25) of section 101 of CERCLA (42 U.S.C. 9601).

(B) A corrective action under RCRA or under the Colorado Hazardous Waste Act, 25-15-101 to 25-15-327, Colorado Revised Statutes.

(C) Any requirement for institutional controls imposed by any of the laws referred to in subparagraph (A) or (B).

(7) RFCA.—The term “RFCA” means the Rocky Flats Cleanup Agreement, an intergovernmental agreement, dated July 19, 1996, among—

(A) the Department of Energy;

(B) the Environmental Protection Agency; and

(C) the Department of Public Health and Environment of the State of Colorado.

(8) ROCKY FLATS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term “Rocky Flats” means the Rocky Flats Environmental Technology Site, Colorado, a defense nuclear facility, as depicted on the map titled “Rocky Flats Environmental Technology Site”, dated October 22, 2001, and available for inspection in the appropriate offices of the United States Fish and Wildlife Service.

(B) EXCLUSIONS.—The term “Rocky Flats” does not include—

(i) the land and facilities of the Department of Energy’s National Renewable Energy Laboratory, including the acres retained by the Secretary under section 3174(f); and

(ii) any land and facilities not within the boundaries depicted on the map referred to in subparagraph (A).

(9) SECRETARY.—The term “Secretary” means the Secretary of Energy.

SEC. 3174. FUTURE OWNERSHIP AND MANAGEMENT.

(a) FEDERAL OWNERSHIP.—Except as expressly provided in this subtitle, all right, title, and interest of the United States, held on or acquired after the date of the enactment of this Act, to land or interest therein, including minerals, within the boundaries of Rocky Flats shall be retained by the United States.

(b) LINDSAY RANCH.—The structures that comprise the former Lindsay Ranch homestead site in the Rock Creek Reserve area of the buffer zone, as depicted on the map referred to in section 3173(8)(A), shall be permanently preserved and maintained in accordance with the National Historic Preservation Act (16 U.S.C. 470 et seq.).

PUBLIC LAW 107-107—DEC. 28, 2001

(c) PROHIBITION ON ANNEXATION.—Neither the Secretary nor the Secretary of the Interior shall allow the annexation of land within the refuge by any unit of local government.

(d) PROHIBITION ON THROUGH ROADS.—Except as provided in subsection (e), no public road shall be constructed through Rocky Flats.

(e) TRANSPORTATION RIGHT-OF-WAY.—

(1) IN GENERAL.—

(A) AVAILABILITY OF LAND.—On submission of an application meeting each of the conditions specified in paragraph (2), the Secretary, in consultation with the Secretary of the Interior, shall make available land along the eastern boundary of Rocky Flats for the sole purpose of transportation improvements along Indiana Street.

(B) BOUNDARIES.—Land made available under this paragraph may not extend more than 300 feet from the west edge of the Indiana Street right-of-way, as that right-of-way exists as of the date of the enactment of this Act.

(C) EASEMENT OR SALE.—Land may be made available under this paragraph by easement or sale to one or more appropriate entities.

(D) COMPLIANCE WITH APPLICABLE LAW.—Any action under this paragraph shall be taken in compliance with applicable law.

(2) CONDITIONS.—An application referred to in paragraph

(1) meets the conditions specified in this paragraph if the application—

(A) is submitted by any county, city, or other political subdivision of the State of Colorado; and

(B) includes documentation demonstrating that the transportation improvements for which the land is to be made available—

(i) are carried out so as to minimize adverse effects on the management of Rocky Flats as a wildlife refuge; and

(ii) are included in the regional transportation plan of the metropolitan planning organization designated for the Denver metropolitan area under section 5303 of title 49, United States Code.

(f) WIND TECHNOLOGY EXPANSION AREA.—The Secretary shall retain, for the use of the National Renewable Energy Laboratory, the approximately 25 acres identified on the map referred to in section 3173(8)(A) as the “Wind Technology Expansion Area”.

SEC. 3175. TRANSFER OF MANAGEMENT RESPONSIBILITIES AND JURISDICTION OVER ROCKY FLATS.

(a) TRANSFER REQUIRED.—

(1) IN GENERAL.—Subject to the other provisions of this section, the Secretary shall transfer administrative jurisdiction over the property that is to comprise the refuge to the Secretary of the Interior.

(2) DATE OF TRANSFER.—The transfer shall be carried out not earlier than the completion certification date, and not later than 30 business days after that date.

(3) COMPLETION CERTIFICATION DATE.—For purposes of paragraph (2), the completion certification date is the date on which the Administrator of the Environmental Protection Agency certifies to the Secretary and to the Secretary of the Interior that cleanup and closure at Rocky Flats has been completed, except for the operation and maintenance associated with response actions, and that all response actions are operating properly and successfully.

(b) MEMORANDUM OF UNDERSTANDING.—

(1) REQUIRED ELEMENTS.—The transfer required by subsection (a) shall be carried out pursuant to a memorandum

PUBLIC LAW 107-107—DEC. 28, 2001

of understanding between the Secretary and the Secretary of the Interior. The memorandum of understanding shall—

(A) provide for the division of responsibilities between the Secretary and the Secretary of the Interior necessary to carry out such transfer;

(B) address the impacts that any property rights referred to in section 3179(a) may have on the management of the refuge, and provide strategies for resolving or mitigating these impacts;

(C) identify the land the administrative jurisdiction of which is to be transferred to the Secretary of the Interior; and

(D) specify the allocation of the Federal costs incurred at the refuge after the date of such transfer for any site investigations, response actions, and related activities for covered substances.

(2) PUBLICATION OF DRAFT.—Not later than one year after the date of the enactment of this Act, the Secretary and the Secretary of the Interior shall publish in the Federal Register a draft of the memorandum of understanding.

(3) FINALIZATION AND IMPLEMENTATION.—

(A) Not later than 18 months after the date of the enactment of this Act, the Secretary and Secretary of the Interior shall finalize and implement the memorandum of understanding.

(B) In finalizing the memorandum of understanding, the Secretary and Secretary of the Interior shall specifically identify the land the administrative jurisdiction of which is to be transferred to the Secretary of the Interior and provide for a determination of the exact acreage and legal description of such land by a survey mutually satisfactory to the Secretary and the Secretary of the Interior.

(c) TRANSFER OF IMPROVEMENTS.—The transfer required by subsection (a) may include such buildings or other improvements as the Secretary of the Interior has requested in writing for purposes of managing the refuge.

(d) PROPERTY RETAINED FOR RESPONSE ACTIONS.—

(1) IN GENERAL.—The transfer required by subsection (a) shall not include, and the Secretary shall retain jurisdiction, authority, and control over, the following real property and facilities at Rocky Flats:

(A) Any engineered structure, including caps, barrier walls, and monitoring or treatment wells, to be used in carrying out a response action for covered substances.

(B) Any real property or facility to be used for any other purpose relating to a response action or any other action that is required to be carried out by the Secretary at Rocky Flats.

(2) CONSULTATION.—The Secretary shall consult with the Secretary of the Interior, the Administrator of the Environmental Protection Agency, and the Governor of the State of Colorado on the identification of all real property and facilities to be retained under this subsection.

(e) COST.—The transfer required by subsection (a) shall be completed without cost to the Secretary of the Interior.

(f) NO REDUCTION IN FUNDS.—The transfer required by subsection (a), and the memorandum of understanding required by subsection (b), shall not result in any reduction in funds available to the Secretary for cleanup and closure of Rocky Flats.

SEC. 3176. ADMINISTRATION OF RETAINED PROPERTY; CONTINUATION OF CLEANUP AND CLOSURE.

(a) ADMINISTRATION OF RETAINED PROPERTY.—

PUBLIC LAW 107-107—DEC. 28, 2001

(1) **IN GENERAL.**—In administering the property retained under section 3175(d), the Secretary shall consult with the Secretary of the Interior to minimize any conflict between—

(A) the administration by the Secretary of such property for a purpose relating to a response action; and

(B) the administration by the Secretary of the Interior of land the administrative jurisdiction of which is transferred under section 3175(a).

(2) **PRIORITY IN CASE OF CONFLICT.**—In the case of any such conflict, the Secretary and the Secretary of the Interior shall ensure that the administration for a purpose relating to a response action, as described in paragraph (1)(A), shall take priority.

(3) **ACCESS.**—The Secretary of the Interior shall provide to the Secretary such access and cooperation with respect to the refuge as the Secretary requires to carry out operation and maintenance, future response actions, natural resources restoration, or any other obligations.

(b) **ONGOING CLEANUP AND CLOSURE.**—

(1) **IN GENERAL.**—The Secretary shall carry out to completion cleanup and closure at Rocky Flats.

(2) **CLEANUP LEVELS.**—The Secretary shall carry out such cleanup and closure to the levels established for soil, water, and other media, following a thorough review by the parties to the RFCA and the public (including the United States Fish and Wildlife Service and other interested government agencies) of the appropriateness of the interim levels in the RFCA.

(3) **NO RESTRICTION ON USE OF NEW TECHNOLOGIES.**—Nothing in this subtitle, and no action taken under this subtitle, restricts the Secretary from using at Rocky Flats any new technology that may become available for remediation of contamination.

(c) **OPPORTUNITY TO COMMENT.**—The Secretary of the Interior shall have the opportunity to comment with respect to any proposed response action as to the impacts, if any, of such proposed response action on the refuge.

(d) **RULES OF CONSTRUCTION.**—

(1) **NO RELIEF FROM OBLIGATIONS UNDER OTHER LAW.**—Nothing in this subtitle, and no action taken under this subtitle—

(A) relieves the Secretary, the Administrator of the Environmental Protection Agency, the Secretary of the Interior, or any other person from any obligation or other liability with respect to Rocky Flats under the RFCA or any Federal or State law;

(B) impairs or alters any provision of the RFCA; or

(C) alters any authority of the Administrator of the Environmental Protection Agency under section 120(e) of CERCLA (42 U.S.C. 9620(e)), or any authority of the State of Colorado.

(2) **CLEANUP LEVELS.**—Nothing in this subtitle shall reduce the level of cleanup and closure at Rocky Flats required under the RFCA or any Federal or State law.

(3) **PAYMENT OF RESPONSE ACTION COSTS.**—Nothing in this subtitle affects the obligation of a Federal department or agency that had or has operations at Rocky Flats resulting in the release or threatened release of a covered substance to pay the costs of response actions carried out to abate the release of, or clean up, the covered substance.

SEC. 3177. ROCKY FLATS NATIONAL WILDLIFE REFUGE.

(a) **IN GENERAL.**—On completion of the transfer required by section 3175(a), and subject to section 3176(a), the Secretary of the Interior shall commence administration of the real property comprising the refuge in accordance with this subtitle.

PUBLIC LAW 107-107—DEC. 28, 2001

(b) ESTABLISHMENT OF REFUGE.—Not later than 30 days after the transfer required by section 3175(a), the Secretary of the Interior shall establish at Rocky Flats a national wildlife refuge to be known as the Rocky Flats National Wildlife Refuge.

(c) COMPOSITION.—The refuge shall be comprised of the property the administrative jurisdiction of which was transferred as required by section 3175(a).

(d) NOTICE.—The Secretary of the Interior shall publish in the Federal Register a notice of the establishment of the refuge.

(e) ADMINISTRATION AND PURPOSES.—

(1) IN GENERAL.—The Secretary of the Interior shall manage the refuge in accordance with applicable law, including this subtitle, the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), and the purposes specified in that Act.

(2) REFUGE PURPOSES.—The refuge shall be managed for the purposes of—

(A) restoring and preserving native ecosystems;

(B) providing habitat for, and population management of, native plants and migratory and resident wildlife;

(C) conserving threatened and endangered species (including species that are candidates for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.)); and

(D) providing opportunities for compatible scientific research.

(3) MANAGEMENT.—In managing the refuge, the Secretary of the Interior shall—

(A) ensure that wildlife-dependent recreation and environmental education and interpretation are the priority public uses of the refuge; and

(B) comply with all response actions.

SEC. 3178. COMPREHENSIVE PLANNING PROCESS.

Deadline.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, in developing a comprehensive conservation plan for the refuge in accordance with section 4(e) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(e)), the Secretary of the Interior shall establish a comprehensive planning process that involves the public and local communities. The Secretary of the Interior shall establish such process in consultation with the Secretary, the members of the Coalition, the Governor of the State of Colorado, and the Federal and State of Colorado officials who have been designated as trustees for Rocky Flats under section 107(f)(2) of CERCLA (42 U.S.C. 9607(f)(2)).

(b) OTHER PARTICIPANTS.—In addition to the entities specified in subsection (a), the comprehensive planning process required by subsection (a) shall include the opportunity for direct involvement of entities that are not members of the Coalition as of the date of the enactment of this Act, including the Rocky Flats Citizens' Advisory Board and the cities of Thornton, Northglenn, Golden, Louisville, and Lafayette, Colorado.

(c) DISSOLUTION OF COALITION.—If the Coalition dissolves, or if any Coalition member elects to leave the Coalition during the comprehensive planning process required by subsection (a)—

(1) such comprehensive planning process shall continue; and

(2) an opportunity shall be provided to each entity that is a member of the Coalition as of September 1, 2000, for direct involvement in such comprehensive planning process.

(d) CONTENTS.—In addition to the requirements of section 4(e) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(e)), the comprehensive conservation plan referred

PUBLIC LAW 107-107—DEC. 28, 2001

to in subsection (a) shall address and make recommendations on the following:

- (1) The identification of any land referred to in subsection (e) of section 3174 that could be made available under that subsection.
- (2) The characteristics and configuration of any perimeter fencing that may be appropriate or compatible for cleanup and closure purposes, refuge purposes, or other purposes.
- (3) The feasibility of locating, and the potential location for, a visitor and education center at the refuge.
- (4) Any other issues relating to Rocky Flats.
- (e) **COALITION DEFINED.**—In this section, the term “Coalition” means the Rocky Flats Coalition of Local Governments established by the Intergovernmental Agreement, dated February 16, 1999, among—

- (1) the city of Arvada, Colorado;
- (2) the city of Boulder, Colorado;
- (3) the city of Broomfield, Colorado;
- (4) the city of Westminster, Colorado;
- (5) the town of Superior, Colorado;
- (6) Boulder County, Colorado; and
- (7) Jefferson County, Colorado.

(f) **REPORT.**—Not later than three years after the date of the enactment of this Act, the Secretary of the Interior shall submit to Congress—

- (1) the comprehensive conservation plan referred to in subsection (a); and
- (2) a report that contains—
 - (A) an outline of the involvement of the public and local communities in the comprehensive planning process, as required by subsection (a);
 - (B) to the extent that any input or recommendation from the comprehensive planning process is not accepted, a clear statement of the reasons why such input or recommendation is not accepted; and
 - (C) a discussion of the impacts of any property rights referred to in section 3179(a) on management of the refuge, and an identification of strategies for resolving and mitigating these impacts.

SEC. 3179. PROPERTY RIGHTS.

(a) **IN GENERAL.**—Except as provided in subsections (c) and (d), nothing in this subtitle limits any valid, existing property right at Rocky Flats that is owned by any person or entity, including, but not limited to—

- (1) any mineral right;
- (2) any water right or related easement; and
- (3) any facility or right-of-way for a utility.

(b) **ACCESS.**—Except as provided in subsection (c), nothing in this subtitle affects any right of an owner of a property right referred to in subsection (a) to access the owner’s property.

(c) **REASONABLE CONDITIONS.**—

(1) **IN GENERAL.**—The Secretary or the Secretary of the Interior may impose such reasonable conditions on access to property rights referred to in subsection (a) as are appropriate for the cleanup and closure of Rocky Flats and for the management of the refuge.

(2) **NO EFFECT ON OTHER LAW.**—Nothing in this subtitle affects any Federal, State, or local law (including any regulation) relating to the use, development, and management of property rights referred to in subsection (a).

(3) **NO EFFECT ON ACCESS RIGHTS.**—Nothing in this subsection precludes the exercise of any access right, in existence on the date of the enactment of this Act, that is necessary to perfect or maintain a water right in existence on that date.

PUBLIC LAW 107-107—DEC. 28, 2001

(d) UTILITY EXTENSION.—

(1) **IN GENERAL.**—The Secretary or the Secretary of the Interior may allow not more than one extension from an existing utility right-of-way on Rocky Flats, if necessary.

(2) **CONDITIONS.**—An extension under paragraph (1) shall be subject to the conditions specified in subsection (c).

(e) **EASEMENT SURVEYS.**—Subject to subsection (c), until the date that is 180 days after the date of the enactment of this Act, an entity that possesses a decreed water right or prescriptive easement relating to land at Rocky Flats may carry out such surveys at Rocky Flats as the entity determines are necessary to perfect the right or easement.

SEC. 3180. LIABILITIES AND OTHER OBLIGATIONS.

(a) **IN GENERAL.**—Nothing in this subtitle shall relieve, and no action may be taken under this subtitle to relieve, the Secretary, the Secretary of the Interior, or any other person from any liability or other obligation at Rocky Flats under CERCLA, RCRA, or any other Federal or State law.

(b) **COST RECOVERY, CONTRIBUTION, AND OTHER ACTION.**—Nothing in this subtitle is intended to prevent the United States from bringing a cost recovery, contribution, or other action that would otherwise be available under Federal or State law.

SEC. 3181. ROCKY FLATS MUSEUM.

(a) **MUSEUM.**—To commemorate the contribution that Rocky Flats and its worker force provided to winning the Cold War and the impact that such contribution has had on the nearby communities and the State of Colorado, the Secretary may establish a Rocky Flats Museum.

(b) **LOCATION.**—The Rocky Flats Museum shall be located in the city of Arvada, Colorado, unless, after consultation under subsection (c), the Secretary determines otherwise.

(c) **CONSULTATION.**—The Secretary shall consult with the city of Arvada, other local communities, and the Colorado State Historical Society on—

- (1) the development of the museum;
- (2) the siting of the museum; and
- (3) any other issues relating to the development and construction of the museum.

(d) **REPORT.**—Not later than three years after the date of the enactment of this Act, the Secretary, in coordination with the city of Arvada, shall submit to Congress a report on the costs associated with the construction of the museum and any other issues relating to the development and construction of the museum.

SEC. 3182. ANNUAL REPORT ON FUNDING.

For each of fiscal years 2003 through 2007, at the time of submission of the budget of the President under section 1105(a) of title 31, United States Code, for such fiscal year, the Secretary and the Secretary of the Interior shall jointly submit to Congress a report on the costs of implementation of this subtitle. The report shall include—

- (1) the costs incurred by each Secretary in implementing this subtitle during the preceding fiscal year; and
- (2) the funds required by each Secretary to implement this subtitle during the current and subsequent fiscal years.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2002, \$18,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

- Sec. 3301. Definitions.
- Sec. 3302. Authorized uses of stockpile funds.
- Sec. 3303. Authority to dispose of certain materials in National Defense Stockpile.
- Sec. 3304. Revision of limitations on required disposals of certain materials in National Defense Stockpile.
- Sec. 3305. Acceleration of required disposal of cobalt in National Defense Stockpile.
- Sec. 3306. Restriction on disposal of manganese ferro.

SEC. 3301. DEFINITIONS.

50 USC 98d note.

In this title:

- (1) The term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).
- (2) The term “National Defense Stockpile Transaction Fund” means the fund established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).
- (3) The term “Market Impact Committee” means the Market Impact Committee appointed under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-1(c)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2002, the National Defense Stockpile Manager may obligate up to \$65,200,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)), including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. AUTHORITY TO DISPOSE OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

50 USC 98d note.

(a) DISPOSAL AUTHORIZED.—Subject to the conditions specified in subsection (b), the President may dispose of obsolete and excess materials contained in the National Defense Stockpile. The materials subject to disposal under this subsection and the quantity of each material authorized to be disposed of by the President are set forth in the following table:

| Authorized Stockpile Disposals | |
|---------------------------------------|--------------------|
| Material for disposal | Quantity |
| Bauxite | 40,000 short tons |
| Chromium Metal | 3,512 short tons |
| Iridium | 25,140 troy ounces |

PUBLIC LAW 107-107—DEC. 28, 2001

Authorized Stockpile Disposals—Continued

| Material for disposal | Quantity |
|-----------------------------|--------------------------|
| Jewel Bearings | 30,273,221 pieces |
| Manganese Ferro HC | 209,074 short tons |
| Palladium | 11 troy ounces |
| Quartz Crystal | 216,648 pounds |
| Tantalum Metal Ingot | 120,228 pounds contained |
| Tantalum Metal Powder | 36,020 pounds contained |
| Thorium Nitrate | 600,000 pounds. |

(b) **MINIMIZATION OF DISRUPTION AND LOSS.**—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(c) **RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.**—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

SEC. 3304. REVISION OF LIMITATIONS ON REQUIRED DISPOSALS OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) **PUBLIC LAW 105-261.**—Section 3303 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 50 U.S.C. 98d note) is amended—

(1) in subsection (a)—

(A) by striking “the amount of—” and inserting “total amounts not less than—”;

(B) by striking “and” at the end of paragraph (3); and

(C) by striking paragraph (4) and inserting the following new paragraphs:

“(4) \$760,000,000 by the end of fiscal year 2005; and

“(5) \$770,000,000 by the end of fiscal year 2011.”; and

(2) in subsection (b)(2), by striking “receipts in the amounts specified in subsection (a)” and inserting “receipts in the total amount specified in subsection (a)(5)”.

(b) **PUBLIC LAW 105-85.**—Section 3305 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 50 U.S.C. 98d note) is amended—

(1) in subsection (a), by striking “amounts equal to—” and inserting “total amounts not less than—”; and

(2) in subsection (b), by striking paragraph (2) and inserting the following new paragraph:

“(2) The President may not dispose of cobalt under this section in fiscal year 2006 in excess of the disposals necessary to result in receipts during that fiscal year in the total amount specified in subsection (a)(5).”.

(c) **PUBLIC LAW 104-201.**—Section 3303 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201; 50 U.S.C. 98d note) is amended—

(1) in subsection (a), by striking “amounts equal to—” and inserting “total amounts not less than—”; and

(2) in subsection (b), by striking paragraph (2) and inserting the following new paragraph:

“(2) The President may not dispose of materials under this section during the 10-fiscal year period referred to in subsection (a)(2) in excess of the disposals necessary to result in receipts during that period in the total amount specified in such subsection.”.

PUBLIC LAW 107-107—DEC. 28, 2001

SEC. 3305. ACCELERATION OF REQUIRED DISPOSAL OF COBALT IN NATIONAL DEFENSE STOCKPILE.

Section 3305(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85; 50 U.S.C. 98d note), as amended by section 3304(b) of this Act, is amended—

- (1) in paragraph (1), by striking “2003” and inserting “2002”;
- (2) in paragraph (2), by striking “2004” and inserting “2003”;
- (3) in paragraph (3), by striking “2005” and inserting “2004”;
- (4) in paragraph (4), by striking “2006” and inserting “2005”; and
- (5) in paragraph (5), by striking “2007” and inserting “2006”.

SEC. 3306. RESTRICTION ON DISPOSAL OF MANGANESE FERRO.

(a) **TEMPORARY QUANTITY RESTRICTIONS.**—During fiscal years 2002 through 2005, the disposal of manganese ferro in the National Defense Stockpile may not exceed the following quantities: 50 USC 98d note.

- (1) During fiscal year 2002, 25,000 short tons of all grades of manganese ferro.
- (2) During fiscal year 2003, 25,000 short tons of high carbon manganese ferro of the highest grade.
- (3) During each of the fiscal years 2004 and 2005, 50,000 short tons of high carbon manganese ferro of the highest grade.

(b) **CONFORMING AMENDMENT.**—Section 3304 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 629) is repealed.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

(a) **AMOUNT.**—There are hereby authorized to be appropriated to the Secretary of Energy \$17,371,000 for fiscal year 2002 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves.

(b) **PERIOD OF AVAILABILITY.**—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

TITLE XXXV—MARITIME ADMINISTRATION

Sec. 3501. Authorization of appropriations for fiscal year 2002.

Sec. 3502. Define “war risks” to vessels to include confiscation, expropriation, nationalization, and deprivation of the vessels.

Sec. 3503. Holding obligor’s cash as collateral under title XI of Merchant Marine Act, 1936.

SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2002.

Funds are hereby authorized to be appropriated for fiscal year 2002, to be available without fiscal year limitation if so provided in appropriations Acts, for the use of the Department of Transportation for the Maritime Administration as follows:

- (1) For expenses necessary for operations and training activities, \$89,054,000.
- (2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), \$103,978,000, of which—

PUBLIC LAW 107-107—DEC. 28, 2001

(A) \$100,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) \$3,978,000 is for administrative expenses related to loan guarantee commitments under the program.

(3) For expenses to dispose of obsolete vessels in the National Defense Reserve Fleet, \$10,000,000.

SEC. 3502. DEFINE “WAR RISKS” TO VESSELS TO INCLUDE CONFISCATION, EXPROPRIATION, NATIONALIZATION, AND DEPRIVATION OF THE VESSELS.

Section 1201(c) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1281(c)) is amended to read as follows:

“(c) The term ‘war risks’ includes to such extent as the Secretary may determine—

“(1) all or any part of any loss that is excluded from marine insurance coverage under a ‘free of capture or seizure’ clause, or under analogous clauses; and

“(2) other losses from hostile acts, including confiscation, expropriation, nationalization, or deprivation.”.

SEC. 3503. HOLDING OBLIGOR’S CASH AS COLLATERAL UNDER TITLE XI OF MERCHANT MARINE ACT, 1936.

Title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.) is amended by inserting after section 1108 the following:

“SEC. 1109. DEPOSIT FUND.

“(a) ESTABLISHMENT OF DEPOSIT FUND.—There is established in the Treasury a deposit fund for purposes of this section. The Secretary may, in accordance with an agreement under subsection (b), deposit into and hold in the deposit fund cash belonging to an obligor to serve as collateral for a guarantee under this title made with respect to the obligor.

“(b) AGREEMENT.—

“(1) IN GENERAL.—The Secretary and an obligor shall enter into a reserve fund or other collateral account agreement to govern the deposit, withdrawal, retention, use, and reinvestment of cash of the obligor held in the deposit fund established by subsection (a).

“(2) TERMS.—The agreement shall contain such terms and conditions as are required under this section and such additional terms as are considered by the Secretary to be necessary to protect fully the interests of the United States.

“(3) SECURITY INTEREST OF UNITED STATES.—The agreement shall include terms that grant to the United States a security interest in all amounts deposited into the deposit fund.

“(c) INVESTMENT.—The Secretary may invest and reinvest any part of the amounts in the deposit fund established by subsection (a) in obligations of the United States with such maturities as ensure that amounts in the deposit fund will be available as required for purposes of agreements under subsection (b). Cash balances of the deposit fund in excess of current requirements shall be maintained in a form of uninvested funds and the Secretary of the Treasury shall pay interest on these funds.

“(d) WITHDRAWALS.—

PUBLIC LAW 107-107—DEC. 28, 2001

“(1) IN GENERAL.—The cash deposited into the deposit fund established by subsection (a) may not be withdrawn without the consent of the Secretary.

“(2) USE OF INCOME.—Subject to paragraph (3), the Secretary may pay any income earned on cash of an obligor deposited into the deposit fund in accordance with the terms of the agreement with the obligor under subsection (b).

“(3) RETENTION AGAINST DEFAULT.—The Secretary may retain and offset any or all of the cash of an obligor in the deposit fund, and any income realized thereon, as part of the Secretary’s recovery against the obligor in case of a default by the obligor on an obligation.”.

Approved December 28, 2001.

LEGISLATIVE HISTORY—S. 1438 (H.R. 2586):

HOUSE REPORTS: Nos. 107-194 accompanying H.R. 2586 (Comm. on Armed Services) and 107-333 (Comm. of Conference).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 21, 24-26, Oct. 1, 2, considered and passed Senate.

Oct. 17, considered and passed House, amended, in lieu of H.R. 2586.

Dec. 13, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Dec. 28, Presidential statement.

DEFENSE ACTS

PUBLIC LAW 107-108—DEC. 28, 2001

Public Law 107-108
107th Congress

An Act

Dec. 28, 2001
[H.R. 2883]

To authorize appropriations for fiscal year 2002 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Intelligence
Authorization
Act for Fiscal
Year 2002.**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Intelligence Authorization Act for Fiscal Year 2002”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

- Sec. 101. Authorization of appropriations.
- Sec. 102. Classified schedule of authorizations.
- Sec. 103. Personnel ceiling adjustments.
- Sec. 104. Intelligence Community Management Account.
- Sec. 105. Codification of the Coast Guard as an element of the intelligence community.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND
DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

- Sec. 301. Increase in employee compensation and benefits authorized by law.
- Sec. 302. Restriction on conduct of intelligence activities.
- Sec. 303. Sense of Congress on intelligence community contracting.
- Sec. 304. Requirements for lodging allowances in intelligence community assignment program benefits.
- Sec. 305. Modification of reporting requirements for significant anticipated intelligence activities and significant intelligence failures.
- Sec. 306. Report on implementation of recommendations of the National Commission on Terrorism and other entities.
- Sec. 307. Judicial review under Foreign Narcotics Kingpin Designation Act.
- Sec. 308. Modification of positions requiring consultation with Director of Central Intelligence in appointments.
- Sec. 309. Modification of authorities for protection of intelligence community employees who report urgent concerns to Congress.
- Sec. 310. Review of protections against the unauthorized disclosure of classified information.
- Sec. 311. One-year suspension of reorganization of Diplomatic Telecommunications Service Program Office.
- Sec. 312. Presidential approval and submission to Congress of National Counterintelligence Strategy and National Threat Identification and Prioritization Assessments.
- Sec. 313. Report on alien terrorist removal proceedings.
- Sec. 314. Technical amendments.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

- Sec. 401. Modifications of central services program.
- Sec. 402. One-year extension of Central Intelligence Agency Voluntary Separation Pay Act.
- Sec. 403. Guidelines for recruitment of certain foreign assets.
- Sec. 404. Full reimbursement for professional liability insurance of counterterrorism employees.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

- Sec. 501. Authority to purchase items of nominal value for recruitment purposes.
- Sec. 502. Funding for infrastructure and quality-of-life improvements at Menwith Hill and Bad Aibling stations.

PUBLIC LAW 107-108—DEC. 28, 2001

- Sec. 503. Modification of authorities relating to official immunity in interdiction of aircraft engaged in illicit drug trafficking.
- Sec. 504. Undergraduate training program for employees of the National Imagery and Mapping Agency.
- Sec. 505. Preparation and submittal of reports, reviews, studies, and plans relating to Department of Defense intelligence activities.
- Sec. 506. Enhancement of security authorities of National Security Agency.

TITLE I—INTELLIGENCE ACTIVITIES**SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

Funds are hereby authorized to be appropriated for fiscal year 2002 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of the Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The National Reconnaissance Office.
- (11) The National Imagery and Mapping Agency.
- (12) The Coast Guard.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 2002, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill H.R. 2883 of the One Hundred Seventh Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 2002 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed 2 percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall notify promptly the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever the Director exercises the authority granted by this section.

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Community Management Account of

PUBLIC LAW 107-108—DEC. 28, 2001

the Director of Central Intelligence for fiscal year 2002 the sum of \$200,276,000. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the advanced research and development committee shall remain available until September 30, 2003.

(b) **AUTHORIZED PERSONNEL LEVELS.**—The elements within the Intelligence Community Management Account of the Director of Central Intelligence are authorized 343 full-time personnel as of September 30, 2002. Personnel serving in such elements may be permanent employees of the Intelligence Community Management Account or personnel detailed from other elements of the United States Government.

(c) **CLASSIFIED AUTHORIZATIONS.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—In addition to amounts authorized to be appropriated for the Intelligence Community Management Account by subsection (a), there are also authorized to be appropriated for the Intelligence Community Management Account for fiscal year 2002 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a). Such additional amounts shall remain available until September 30, 2003.

(2) **AUTHORIZATION OF PERSONNEL.**—In addition to the personnel authorized by subsection (b) for elements of the Intelligence Community Management Account as of September 30, 2002, there are hereby authorized such additional personnel for such elements as of that date as are specified in the classified Schedule of Authorizations.

(d) **REIMBURSEMENT.**—Except as provided in section 113 of the National Security Act of 1947 (50 U.S.C. 404h), during fiscal year 2002 any officer or employee of the United States or a member of the Armed Forces who is detailed to the staff of the Intelligence Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

28 USC 873 note.

(e) **NATIONAL DRUG INTELLIGENCE CENTER.**—

(1) **IN GENERAL.**—Of the amount authorized to be appropriated in subsection (a), \$44,000,000 shall be available for the National Drug Intelligence Center. Within such amount, funds provided for research, development, testing, and evaluation purposes shall remain available until September 30, 2003, and funds provided for procurement purposes shall remain available until September 30, 2004.

(2) **TRANSFER OF FUNDS.**—The Director of Central Intelligence shall transfer to the Attorney General funds available for the National Drug Intelligence Center under paragraph (1). The Attorney General shall utilize funds so transferred for the activities of the National Drug Intelligence Center.

(3) **LIMITATION.**—Amounts available for the National Drug Intelligence Center may not be used in contravention of the provisions of section 103(d)(1) of the National Security Act of 1947 (50 U.S.C. 403-3(d)(1)).

(4) **AUTHORITY.**—Notwithstanding any other provision of law, the Attorney General shall retain full authority over the operations of the National Drug Intelligence Center.

SEC. 105. CODIFICATION OF THE COAST GUARD AS AN ELEMENT OF THE INTELLIGENCE COMMUNITY.

Section 3(4)(H) of the National Security Act of 1947 (50 U.S.C. 401a(4)(H)) is amended—

(1) by striking “and” before “the Department of Energy”; and

PUBLIC LAW 107-108—DEC. 28, 2001

(2) by inserting “, and the Coast Guard” before the semicolon.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 2002 the sum of \$212,000,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. SENSE OF CONGRESS ON INTELLIGENCE COMMUNITY CONTRACTING.

It is the sense of Congress that the Director of Central Intelligence should continue to direct that elements of the intelligence community, whenever compatible with the national security interests of the United States and consistent with operational and security concerns related to the conduct of intelligence activities, and where fiscally sound, should competitively award contracts in a manner that maximizes the procurement of products properly designated as having been made in the United States.

SEC. 304. REQUIREMENTS FOR LODGING ALLOWANCES IN INTELLIGENCE COMMUNITY ASSIGNMENT PROGRAM BENEFITS.

Section 113(b) of the National Security Act of 1947 (50 U.S.C. 404h(b)) is amended—

(1) by inserting “(1)” before “An employee”; and

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

“(2) The head of an agency of an employee detailed under subsection (a) may pay a lodging allowance for the employee subject to the following conditions:

“(A) The allowance shall be the lesser of the cost of the lodging or a maximum amount payable for the lodging as established jointly by the Director of Central Intelligence and—

“(i) with respect to detailed employees of the Department of Defense, the Secretary of Defense; and

“(ii) with respect to detailed employees of other agencies and departments, the head of such agency or department.

“(B) The detailed employee maintains a primary residence for the employee’s immediate family in the local commuting area of the parent agency duty station from which the employee regularly commuted to such duty station before the detail.

“(C) The lodging is within a reasonable proximity of the host agency duty station.

PUBLIC LAW 107-108—DEC. 28, 2001

“(D) The distance between the detailed employee’s parent agency duty station and the host agency duty station is greater than 20 miles.

“(E) The distance between the detailed employee’s primary residence and the host agency duty station is 10 miles greater than the distance between such primary residence and the employee’s parent duty station.

“(F) The rate of pay applicable to the detailed employee does not exceed the rate of basic pay for grade GS-15 of the General Schedule.”.

SEC. 305. MODIFICATION OF REPORTING REQUIREMENTS FOR SIGNIFICANT ANTICIPATED INTELLIGENCE ACTIVITIES AND SIGNIFICANT INTELLIGENCE FAILURES.

Section 502 of the National Security Act of 1947 (50 U.S.C. 413a) is amended—

(1) by inserting “(a) IN GENERAL.—” before “To the extent”; and

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

“(b) FORM AND CONTENTS OF CERTAIN REPORTS.—Any report relating to a significant anticipated intelligence activity or a significant intelligence failure that is submitted to the intelligence committees for purposes of subsection (a)(1) shall be in writing, and shall contain the following:

“(1) A concise statement of any facts pertinent to such report.

“(2) An explanation of the significance of the intelligence activity or intelligence failure covered by such report.

“(c) STANDARDS AND PROCEDURES FOR CERTAIN REPORTS.—The Director of Central Intelligence, in consultation with the heads of the departments, agencies, and entities referred to in subsection (a), shall establish standards and procedures applicable to reports covered by subsection (b).”.

SEC. 306. REPORT ON IMPLEMENTATION OF RECOMMENDATIONS OF THE NATIONAL COMMISSION ON TERRORISM AND OTHER ENTITIES.

Deadline.

(a) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Director of Central Intelligence shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a report concerning whether, and to what extent, the Intelligence Community has implemented recommendations relevant to the Intelligence Community as set forth in the following:

(1) The report prepared by the National Commission on Terrorism established by section 591 of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277).

(2) The report prepared by the United States Commission on National Security for the 21st Century, Phase III, dated February 15, 2001.

(3) The second annual report of the advisory panel to assess domestic response capabilities for terrorism involving weapons of mass destruction established pursuant to section 1405 of the National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 50 U.S.C. 2301 note).

(b) RECOMMENDATIONS DETERMINED NOT TO BE ADOPTED.—In a case in which the Director determines that a recommendation described in subsection (a) has not been implemented, the report under that subsection shall include a detailed explanation of the reasons for not implementing that recommendation.

PUBLIC LAW 107-108—DEC. 28, 2001

SEC. 307. JUDICIAL REVIEW UNDER FOREIGN NARCOTICS KINGPIN DESIGNATION ACT.

Section 805 of the Foreign Narcotics Kingpin Designation Act (title VIII of Public Law 106-120; 113 Stat. 1629; 21 U.S.C. 1904) is amended by striking subsection (f).

SEC. 308. MODIFICATION OF POSITIONS REQUIRING CONSULTATION WITH DIRECTOR OF CENTRAL INTELLIGENCE IN APPOINTMENTS.

Section 106(b)(2) of the National Security Act of 1947 (50 U.S.C. 403-6(b)(2)) is amended by striking subparagraph (C) and inserting the following new subparagraphs:

“(C) The Director of the Office of Intelligence of the Department of Energy.

“(D) The Director of the Office of Counterintelligence of the Department of Energy.”.

SEC. 309. MODIFICATION OF AUTHORITIES FOR PROTECTION OF INTELLIGENCE COMMUNITY EMPLOYEES WHO REPORT URGENT CONCERNS TO CONGRESS.

(a) **AUTHORITY OF INSPECTOR GENERAL OF CENTRAL INTELLIGENCE AGENCY.**—Section 17(d)(5) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(d)(5)) is amended—

(1) in subparagraph (B), by striking the second sentence and inserting the following new sentence: “Upon making such a determination, the Inspector General shall transmit to the Director notice of that determination, together with the complaint or information.”; and

(2) in subparagraph (D)(i), by striking “does not transmit,” and all that follows through “subparagraph (B),” and inserting “does not find credible under subparagraph (B) a complaint or information submitted under subparagraph (A), or does not transmit the complaint or information to the Director in accurate form under subparagraph (B),”.

(b) **AUTHORITIES OF INSPECTORS GENERAL OF THE INTELLIGENCE COMMUNITY.**—Section 8H of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in subsection (b), by striking the second sentence and inserting the following new sentence: “Upon making such a determination, the Inspector General shall transmit to the head of the establishment notice of that determination, together with the complaint or information.”; and

(2) in subsection (d)(1), by striking “does not transmit,” and all that follows through “subsection (b),” and inserting “does not find credible under subsection (b) a complaint or information submitted to the Inspector General under subsection (a), or does not transmit the complaint or information to the head of the establishment in accurate form under subsection (b),”.

SEC. 310. REVIEW OF PROTECTIONS AGAINST THE UNAUTHORIZED DISCLOSURE OF CLASSIFIED INFORMATION.

(a) **REQUIREMENT.**—The Attorney General shall, in consultation with the Secretary of Defense, Secretary of State, Secretary of Energy, Director of Central Intelligence, and heads of such other departments, agencies, and entities of the United States Government as the Attorney General considers appropriate, carry out a comprehensive review of current protections against the unauthorized disclosure of classified information, including—

(1) any mechanisms available under civil or criminal law, or under regulation, to detect the unauthorized disclosure of such information; and

(2) any sanctions available under civil or criminal law, or under regulation, to deter and punish the unauthorized disclosure of such information.

PUBLIC LAW 107-108—DEC. 28, 2001

(b) PARTICULAR CONSIDERATIONS.—In carrying out the review required by subsection (a), the Attorney General shall consider, in particular—

(1) whether the administrative regulations and practices of the intelligence community are adequate, in light of the particular requirements of the intelligence community, to protect against the unauthorized disclosure of classified information; and

(2) whether recent developments in technology, and anticipated developments in technology, necessitate particular modifications of current protections against the unauthorized disclosure of classified information in order to further protect against the unauthorized disclosure of such information.

Deadline.

(c) REPORT.—(1) Not later than May 1, 2002, the Attorney General shall submit to Congress a report on the review carried out under subsection (a). The report shall include the following:

(A) A comprehensive description of the review, including the findings of the Attorney General as a result of the review.

(B) An assessment of the efficacy and adequacy of current laws and regulations against the unauthorized disclosure of classified information, including whether or not modifications of such laws or regulations, or additional laws or regulations, are advisable in order to further protect against the unauthorized disclosure of such information.

(C) Any recommendations for legislative or administrative action that the Attorney General considers appropriate, including a proposed draft for any such action, and a comprehensive analysis of the Constitutional and legal ramifications of any such action.

(2) The report shall be submitted in unclassified form, but may include a classified annex.

22 USC 7301
note.

SEC. 311. ONE-YEAR SUSPENSION OF REORGANIZATION OF DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE.

Notwithstanding any provision of subtitle B of title III of the Intelligence Authorization Act for Fiscal Year 2001 (Public Law 106-567; 114 Stat. 2843; 22 U.S.C. 7301 et seq.), relating to the reorganization of the Diplomatic Telecommunications Service Program Office, no provision of that subtitle shall be effective during the period beginning on the date of the enactment of this Act and ending on October 1, 2002.

SEC. 312. PRESIDENTIAL APPROVAL AND SUBMISSION TO CONGRESS OF NATIONAL COUNTERINTELLIGENCE STRATEGY AND NATIONAL THREAT IDENTIFICATION AND PRIORITIZATION ASSESSMENTS.

The National Counterintelligence Strategy, and each National Threat Identification and Prioritization Assessment, produced under Presidential Decision Directive 75, dated December 28, 2000, entitled “U.S. Counterintelligence Effectiveness—Counterintelligence for the 21st Century”, including any modification of that Strategy or any such Assessment, may only take effect if approved by the President. The Strategy, each Assessment, and any modification thereof, shall be submitted to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

SEC. 313. REPORT ON ALIEN TERRORIST REMOVAL PROCEEDINGS.

Section 504 of the Immigration and Nationality Act (8 U.S.C. 1534) is amended by adding after subsection (k) the following new subsection:

Deadline.

“(1) Not later than 3 months from the date of the enactment of this subsection, the Attorney General shall submit to Congress a report concerning the effect and efficacy of alien terrorist removal proceedings, including the reasons why proceedings pursuant to

PUBLIC LAW 107-108—DEC. 28, 2001

this section have not been used by the Attorney General in the past and the effect on the use of these proceedings after the enactment of the USA PATRIOT Act of 2001 (Public Law 107-56).”.

SEC. 314. TECHNICAL AMENDMENTS.

(a) FISA.—The Foreign Intelligence Surveillance Act of 1978 is amended as follows:

(1) Section 101(h)(4) (50 U.S.C. 1801(h)(4)) is amended by striking “twenty-four hours” and inserting “72 hours”.

(2) Section 105 (50 U.S.C. 1805) is amended—

(A) by inserting “, if known” in subsection (c)(1)(B) before the semicolon at the end;

(B) by striking “twenty-four hours” in subsection (f) each place it appears and inserting “72 hours”;

(C) by transferring the subsection (h) added by section 225 of the USA PATRIOT Act (Public Law 107-56; 115 Stat. 295) so as to appear after (rather than before) the subsection (h) redesignated by section 602(b)(2) of the Counterintelligence Reform Act of 2000 (title VI of Public Law 106-567; 114 Stat. 2851) and redesignating that subsection as so transferred as subsection (i); and

(D) in the subsection transferred and redesignated by subparagraph (C), by inserting “for electronic surveillance or physical search” before the period at the end.

(3) Section 301(4)(D) (50 U.S.C. 1821(4)(D)) is amended by striking “24 hours” and inserting “72 hours”.

(4) Section 304(e) (50 U.S.C. 1824(e)) is amended by striking “24 hours” each place it appears and inserting “72 hours”.

(5) Section 402 (50 U.S.C. 1842) is amended—

(A) in subsection (c), as amended by paragraphs (2) and (3) of section 214(a) of the USA PATRIOT Act (115 Stat. 286), by inserting “and” at the end of paragraph (1); and

(B) in subsection (f), by striking “of a court” and inserting “of an order issued”.

(6) Subsection (a) of section 501 (50 U.S.C. 1861), as inserted by section 215 of the USA PATRIOT Act (115 Stat. 287), is amended by inserting “to obtain foreign intelligence information not concerning a United States person or” in paragraph (1) after “an investigation”.

(7) Section 502 (50 U.S.C. 1862), as inserted by section 215 of the USA PATRIOT Act (115 Stat. 288), is amended by striking “section 402” both places it appears and inserting “section 501”.

(8) The table of contents in the first section is amended—

(A) by inserting “Sec.” at the beginning of the items relating to sections 401, 402, 403, 404, 405, 406, and 601; and

(B) by striking the items relating to sections 501, 502, and 503 and inserting the following:

“Sec. 501. Access to certain business records for foreign intelligence and international terrorism investigations.

“Sec. 502. Congressional oversight.”.

(b) TITLE 18, UNITED STATES CODE.—Paragraph (19) of section 2510 of title 18, United States Code, as added by section 203(b)(2)(C) of the USA PATRIOT Act (115 Stat. 280), is amended by inserting “, for purposes of section 2517(6) of this title,” before “means”.

(c) USA PATRIOT ACT.—Effective as of the enactment of such Act and as if included therein as originally enacted, the USA PATRIOT Act (Public Law 107-56) is amended—

(1) in section 207(b)(1) (115 Stat. 282), by striking “105(d)(2)” and “1805(d)(2)” and inserting “105(e)(2)” and “1805(e)(2)”, respectively; and

(2) in section 1003 (115 Stat. 392), by inserting “of 1978” after “Act”.

Effective date.

50 USC 1805.

50 USC 1801.

PUBLIC LAW 107-108—DEC. 28, 2001

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. MODIFICATIONS OF CENTRAL SERVICES PROGRAM.

(a) ANNUAL AUDITS.—Subsection (g)(1) of section 21 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403u) is amended—

(1) by striking “December 31” and inserting “January 31”; and

(2) by striking “conduct” and inserting “complete”.

(b) PERMANENT AUTHORITY.—Subsection (h) of that section is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(3) in paragraph (1), as so redesignated, by striking “paragraph (3)” and inserting “paragraph (2)”; and

(4) in paragraph (2), as so redesignated, by striking “paragraph (2)” and inserting “paragraph (1)”.

SEC. 402. ONE-YEAR EXTENSION OF CENTRAL INTELLIGENCE AGENCY VOLUNTARY SEPARATION PAY ACT.

Section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403-4 note) is amended—

(1) in subsection (f), by striking “September 30, 2002” and inserting “September 30, 2003”; and

(2) in subsection (i), by striking “or 2002” and inserting “2002, or 2003”.

SEC. 403. GUIDELINES FOR RECRUITMENT OF CERTAIN FOREIGN ASSETS.

Recognizing dissatisfaction with the provisions of the guidelines of the Central Intelligence Agency (promulgated in 1995) for handling cases involving foreign assets or sources with human rights concerns and recognizing that, although there have been recent modifications to those guidelines, they do not fully address the challenges of both existing and long-term threats to United States security, the Director of Central Intelligence shall—

(1) rescind the existing guidelines for handling such cases;

(2) issue new guidelines that more appropriately weigh and incentivize risks to ensure that qualified field intelligence officers can, and should, swiftly and directly gather intelligence from human sources in such a fashion as to ensure the ability to provide timely information that would allow for indications and warnings of plans and intentions of hostile actions or events; and

(3) ensure that such information is shared in a broad and expeditious fashion so that, to the extent possible, actions to protect American lives and interests can be taken.

SEC. 404. FULL REIMBURSEMENT FOR PROFESSIONAL LIABILITY INSURANCE OF COUNTERTERRORISM EMPLOYEES.

Section 406(a)(2) of the Intelligence Authorization Act for Fiscal Year 2001 (Public Law 106-567; 114 Stat. 2849; 5 U.S.C. prec. 5941 note) is amended by striking “one-half” and inserting “100 percent”.

PUBLIC LAW 107-108—DEC. 28, 2001

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. AUTHORITY TO PURCHASE ITEMS OF NOMINAL VALUE FOR RECRUITMENT PURPOSES.

(a) **AUTHORITY.**—Section 422 of title 10, United States Code, is amended by adding at the end the following:

“(b) **PROMOTIONAL ITEMS FOR RECRUITMENT PURPOSES.**—The Secretary of Defense may use funds available for an intelligence element of the Department of Defense to purchase promotional items of nominal value for use in the recruitment of individuals for employment by that element.”.

(b) **CLERICAL AMENDMENTS.**—(1) The heading of such section is amended to read as follows:

“§ 422. Use of funds for certain incidental purposes”.

(2) Such section is further amended by inserting at the beginning of the text of the section the following:

“(a) **COUNTERINTELLIGENCE OFFICIAL RECEPTION AND REPRESENTATION EXPENSES.**—”.

(3) The item relating to such section in the table of sections at the beginning of subchapter I of chapter 21 of such title is amended to read as follows:

“422. Use of funds for certain incidental purposes.”.

SEC. 502. FUNDING FOR INFRASTRUCTURE AND QUALITY-OF-LIFE IMPROVEMENTS AT MENWITH HILL AND BAD AIBLING STATIONS.

(a) **AUTHORITY.**—

(1) In addition to funds otherwise available for such purpose, the Secretaries of the Army, Navy, and Air Force may each transfer or reprogram such funds as are necessary—

(A) for the enhancement of the capabilities of the Menwith Hill Station and Bad Aibling Station, including improvements of facility infrastructure and quality of life programs at those installations; and

(B) at the appropriate time, for costs associated with the closure of the Bad Aibling Station.

(2) The authority provided in paragraph (1) may be exercised notwithstanding any other provision of law.

(b) **SOURCE OF FUNDS.**—Funds available for any of the military departments for operation and maintenance shall be available to carry out subsection (a).

(c) **BUDGET REPORT.**—The Secretary of each military department shall ensure—

(1) that the annual budget request of that military department reflects any funds transferred or reprogrammed under this section for the preceding fiscal year; and

(2) that a copy of the portion of the budget request showing each such transfer or reprogramming is transmitted to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

(d) **STATUTORY CONSTRUCTION.**—Nothing in this section may be construed to modify or obviate existing law or practice with regard to the transfer or reprogramming of funds from the Department of the Army, the Department of the Navy, or the Department of the Air Force to the Menwith Hill Station at the Bad Aibling Station.

PUBLIC LAW 107-108—DEC. 28, 2001

SEC. 503. MODIFICATION OF AUTHORITIES RELATING TO OFFICIAL IMMUNITY IN INTERDICTION OF AIRCRAFT ENGAGED IN ILLICIT DRUG TRAFFICKING.

(a) **CERTIFICATION REQUIRED FOR IMMUNITY.**—Subsection (a)(2) of section 1012 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 22 U.S.C. 2291-4) is amended by striking “, before the interdiction occurs, has determined” in the matter preceding subparagraph (A) and inserting “has, during the 12-month period ending on the date of the interdiction, certified to Congress”.

(b) **ANNUAL REPORTS.**—That section is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

“(c) **ANNUAL REPORT.**—(1) Not later than February 1 each year, the President shall submit to Congress a report on the assistance provided under subsection (b) during the preceding calendar year. Each report shall include for the calendar year covered by such report the following:

“(A) A list specifying each country for which a certification referred to in subsection (a)(2) was in effect for purposes of that subsection during any portion of such calendar year, including the nature of the illicit drug trafficking threat to each such country.

“(B) A detailed explanation of the procedures referred to in subsection (a)(2)(B) in effect for each country listed under subparagraph (A), including any training and other mechanisms in place to ensure adherence to such procedures.

“(C) A complete description of any assistance provided under subsection (b).

“(D) A summary description of the aircraft interception activity for which the United States Government provided any form of assistance under subsection (b).

“(2) Each report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.”.

SEC. 504. UNDERGRADUATE TRAINING PROGRAM FOR EMPLOYEES OF THE NATIONAL IMAGERY AND MAPPING AGENCY.

(a) **AUTHORITY TO CARRY OUT TRAINING PROGRAM.**—Subchapter III of chapter 22 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 462. Financial assistance to certain employees in acquisition of critical skills

“The Secretary of Defense may establish an undergraduate training program with respect to civilian employees of the National Imagery and Mapping Agency that is similar in purpose, conditions, content, and administration to the program established by the Secretary of Defense under section 16 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) for civilian employees of the National Security Agency.”.

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

“462. Financial assistance to certain employees in acquisition of critical skills.”.

SEC. 505. PREPARATION AND SUBMITTAL OF REPORTS, REVIEWS, STUDIES, AND PLANS RELATING TO DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES.

(a) **CONSULTATION IN PREPARATION.**—The Director of Central Intelligence shall ensure that any report, review, study, or plan required to be prepared or conducted by a provision of this Act, including a provision of the classified Schedule of Authorizations or a classified annex to this Act, that involves the intelligence or intelligence-related activities of the Department of Defense shall

Deadline.
President.

PUBLIC LAW 107-108—DEC. 28, 2001

be prepared or conducted in consultation with the Secretary of Defense or an appropriate official of the Department designated by the Secretary for that purpose.

(b) SUBMITTAL.—Any report, review, study, or plan referred to in subsection (a) shall be submitted, in addition to any other committee of Congress specified for submittal in the provision concerned, to the following committees of Congress:

(1) The Committee on Armed Services, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) The Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate.

SEC. 506. ENHANCEMENT OF SECURITY AUTHORITIES OF NATIONAL SECURITY AGENCY.

Section 11 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended to read as follows:

“SEC. 11. (a)(1) The Director of the National Security Agency may authorize agency personnel within the United States to perform the same functions as special policemen of the General Services Administration perform under the first section of the Act entitled ‘An Act to authorize the Federal Works Administrator or officials of the Federal Works Agency duly authorized by him to appoint special policemen for duty upon Federal property under the jurisdiction of the Federal Works Agency, and for other purposes’ (40 U.S.C. 318) with the powers set forth in that section, except that such personnel shall perform such functions and exercise such powers—

“(A) at the National Security Agency Headquarters complex and at any facilities and protected property which are solely under the administration and control of, or are used exclusively by, the National Security Agency; and

“(B) in the streets, sidewalks, and the open areas within the zone beginning at the outside boundary of such facilities or protected property and extending outward 500 feet.

“(2) The performance of functions and exercise of powers under subparagraph (B) of paragraph (1) shall be limited to those circumstances where such personnel can identify specific and articulable facts giving such personnel reason to believe that the performance of such functions and exercise of such powers is reasonable to protect against physical damage or injury, or threats of physical damage or injury, to agency installations, property, or employees.

“(3) Nothing in this subsection shall be construed to preclude, or limit in any way, the authority of any Federal, State, or local law enforcement agency, or any other Federal police or Federal protective service.

“(4) The rules and regulations enforced by such personnel shall be the rules and regulations prescribed by the Director and shall only be applicable to the areas referred to in subparagraph (A) of paragraph (1).

“(5) Not later than July 1 each year, the Director shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a report that describes in detail the exercise of the authority granted by this subsection and the underlying facts supporting the exercise of such authority, during the preceding fiscal year. The Director shall make each such report available to the Inspector General of the National Security Agency.

Deadline.
Reports.

PUBLIC LAW 107-108—DEC. 28, 2001

“(b) The Director of the National Security Agency is authorized to establish penalties for violations of the rules or regulations prescribed by the Director under subsection (a). Such penalties shall not exceed those specified in the fourth section of the Act referred to in subsection (a) (40 U.S.C. 318c).

“(c) Agency personnel designated by the Director of the National Security Agency under subsection (a) shall be clearly identifiable as United States Government security personnel while engaged in the performance of the functions to which subsection (a) refers.”.

Approved December 28, 2001.

LEGISLATIVE HISTORY—H.R. 2883 (S. 1428):

HOUSE REPORTS: Nos. 107-219 (Permanent Select Comm. on Intelligence) and 107-328 (Comm. of Conference).

SENATE REPORTS: Nos. 107-63 (Select Comm. on Intelligence) and 107-92 (Comm. on Armed Services) both accompanying S. 1428.

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 5, considered and passed House.

Nov. 8, considered and passed Senate, amended, in lieu of S. 1428.

Dec. 12, House agreed to conference report.

Dec. 13, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Dec. 28, Presidential statement.

DISTRICT OF COLUMBIA ACTS

PUBLIC LAW 107-114—JAN. 8, 2002

Public Law 107-114
107th Congress

An Act

To amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court, and for other purposes.

Jan. 8, 2002
[H.R. 2657]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “District of Columbia Family Court Act of 2001”.

District of
Columbia Family
Court Act of
2001.

SEC. 2. REDESIGNATION OF FAMILY DIVISION AS FAMILY COURT OF THE SUPERIOR COURT.

(a) IN GENERAL.—Section 11-902, District of Columbia Code, is amended to read as follows:

“§ 11-902. Organization of the court

“(a) IN GENERAL.—The Superior Court shall consist of the following:

- “(1) The Civil Division.
- “(2) The Criminal Division.
- “(3) The Family Court.
- “(4) The Probate Division.
- “(5) The Tax Division.

“(b) BRANCHES.—The divisions of the Superior Court may be divided into such branches as the Superior Court may by rule prescribe.

“(c) DESIGNATION OF PRESIDING JUDGE OF FAMILY COURT.—The chief judge of the Superior Court shall designate one of the judges assigned to the Family Court of the Superior Court to serve as the presiding judge of the Family Court of the Superior Court.

“(d) JURISDICTION DESCRIBED.—The Family Court shall have original jurisdiction over the actions, applications, determinations, adjudications, and proceedings described in section 11-1101. Actions, applications, determinations, adjudications, and proceedings being assigned to cross-jurisdictional units established by the Superior Court, including the Domestic Violence Unit, on the date of enactment of this section may continue to be so assigned after the date of enactment of this section.”

(b) CONFORMING AMENDMENT TO CHAPTER 9.—Section 11-906(b), District of Columbia Code, is amended by inserting “the Family Court and” before “the various divisions”.

(c) CONFORMING AMENDMENTS TO CHAPTER 11.—(1) The heading for chapter 11 of title 11, District of Columbia, is amended by striking “FAMILY DIVISION” and inserting “FAMILY COURT”.

(2) The item relating to chapter 11 in the table of chapters for title 11, District of Columbia, is amended by striking “FAMILY DIVISION” and inserting “FAMILY COURT”.

(d) CONFORMING AMENDMENTS TO TITLE 16.—

(1) CALCULATION OF CHILD SUPPORT.—Section 16-916.1(o)(6), District of Columbia Code, is amended by striking

PUBLIC LAW 107-114—JAN. 8, 2002

“Family Division” and inserting “Family Court of the Superior Court”.

(2) EXPEDITED JUDICIAL HEARING OF CASES BROUGHT BEFORE HEARING COMMISSIONERS.—Section 16-924, District of Columbia Code, is amended by striking “Family Division” each place it appears in subsections (a) and (f) and inserting “Family Court”.

(3) GENERAL REFERENCES TO PROCEEDINGS.—Chapter 23 of title 16, District of Columbia Code, is amended by inserting after section 16-2301 the following new section:

“§ 16-2301.1. References deemed to refer to Family Court of the Superior Court

“Any reference in this chapter or any other Federal or District of Columbia law, Executive order, rule, regulation, delegation of authority, or any document of or pertaining to the Family Division of the Superior Court of the District of Columbia shall be deemed to refer to the Family Court of the Superior Court of the District of Columbia.”

(4) CLERICAL AMENDMENT.—The table of sections for subchapter I of chapter 23 of title 16, District of Columbia, is amended by inserting after the item relating to section 16-2301 the following new item:

“16-2301.1. References deemed to refer to Family Court of the Superior Court.”.

SEC. 3. APPOINTMENT AND ASSIGNMENT OF JUDGES; NUMBER AND QUALIFICATIONS.

(a) NUMBER OF JUDGES FOR FAMILY COURT; QUALIFICATIONS AND TERMS OF SERVICE.—Chapter 9 of title 11, District of Columbia Code, is amended by inserting after section 11-908 the following new section:

“§ 11-908A. Special rules regarding assignment and service of judges of Family Court

“(a) NUMBER OF JUDGES.—

“(1) IN GENERAL.—The number of judges serving on the Family Court of the Superior Court shall be not more than 15.

“(2) EMERGENCY REASSIGNMENT.—If the chief judge determines that, in order to carry out the intent and purposes of the District of Columbia Family Court Act of 2001, an emergency exists such that the number of judges needed on the Family Court of the Superior Court at any time is more than 15—

“(A) the chief judge may temporarily reassign judges from other divisions of the Superior Court to serve on the Family Court who meet the requirements of paragraphs (1) and (3) of subsection (b) or senior judges who meet the requirements of those paragraphs, except such reassigned judges shall not be subject to the term of service requirements set forth in subsection (c); and

“(B) the chief judge shall, within 30 days of emergency temporary reassignment pursuant to subparagraph (A), submit a report to the President and Congress describing—

“(i) the nature of the emergency;

“(ii) how the emergency was addressed, including which judges were reassigned; and

“(iii) whether and why an increase in the number of Family Court judges authorized in subsection (a)(1) may be necessary to serve the needs of families and children in the District of Columbia.

“(3) COMPOSITION.—The total number of judges on the Superior Court may exceed the limit on such judges specified in section 11-903 to the extent necessary to maintain the requirements of this subsection if—

PUBLIC LAW 107-114—JAN. 8, 2002

“(A) the number of judges serving on the Family Court is less than 15; and

“(B) the Chief Judge of the Superior Court—

“(i) is unable to secure a volunteer judge who is sitting on the Superior Court outside of the Family Court for reassignment to the Family Court;

“(ii) obtains approval of the Joint Committee on Judicial Administration; and

“(iii) reports to Congress regarding the circumstances that gave rise to the necessity to exceed the cap.

“(b) QUALIFICATIONS.—The chief judge may not assign an individual to serve on the Family Court of the Superior Court or handle a Family Court case unless—

“(1) the individual has training or expertise in family law;

“(2) the individual certifies to the chief judge that the individual intends to serve the full term of service, except that this paragraph shall not apply with respect to individuals serving as senior judges under section 11-1504, individuals serving as temporary judges under section 11-908, and any other judge serving in another division of the Superior Court who is reassigned on an emergency temporary basis pursuant to subsection (a)(2);

“(3) the individual certifies to the chief judge that the individual will participate in the ongoing training programs carried out for judges of the Family Court under section 11-1104(c); and

“(4) the individual meets the requirements of section 11-1501(b).

“(c) TERM OF SERVICE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), an individual assigned to serve as a judge of the Family Court of the Superior Court shall serve for a term of 5 years.

“(2) SPECIAL RULE FOR JUDGES SERVING ON SUPERIOR COURT ON DATE OF ENACTMENT OF FAMILY COURT ACT OF 2001.—

“(A) IN GENERAL.—An individual assigned to serve as a judge of the Family Court of the Superior Court who is serving as a judge of the Superior Court on the date of the enactment of the District of Columbia Family Court Act of 2001 shall serve for a term of not fewer than 3 years.

“(B) REDUCTION OF PERIOD FOR JUDGES SERVING IN FAMILY DIVISION.—In the case of a judge of the Superior Court who is serving as a judge in the Family Division of the Court on the date of the enactment of the District of Columbia Family Court Act of 2001, the 3-year term applicable under subparagraph (A) shall be reduced by the length of any period of consecutive service as a judge in such Division immediately preceding the date of the enactment of such Act.

“(3) ASSIGNMENT FOR ADDITIONAL SERVICE.—After the term of service of a judge of the Family Court (as described in paragraph (1)) expires, at the judge’s request and with the approval of the chief judge, the judge may be assigned for additional service on the Family Court for a period of such duration (consistent with section 431(c) of the District of Columbia Home Rule Act) as the chief judge may provide.

“(4) PERMITTING SERVICE ON FAMILY COURT FOR ENTIRE TERM.—At the request of the judge and with the approval of the chief judge, a judge may serve as a judge of the Family Court for the judge’s entire term of service as a judge of the Superior Court under section 431(c) of the District of Columbia Home Rule Act.

“(d) REASSIGNMENT TO OTHER DIVISIONS.—The chief judge may reassign a judge of the Family Court to any division of the Superior

PUBLIC LAW 107-114—JAN. 8, 2002

Court if the chief judge determines that in the interest of justice the judge is unable to continue serving in the Family Court.”.

(b) PLAN FOR FAMILY COURT TRANSITION.—

Deadline.

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the chief judge of the Superior Court of the District of Columbia shall prepare and submit to the President and Congress a transition plan for the Family Court of the Superior Court, and shall include in the plan the following:

(A) The chief judge’s determination of the role and function of the presiding judge of the Family Court.

(B) The chief judge’s determination of the number of judges needed to serve on the Family Court.

(C) The chief judge’s determination of the number of magistrate judges of the Family Court needed for appointment under section 11-1732, District of Columbia Code.

(D) The chief judge’s determination of the appropriate functions of such magistrate judges, together with the compensation of and other personnel matters pertaining to such magistrate judges.

(E) A plan for case flow, case management, and staffing needs (including the needs for both judicial and nonjudicial personnel) for the Family Court, including a description of how the Superior Court will handle the one family, one judge requirement pursuant to section 11-1104(a) for all cases and proceedings assigned to the Family Court.

(F) A plan for space, equipment, and other physical plant needs and requirements during the transition, as determined in consultation with the Administrator of General Services.

(G) An analysis of the number of magistrate judges needed under the expedited appointment procedures established under section 6(d) in reducing the number of pending actions and proceedings within the jurisdiction of the Family Court (as described in section 11-902(d), District of Columbia, as amended by subsection (a)).

(H) Consistent with the requirements of paragraph (2), a proposal for the disposition or transfer to the Family Court of child abuse and neglect actions pending as of the date of enactment of this Act (which were initiated in the Family Division but remain pending before judges serving in other Divisions of the Superior Court as of such date) in a manner consistent with applicable Federal and District of Columbia law and best practices, including best practices developed by the American Bar Association and the National Council of Juvenile and Family Court Judges.

(I) An estimate of the number of cases for which the deadline for disposition or transfer to the Family Court, specified in paragraph (2)(B), cannot be met and the reasons why such deadline cannot be met.

(2) IMPLEMENTATION OF THE PLAN FOR TRANSFER OR DISPOSITION OF ACTIONS AND PROCEEDINGS TO FAMILY COURT.—

(A) IN GENERAL.—Except as provided in subparagraph (C), the chief judge of the Superior Court and the presiding judge of the Family Court shall take such steps as may be required as provided in the proposal for disposition of actions and proceedings under paragraph (1)(H) to ensure that each child abuse and neglect action of the Superior Court (as described in section 11-902(d), District of Columbia Code, as amended by subsection (a)) is transferred to the Family Court or otherwise disposed of as provided in subparagraph (B).

(B) DEADLINE.—

PUBLIC LAW 107-114—JAN. 8, 2002

(i) IN GENERAL.—Notwithstanding any other provision of this Act or any amendment made by this Act and except as provided in subparagraph (C), no child abuse or neglect action shall remain pending with a judge not serving on the Family Court upon the expiration of 18 months after the filing of the transition plan required under paragraph (1).

(ii) RULE OF CONSTRUCTION.—The chief judge of the Superior Court should make every effort to provide for the earliest practicable disposition of actions. Nothing in this subparagraph shall preclude the immediate transfer of cases to the Family Court, particularly cases which have been filed with the court for less than 6 months prior to the date of enactment of this Act.

(C) RETAINED CASES.—Child abuse and neglect cases that were initiated in the Family Division but remain pending before judges, including senior judges as defined in section 11-1504, District of Columbia Code, in other Divisions of the Superior Court as of the date of enactment of this Act may remain before judges, including senior judges, in such other Divisions when—

(i) the case remains at all times in full compliance with Public Law 105-89, if applicable; and

(ii) the chief judge determines, in consultation with the presiding judge of the Family Court, based on the record in the case and any unique expertise, training, or knowledge of the case that the judge might have, that permitting the judge to retain the case would lead to permanent placement of the child more quickly than reassignment to a judge in the Family Court.

(D) PRIORITY FOR CERTAIN ACTIONS AND PROCEEDINGS.—The chief judge of the Superior Court, in consultation with the presiding judge of the Family Court, shall give priority consideration to the disposition or transfer of the following actions and proceedings:

(i) The action or proceeding involves an allegation of abuse or neglect.

(ii) The action or proceeding was initiated in the family division prior to the 2-year period which ends on the date of enactment of this Act.

(iii) The judge to whom the action or proceeding is assigned as of the date of enactment of this Act is not assigned to the Family Division.

(E) PROGRESS REPORTS.—The chief judge of the Superior Court shall submit reports to the President, to the Committee on Appropriations of each House, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives at 6-month intervals for a period of 2 years after the date of submission of the transition plan required under paragraph (1) on the progress made towards disposing of actions or proceedings described in subparagraph (B).

(F) RULE OF CONSTRUCTION.—Nothing in this subsection shall preclude the chief judge, in consultation with the presiding judge of the Family Court, from transferring actions or proceedings pending before judges outside the Family Court at the enactment of this Act which do not involve allegations of abuse and neglect but which would otherwise fall under the jurisdiction of the Family Court to judges in the Family Court prior to the deadline as defined in subparagraph 2(B), particularly if such transfer would result in more efficient resolution of such actions or proceedings.

PUBLIC LAW 107-114—JAN. 8, 2002

(3) EFFECTIVE DATE OF IMPLEMENTATION OF PLAN.—The chief judge of the Superior Court may not take any action to implement the transition plan under this subsection until the expiration of the 30-day period which begins on the date the chief judge submits the plan to the President and Congress under paragraph (1).

(c) TRANSITION TO REQUIRED NUMBER OF JUDGES.—

(1) ANALYSIS BY CHIEF JUDGE OF SUPERIOR COURT.—The chief judge of the Superior Court of the District of Columbia shall include in the transition plan prepared under subsection (b)—

(A) the chief judge's determination of the number of individuals serving as judges of the Superior Court who—

(i) meet the qualifications for judges of the Family Court of the Superior Court under section 11-908A, District of Columbia Code (as added by subsection (a)); and

(ii) are willing and able to serve on the Family Court; and

(B) if the chief judge determines that the number of individuals described in subparagraph (A) is less than 15, a request that the Judicial Nomination Commission recruit and the President nominate (in accordance with section 433 of the District of Columbia Home Rule Act) such additional number of individuals to serve on the Superior Court who meet the qualifications for judges of the Family Court under section 11-908A, District of Columbia Code, as may be required to enable the chief judge to make the required number of assignments.

(2) ROLE OF DISTRICT OF COLUMBIA JUDICIAL NOMINATION COMMISSION.—For purposes of section 434(d)(1) of the District of Columbia Home Rule Act, the submission of a request from the chief judge of the Superior Court of the District of Columbia under paragraph (1)(B) shall be deemed to create a number of vacancies in the position of judge of the Superior Court equal to the number of additional appointments so requested by the chief judge, except that the deadline for the submission by the District of Columbia Judicial Nomination Commission of nominees to fill such vacancies shall be 90 days after the creation of such vacancies. In carrying out this paragraph, the District of Columbia Judicial Nomination Commission shall recruit individuals for possible nomination and appointment to the Superior Court who meet the qualifications for judges of the Family Court of the Superior Court.

(d) REPORT BY COMPTROLLER GENERAL.—

Deadline.

(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall prepare and submit to Congress and the chief judge of the Superior Court of the District of Columbia a report on the implementation of this Act (including the implementation of the transition plan under subsection (b)), and shall include in the report the following:

(A) An analysis of the procedures used to make the initial appointments of judges of the Family Court under this Act and the amendments made by this Act, including an analysis of the time required to make such appointments and the effect of the qualification requirements for judges of the Court (including requirements relating to the length of service on the Court) on the time required to make such appointments.

(B) An analysis of the impact of magistrate judges for the Family Court (including the expedited initial appointment of magistrate judges for the Court under section 6(d)) on the workload of judges and other personnel of the Court.

PUBLIC LAW 107-114—JAN. 8, 2002

(C) An analysis of the number of judges needed for the Family Court, including an analysis of how the number may be affected by the qualification requirements for judges, the availability of magistrate judges, and other provisions of this Act or the amendments made by this Act.

(D) An analysis of the timeliness of the resolution and disposition of pending actions and proceedings required under the transition plan (as described in paragraphs (1)(I) and (2) of subsection (b)), including an analysis of the effect of the availability of magistrate judges on the time required to resolve and dispose of such actions and proceedings.

(2) SUBMISSION TO CHIEF JUDGE OF SUPERIOR COURT.—Prior to submitting the report under paragraph (1) to Congress, the Comptroller General shall provide a preliminary version of the report to the chief judge of the Superior Court and shall take any comments and recommendations of the chief judge into consideration in preparing the final version of the report.

(e) CONFORMING AMENDMENT.—The first sentence of section 11-908(a), District of Columbia Code, is amended by striking “The chief judge” and inserting “Subject to section 11-908A, the chief judge”.

(f) CLERICAL AMENDMENT.—The table of sections for chapter 9 of title 11, District of Columbia Code, is amended by inserting after the item relating to section 11-908 the following new item: “11-908A. Special rules regarding assignment and service of judges of Family Court.”.

SEC. 4. IMPROVING ADMINISTRATION OF CASES AND PROCEEDINGS IN FAMILY COURT.

(a) IN GENERAL.—Chapter 11 of title 11, District of Columbia, is amended by striking section 1101 and inserting the following:

“§ 11-1101. Jurisdiction of the Family Court

“(a) IN GENERAL.—The Family Court of the District of Columbia shall be assigned and have original jurisdiction over—

“(1) actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental thereto for alimony, pendente lite and permanent, and for support and custody of minor children;

“(2) applications for revocation of divorce from bed and board;

“(3) actions to enforce support of any person as required by law;

“(4) actions seeking custody of minor children, including petitions for writs of habeas corpus;

“(5) actions to declare marriages void;

“(6) actions to declare marriages valid;

“(7) actions for annulments of marriage;

“(8) determinations and adjudications of property rights, both real and personal, in any action referred to in this section, irrespective of any jurisdictional limitation imposed on the Superior Court;

“(9) proceedings in adoption;

“(10) proceedings under the Act of July 10, 1957 (D.C. Code, secs. 30-301 to 30-324);

“(11) proceedings to determine paternity of any child born out of wedlock;

“(12) civil proceedings for protection involving intrafamily offenses, instituted pursuant to chapter 10 of title 16;

“(13) proceedings in which a child, as defined in section 16-2301, is alleged to be delinquent, neglected, or in need of supervision;

PUBLIC LAW 107-114—JAN. 8, 2002

“(14) proceedings under chapter 5 of title 21 relating to the commitment of the mentally ill;

“(15) proceedings under chapter 13 of title 7 relating to the commitment of the at least moderately mentally retarded; and

“(16) proceedings under Interstate Compact on Juveniles (described in title IV of the District of Columbia Court Reform and Criminal Procedure Act of 1970).

“(b) DEFINITION.—

“(1) IN GENERAL.—In this chapter, the term ‘action or proceeding’ with respect to the Family Court refers to cause of action described in paragraphs (1) through (16) of subsection (a).

“(2) EXCEPTION.—An action or proceeding may be assigned to or retained by cross-jurisdictional units established by the Superior Court, including the Domestic Violence Unit.

“§ 11-1102. Use of alternative dispute resolution

“To the greatest extent practicable and safe, cases and proceedings in the Family Court of the Superior Court shall be resolved through alternative dispute resolution procedures, in accordance with such rules as the Superior Court may promulgate.

“§ 11-1103. Standards of practice for appointed counsel

“The Superior Court shall establish standards of practice for attorneys appointed as counsel in the Family Court of the Superior Court.

“§ 11-1104. Administration

“(a) ‘ONE FAMILY, ONE JUDGE’ REQUIREMENT FOR CASES AND PROCEEDINGS.—To the greatest extent practicable, feasible, and lawful, if an individual who is a party to an action or proceeding assigned to the Family Court has an immediate family or household member who is a party to another action or proceeding assigned to the Family Court, the individual’s action or proceeding shall be assigned to the same judge or magistrate judge to whom the immediate family member’s action or proceeding is assigned.

“(b) RETENTION OF JURISDICTION OVER CASES.—

“(1) IN GENERAL.—In addition to the requirement of subsection (a), any action or proceeding assigned to the Family Court of the Superior Court shall remain under the jurisdiction of the Family Court until the action or proceeding is finally disposed, except as provided in paragraph (2)(D).

“(2) ONE FAMILY, ONE JUDGE.—

“(A) FOR THE DURATION.—An action or proceeding assigned pursuant to this subsection shall remain with the judge or magistrate judge in the Family Court to whom the action or proceeding is assigned for the duration of the action or proceeding to the greatest extent practicable, feasible, and lawful, subject to subparagraph (C).

“(B) ALL CASES INVOLVING AN INDIVIDUAL.—If an individual who is a party to an action or proceeding assigned to the Family Court becomes a party to another action or proceeding assigned to the Family Court, the individual’s subsequent action or proceeding shall be assigned to the same judge or magistrate judge to whom the individual’s initial action or proceeding is assigned to the greatest extent practicable and feasible.

“(C) FAMILY COURT CASE RETENTION.—If the full term of a Family Court judge to whom the action or proceeding is assigned is completed prior to the final disposition of the action or proceeding, the presiding judge of the Family Court shall ensure that the matter or proceeding is reassigned to a judge serving on the Family Court.

PUBLIC LAW 107-114—JAN. 8, 2002

“(D) EXCEPTION.—A judge whose full term on the Family Court is completed but who remains in Superior Court may retain the case or proceeding for not more than 6 months or, in extraordinary circumstances, for not more than 12 months after ceasing to serve if—

“(i) the case remains at all times in full compliance with Public Law 105-89, if applicable; and

“(ii) if Public Law 105-89 is applicable, the chief judge determines, in consultation with the presiding judge of the Family Court, based on the record in the case and any unique expertise, training or knowledge of the case that the judge might have, that permitting the judge to retain the case would lead to permanent placement of the child more quickly than reassignment to a judge in the Family Court.

“(3) STANDARDS OF JUDICIAL ETHICS.—The actions of a judge or magistrate judge in retaining an action or proceeding under this paragraph shall be subject to applicable standards of judicial ethics.

“(c) TRAINING PROGRAM.—

“(1) IN GENERAL.—The chief judge, in consultation with the presiding judge of the Family Court, shall carry out an ongoing program to provide training in family law and related matters for judges of the Family Court and other judges of the Superior Court who are assigned Family Court cases, including magistrate judges, attorneys who practice in the Family Court, and appropriate nonjudicial personnel, and shall include in the program information and instruction regarding the following:

“(A) Child development.

“(B) Family dynamics, including domestic violence.

“(C) Relevant Federal and District of Columbia laws.

“(D) Permanency planning principles and practices.

“(E) Recognizing the risk factors for child abuse.

“(F) Any other matters the presiding judge considers appropriate.

“(2) USE OF CROSS-TRAINING.—The program carried out under this section shall use the resources of lawyers and legal professionals, social workers, and experts in the field of child development and other related fields.

“(d) ACCESSIBILITY OF MATERIALS, SERVICES, AND PROCEEDINGS; PROMOTION OF ‘FAMILY-FRIENDLY’ ENVIRONMENT.—

“(1) IN GENERAL.—To the greatest extent practicable, the chief judge and the presiding judge of the Family Court shall ensure that the materials and services provided by the Family Court are understandable and accessible to the individuals and families served by the Family Court, and that the Family Court carries out its duties in a manner which reflects the special needs of families with children.

“(2) LOCATION OF PROCEEDINGS.—To the maximum extent feasible, safe, and practicable, cases and proceedings in the Family Court shall be conducted at locations readily accessible to the parties involved.

“(e) INTEGRATED COMPUTERIZED CASE TRACKING AND MANAGEMENT SYSTEM.—The Executive Officer of the District of Columbia courts under section 11-1703 shall work with the chief judge of the Superior Court—

“(1) to ensure that all records and materials of cases and proceedings in the Family Court are stored and maintained in electronic format accessible by computers for the use of judges, magistrate judges, and nonjudicial personnel of the Family Court, and for the use of other appropriate offices of the District government in accordance with the plan for integrating computer systems prepared by the Mayor of the

PUBLIC LAW 107-114—JAN. 8, 2002

District of Columbia under section 4(b) of the District of Columbia Family Court Act of 2001;

“(2) to establish and operate an electronic tracking and management system for cases and proceedings in the Family Court for the use of judges and nonjudicial personnel of the Family Court, using the records and materials stored and maintained pursuant to paragraph (1); and

“(3) to expand such system to cover all divisions of the Superior Court as soon as practicable.

“§ 11-1105. Social services and other related services

“(a) ONSITE COORDINATION OF SERVICES AND INFORMATION.—

“(1) IN GENERAL.—The Mayor of the District of Columbia, in consultation with the chief judge of the Superior Court, shall ensure that representatives of the appropriate offices of the District government which provide social services and other related services to individuals and families served by the Family Court (including the District of Columbia Public Schools, the District of Columbia Housing Authority, the Child and Family Services Agency, the Office of the Corporation Counsel, the Metropolitan Police Department, the Department of Health, and other offices determined by the Mayor) are available on-site at the Family Court to coordinate the provision of such services and information regarding such services to such individuals and families.

“(2) DUTIES OF HEADS OF OFFICES.—The head of each office described in paragraph (1), including the Superintendent of the District of Columbia Public Schools and the Director of the District of Columbia Housing Authority, shall provide the Mayor with such information, assistance, and services as the Mayor may require to carry out such paragraph.

“(b) APPOINTMENT OF SOCIAL SERVICES LIAISON WITH FAMILY COURT.—The Mayor of the District of Columbia shall appoint an individual to serve as a liaison between the Family Court and the District government for purposes of subsection (a) and for coordinating the delivery of services provided by the District government with the activities of the Family Court and for providing information to the judges, magistrate judges, and nonjudicial personnel of the Family Court regarding the services available from the District government to the individuals and families served by the Family Court. The Mayor shall provide on an ongoing basis information to the chief judge of the Superior Court and the presiding judge of the Family Court regarding the services of the District government which are available for the individuals and families served by the Family Court.

“§ 11-1106. Reports to Congress

Deadline.

“Not later than 90 days after the end of each calendar year, the chief judge of the Superior Court shall submit a report to Congress on the activities of the Family Court during the year, and shall include in the report the following:

“(1) The chief judge’s assessment of the productivity and success of the use of alternative dispute resolution pursuant to section 11-1102.

“(2) Goals and timetables as required by the Adoption and Safe Families Act of 1997 to improve the Family Court’s performance in the following year.

“(3) Information on the extent to which the Family Court met deadlines and standards applicable under Federal and District of Columbia law to the review and disposition of actions and proceedings under the Family Court’s jurisdiction during the year.

“(4) Information on the progress made in establishing locations and appropriate space for the Family Court that are

PUBLIC LAW 107-114—JAN. 8, 2002

consistent with the mission of the Family Court until such time as the locations and space are established.

“(5) Information on any factors which are not under the control of the Family Court which interfere with or prevent the Family Court from carrying out its responsibilities in the most effective manner possible.

“(6) Information on—

“(A) the number of judges serving on the Family Court as of the end of the year;

“(B) how long each such judge has served on the Family Court;

“(C) the number of cases retained outside the Family Court;

“(D) the number of reassignments to and from the Family Court; and

“(E) the ability to recruit qualified sitting judges to serve on the Family Court.

“(7) Based on outcome measures derived through the use of the information stored in electronic format under section 11-1104(d), an analysis of the Family Court’s efficiency and effectiveness in managing its case load during the year, including an analysis of the time required to dispose of actions and proceedings among the various categories of the Family Court’s jurisdiction, as prescribed by applicable law and best practices, including (but not limited to) best practices developed by the American Bar Association and the National Council of Juvenile and Family Court Judges.

“(8) If the Family Court failed to meet the deadlines, standards, and outcome measures described in the previous paragraphs, a proposed remedial action plan to address the failure.”.

(b) EXPEDITED APPEALS FOR CERTAIN FAMILY COURT ACTIONS AND PROCEEDINGS.—Section 11-721, District of Columbia Code, is amended by adding at the end the following new subsection:

“(g) Any appeal from an order of the Family Court of the District of Columbia terminating parental rights or granting or denying a petition to adopt shall receive expedited review by the District of Columbia Court of Appeals.”.

(c) PLAN FOR INTEGRATING COMPUTER SYSTEMS.—

(1) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Mayor of the District of Columbia shall submit to the President and Congress a plan for integrating the computer systems of the District government with the computer systems of the Superior Court of the District of Columbia so that the Family Court of the Superior Court and the appropriate offices of the District government which provide social services and other related services to individuals and families served by the Family Court of the Superior Court (including the District of Columbia Public Schools, the District of Columbia Housing Authority, the Child and Family Services Agency, the Office of the Corporation Counsel, the Metropolitan Police Department, the Department of Health, and other offices determined by the Mayor) will be able to access and share information on the individuals and families served by the Family Court.

Deadline.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Mayor of the District of Columbia such sums as may be necessary to carry out paragraph (1).

(d) CLERICAL AMENDMENT.—The table of sections for chapter 11 of title 11, District of Columbia Code, is amended by adding at the end the following new items:

“11-1102. Use of alternative dispute resolution.

“11-1103. Standards of practice for appointed counsel.

“11-1104. Administration.

“11-1105. Social services and other related services.

“11-1106. Reports to Congress.”.

PUBLIC LAW 107-114—JAN. 8, 2002

SEC. 5. TREATMENT OF HEARING COMMISSIONERS AS MAGISTRATE JUDGES.**(a) IN GENERAL.—**

(1) REDESIGNATION OF TITLE.—Section 11-1732, District of Columbia Code, is amended—

(A) by striking “hearing commissioners” each place it appears in subsection (a), subsection (b), subsection (d), subsection (i), subsection (l), and subsection (n) and inserting “magistrate judges”;

(B) by striking “hearing commissioner” each place it appears in subsection (b), subsection (c), subsection (e), subsection (f), subsection (g), subsection (h), and subsection (j) and inserting “magistrate judge”;

(C) by striking “hearing commissioner’s” each place it appears in subsection (e) and subsection (k) and inserting “magistrate judge’s”;

(D) by striking “Hearing commissioners” each place it appears in subsections (b), (d), and (i) and inserting “Magistrate judges”; and

(E) in the heading, by striking “**Hearing commissioners**” and inserting “**Magistrate judges**”.

(2) CONFORMING AMENDMENTS.—Section 16-924, District of Columbia Code, is amended—

(A) by striking “hearing commissioner” each place it appears and inserting “magistrate judge”; and

(B) in subsection (f), by striking “hearing commissioner’s” and inserting “magistrate judge’s”.

(3) CLERICAL AMENDMENT.—The item relating to section 11-1732 of the table of sections of chapter 17 of title 11, D.C. Code, is amended to read as follows:

“11-1732. Magistrate judges.”

(b) TRANSITION PROVISION REGARDING HEARING COMMISSIONERS.—Any individual serving as a hearing commissioner under section 11-1732 of the District of Columbia Code as of the date of the enactment of this Act shall serve the remainder of such individual’s term as a magistrate judge, and may be reappointed as a magistrate judge in accordance with section 11-1732(d), District of Columbia Code, except that any individual serving as a hearing commissioner as of the date of the enactment of this Act who was appointed as a hearing commissioner prior to the effective date of section 11-1732 of the District of Columbia Code shall not be required to be a resident of the District of Columbia to be eligible to be reappointed.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 6. SPECIAL RULES FOR MAGISTRATE JUDGES OF FAMILY COURT.

(a) IN GENERAL.—Chapter 17 of title 11, District of Columbia Code, is amended by inserting after section 11-1732 the following new section:

“§ 11-1732A. Special rules for magistrate judges of the Family Court of the Superior Court and the Domestic Violence Unit

“(a) USE OF SOCIAL WORKERS IN ADVISORY MERIT SELECTION PANEL.—The advisory selection merit panel used in the selection of magistrate judges for the Family Court of the Superior Court under section 11-1732(b) shall include certified social workers specializing in child welfare matters who are residents of the District and who are not employees of the District of Columbia Courts.

“(b) SPECIAL QUALIFICATIONS.—Notwithstanding section 11-1732(c), no individual shall be appointed or assigned as a magistrate judge for the Family Court of the Superior Court or as a magistrate judge for the Domestic Violence Unit handling actions or proceed-

PUBLIC LAW 107-114—JAN. 8, 2002

ings which would otherwise be under the jurisdiction of the Family Court unless that individual—

“(1) is a citizen of the United States;

“(2) is an active member of the unified District of Columbia Bar;

“(3) for the 5 years immediately preceding the appointment has been engaged in the active practice of law in the District, has been on the faculty of a law school in the District, or has been employed as a lawyer by the United States or District government, or any combination thereof;

“(4) has not fewer than 3 years of training or experience in the practice of family law as a lawyer or judicial officer; and

“(5)(A) is a bona fide resident of the District of Columbia and has maintained an actual place of abode in the District for at least 90 days immediately prior to appointment, and retains such residency during service as a magistrate judge; or

“(B) is a bona fide resident of the areas consisting of Montgomery and Prince George’s Counties in Maryland, Arlington and Fairfax Counties, and the City of Alexandria in Virginia, has maintained an actual place of abode in such area, areas, or the District of Columbia for at least 5 years prior to appointment, and certifies that the individual will become a bona fide resident of the District of Columbia not later than 90 days after appointment.

Certification.
Deadline.

“(c) SERVICE OF CURRENT HEARING COMMISSIONERS.—Those individuals serving as hearing commissioners under section 11-1732 on the effective date of this section who meet the qualifications described in subsection (b)(4) may request to be appointed as magistrate judges for the Family Court of the Superior Court under such section.

“(d) FUNCTIONS OF FAMILY COURT AND DOMESTIC VIOLENCE UNIT MAGISTRATES.—A magistrate judge, when specifically designated by the chief judge in consultation with the appropriate presiding judge to serve in the Family Court or in the Domestic Violence Unit and subject to the rules of the Superior Court and the right of review under section 11-1732(k), may perform the following functions:

“(1) Administer oaths and affirmations and take acknowledgements.

“(2) Subject to the rules of the Superior Court and applicable Federal and District of Columbia law, conduct hearings, make findings and enter interim and final orders or judgments in uncontested or contested proceedings within the jurisdiction of the Family Court and the Domestic Violence Unit of the Superior Court (as described in section 11-1101), excluding jury trials and trials of felony cases, as assigned by the appropriate presiding judge.

“(3) Subject to the rules of the Superior Court, enter an order punishing an individual for contempt, except that no individual may be detained pursuant to the authority of this paragraph for longer than 180 days.

“(e) LOCATION OF PROCEEDINGS.—To the maximum extent feasible, safe, and practicable, magistrate judges of the Family Court of the Superior Court shall conduct proceedings at locations readily accessible to the parties involved.

“(f) TRAINING.—The chief judge, in consultation with the presiding judge of the Family Court of the Superior Court, shall ensure that all magistrate judges of the Family Court receive training to enable them to fulfill their responsibilities, including specialized training in family law and related matters.”

(b) CONFORMING AMENDMENTS.—(1) Section 11-1732(a), District of Columbia Code, is amended by inserting after “the duties enumerated in subsection (j) of this section” the following: “(or,

PUBLIC LAW 107-114—JAN. 8, 2002

in the case of magistrate judges for the Family Court or the Domestic Violence Unit of the Superior Court, the duties enumerated in section 11-1732A(d)”.

(2) Section 11-1732(c), District of Columbia Code, is amended by striking “No individual” and inserting “Except as provided in section 11-1732A(b), no individual”.

(3) Section 11-1732(k), District of Columbia Code, is amended—

(A) by striking “subsection (j),” and inserting the following: “subsection (j) (or proceedings and hearings under section 11-1732A(d), in the case of magistrate judges for the Family Court or the Domestic Violence Unit of the Superior Court),”; and

(B) by inserting after “appropriate division” the following: “(or, in the case of an order or judgment of a magistrate judge of the Family Court or the Domestic Violence Unit of the Superior Court, by a judge of the Family Court or the Domestic Violence Unit)”.

(4) Section 11-1732(l), District of Columbia Code, is amended by inserting after “responsibilities” the following: “(subject to the requirements of section 11-1732A(f) in the case of magistrate judges of the Family Court of the Superior Court or the Domestic Violence Unit)”.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 17 of title 11, District of Columbia, is amended by inserting after the item relating to section 11-1732 the following new item:

“11-1732A. Special rules for magistrate judges of the Family Court of the Superior Court and the Domestic Violence Unit.”.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of enactment of this Act.

(2) EXPEDITED INITIAL APPOINTMENTS.—

Deadline.

(A) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the chief judge of the Superior Court of the District of Columbia shall appoint individuals to serve as magistrate judges for the Family Division of the Superior Court in accordance with the requirements of sections 11-1732 and 11-1732A, District of Columbia Code (as added by subsection (a)), for the purpose of assisting with the implementation of the transition plan under section 3(b) of this Act, and in particular with the transition or disposal of actions or proceedings pursuant to section 3(b)(2) of this Act.

(B) TRANSITION RESPONSIBILITIES OF INITIALLY APPOINTED FAMILY COURT MAGISTRATES.—The chief judge of the Superior Court and the presiding judge of the Family Division of the Superior Court (acting jointly) shall first assign the magistrate judges of Family Court appointed under this paragraph to work with judges to whom the cases are currently assigned in making case disposition or transfer decisions as follows:

(i) The action or proceeding involves an allegation of abuse or neglect.

(ii) The judge to whom the action or proceeding is assigned as of the date of enactment of this Act is not assigned to the Family Division.

(iii) The action or proceeding was initiated in the Family Division prior to the 2-year period which ends on the date of enactment of this Act.

(C) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to preclude magistrate judges appointed pursuant to this subsection from performing upon appointment any or all of the functions of magistrate judges of the Family Court or Domestic Violence Unit as set forth in subsection 11-1732A(d).

PUBLIC LAW 107-114—JAN. 8, 2002

SEC. 7. SENSE OF CONGRESS REGARDING BORDER AGREEMENT WITH MARYLAND AND VIRGINIA.

It is the sense of Congress that the State of Maryland, the Commonwealth of Virginia, and the District of Columbia should promptly enter into a border agreement to facilitate the timely and safe placement of children in the District of Columbia's welfare system in foster and kinship homes and other facilities in Maryland and Virginia.

SEC. 8. SENSE OF THE SENATE REGARDING THE USE OF COURT APPOINTED SPECIAL ADVOCATES.

It is the sense of the Senate that the chief judge of the Superior Court and the presiding judge of the Family Division should take all steps necessary to encourage, support, and improve the use of Court Appointed Special Advocates (CASA) in family court actions or proceedings.

SEC. 9. INTERIM REPORTS.

Not later than 12 months after the date of enactment of this Act, the chief judge of the Superior Court and the presiding judge of the Family Court— Deadline.

(1) in consultation with the General Services Administration, shall submit to Congress a feasibility study for the construction, lease, or acquisition of appropriate permanent courts and facilities for the Family Court; and

(2) shall submit to Congress an analysis of the success of the use of magistrate judges under the expedited appointment procedures established under section 6(d) in reducing the number of pending actions and proceedings within the jurisdiction of the Family Court (as described in section 11-902(d), District of Columbia).

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Courts of the District of Columbia and the District of Columbia such sums as may be necessary to carry out the amendments made by this Act.

SEC. 11. EFFECTIVE DATE.

The amendments made by this Act shall take effect upon enactment of this Act.

Approved January 8, 2002.

LEGISLATIVE HISTORY—H.R. 2657 (S. 1382):

SENATE REPORTS: Nos. 107-107 accompanying S. 1382 and 107-108 (both from Comm. on Governmental Affairs).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 20, considered and passed House.

Dec. 14, considered and passed Senate, amended.

Dec. 19, House concurred in Senate amendment.

EDUCATION ACTS

PUBLIC LAW 107-110—JAN. 8, 2002

Public Law 107-110
107th Congress

An Act

To close the achievement gap with accountability, flexibility, and choice, so that no child is left behind.

Jan. 8, 2002

[H.R. 1]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This title may be cited as the “No Child Left Behind Act of 2001”.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.
- Sec. 4. Transition.
- Sec. 5. Effective date.
- Sec. 6. Table of contents of Elementary and Secondary Education Act of 1965.

TITLE I—IMPROVING THE ACADEMIC ACHIEVEMENT OF THE DISADVANTAGED

- Sec. 101. Improving the academic achievement of the disadvantaged.

TITLE II—PREPARING, TRAINING, AND RECRUITING HIGH QUALITY TEACHERS AND PRINCIPALS

- Sec. 201. Teacher and principal training and recruiting fund.
- Sec. 202. Continuation of awards.

TITLE III—LANGUAGE INSTRUCTION FOR LIMITED ENGLISH PROFICIENT AND IMMIGRANT STUDENTS

- Sec. 301. Language instruction for limited English proficient children and immigrant children and youth.

TITLE IV—21ST CENTURY SCHOOLS

- Sec. 401. 21st Century schools.

TITLE V—PROMOTING INFORMED PARENTAL CHOICE AND INNOVATIVE PROGRAMS

- Sec. 501. Innovative programs and parental choice provisions.
- Sec. 502. Continuation of awards.

TITLE VI—FLEXIBILITY AND ACCOUNTABILITY

- Sec. 601. Flexibility and accountability.
- Sec. 602. Amendment to the National Education Statistics Act of 1994.

TITLE VII—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

- Sec. 701. Indians, Native Hawaiians, and Alaska Natives.
- Sec. 702. Conforming amendments.
- Sec. 703. Savings provisions.

TITLE VIII—IMPACT AID PROGRAM

- Sec. 801. Payments relating to Federal acquisition of real property.
- Sec. 802. Payments for eligible federally connected children.
- Sec. 803. Construction.
- Sec. 804. State consideration of payments in providing State aid.
- Sec. 805. Authorization of appropriations.

TITLE IX—GENERAL PROVISIONS

- Sec. 901. General provisions.

TITLE X—REPEALS, REDESIGNATIONS, AND AMENDMENTS TO OTHER STATUTES

PART A—REPEALS

- Sec. 1011. Repeals.

No Child Left Behind Act of 2001.
Education.
Inter-governmental relations.
20 USC 6301 note.

PUBLIC LAW 107-110—JAN. 8, 2002

Sec. 1012. Conforming clerical and technical amendments.

PART B—REDESIGNATIONS

Sec. 1021. Comprehensive Regional Assistance Centers.
 Sec. 1022. National Diffusion Network.
 Sec. 1023. Eisenhower Regional Mathematics and Science Education Consortia.
 Sec. 1024. Technology-based technical assistance.
 Sec. 1025. Conforming amendments.

PART C—HOMELESS EDUCATION

Sec. 1031. Short title.
 Sec. 1032. Education for homeless children and youths.
 Sec. 1033. Conforming amendment.
 Sec. 1034. Technical amendment.

PART D—NATIVE AMERICAN EDUCATION IMPROVEMENT

Sec. 1041. Short title.
 Sec. 1042. Amendments to the Education Amendments of 1978.
 Sec. 1043. Tribally Controlled Schools Act of 1988.
 Sec. 1044. Lease payments by the Ojibwa Indian School.
 Sec. 1045. Enrollment and general assistance payments.

PART E—HIGHER EDUCATION ACT OF 1965

Sec. 1051. Preparing tomorrow's teachers to use technology.
 Sec. 1052. Continuation of awards.

PART F—GENERAL EDUCATION PROVISIONS ACT

Sec. 1061. Student privacy, parental access to information, and administration of certain physical examinations to minors.
 Sec. 1062. Technical corrections.

PART G—MISCELLANEOUS OTHER STATUTES

Sec. 1071. Title 5 of the United States Code.
 Sec. 1072. Department of Education Organization Act.
 Sec. 1073. Education Flexibility Partnership Act of 1999.
 Sec. 1074. Educational Research, Development, Dissemination, and Improvement Act of 1994.
 Sec. 1075. National Child Protection Act of 1993.
 Sec. 1076. Technical and conforming amendments.

SEC. 3. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

20 USC 6301
note.

SEC. 4. TRANSITION.

(a) **MULTI-YEAR AWARDS.**—Except as otherwise provided in this Act, the recipient of a multi-year award under the Elementary and Secondary Education Act of 1965, as that Act was in effect prior to the date of enactment of this Act, shall continue to receive funds in accordance with the terms of that award, except that no additional funds may be awarded after September 30, 2002.

(b) **PLANNING AND TRANSITION.**—Notwithstanding any other provision of law, a recipient of funds under the Elementary and Secondary Education Act of 1965, as that Act was in effect prior to the date of enactment of this Act, may use funds available to the recipient under that predecessor authority to carry out necessary and reasonable planning and transition activities in order to ensure an orderly implementation of programs authorized by this Act, and the amendments made by this Act.

(c) **ORDERLY TRANSITION.**—The Secretary shall take such steps as are necessary to provide for the orderly transition to, and implementation of, programs authorized by this Act, and by the amendments made by this Act, from programs authorized by the Elementary and Secondary Education Act of 1965, as that Act was in effect prior to the date of enactment of this Act.

20 USC 6301
note.

SEC. 5. EFFECTIVE DATE.

(a) **IN GENERAL.**—Except as otherwise provided in this Act, this Act, and the amendments made by this Act, shall be effective upon the date of enactment of this Act.

PUBLIC LAW 107-110—JAN. 8, 2002

(b) **NONCOMPETITIVE PROGRAMS.**—With respect to noncompetitive programs under which any funds are allotted by the Secretary of Education to recipients on the basis of a formula, this Act, and the amendments made by this Act, shall take effect on July 1, 2002.

(c) **COMPETITIVE PROGRAMS.**—With respect to programs that are conducted by the Secretary on a competitive basis, this Act, and the amendments made by this Act, shall take effect with respect to appropriations for use under those programs for fiscal year 2002.

(d) **IMPACT AID.**—With respect to title VIII (Impact Aid), this Act, and the amendments made by this Act, shall take effect with respect to appropriations for use under that title for fiscal year 2002.

SEC. 6. TABLE OF CONTENTS OF ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

The Act is amended—

(1) in the heading of section 1, by striking “**TABLE OF CONTENTS**” and inserting “**SHORT TITLE**”; and

(2) by adding after section 1 the following new section:

20 USC 6301
note.

“SEC. 2. TABLE OF CONTENTS.

“The table of contents for this Act is as follows:

“Sec. 1. Short title.

“Sec. 2. Table of contents.

“**TITLE I—IMPROVING THE ACADEMIC ACHIEVEMENT OF THE DISADVANTAGED**

“Sec. 1001. Statement of purpose.

“Sec. 1002. Authorization of appropriations.

“Sec. 1003. School improvement.

“Sec. 1004. State administration.

“**PART A—IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES**

“Subpart 1—Basic Program Requirements

“Sec. 1111. State plans.

“Sec. 1112. Local educational agency plans.

“Sec. 1113. Eligible school attendance areas.

“Sec. 1114. Schoolwide programs.

“Sec. 1115. Targeted assistance schools.

“Sec. 1116. Academic assessment and local educational agency and school improvement.

“Sec. 1117. School support and recognition.

“Sec. 1118. Parental involvement.

“Sec. 1119. Qualifications for teachers and paraprofessionals.

“Sec. 1120. Participation of children enrolled in private schools.

“Sec. 1120A. Fiscal requirements.

“Sec. 1120B. Coordination requirements.

“Subpart 2—Allocations

“Sec. 1121. Grants for the outlying areas and the Secretary of the Interior.

“Sec. 1122. Allocations to States.

“Sec. 1124. Basic grants to local educational agencies.

“Sec. 1124A. Concentration grants to local educational agencies.

“Sec. 1125. Targeted grants to local educational agencies.

“Sec. 1125AA. Adequacy of funding of targeted grants to local educational agencies in fiscal years after fiscal year 2001.

“Sec. 1125A. Education finance incentive grant program.

“Sec. 1126. Special allocation procedures.

“Sec. 1127. Carryover and waiver.

“**PART B—STUDENT READING SKILLS IMPROVEMENT GRANTS**

“Subpart 1—Reading First

“Sec. 1201. Purposes.

“Sec. 1202. Formula grants to State educational agencies.

“Sec. 1203. State formula grant applications.

“Sec. 1204. Targeted assistance grants.

“Sec. 1205. External evaluation.

“Sec. 1206. National activities.

“Sec. 1207. Information dissemination.

“Sec. 1208. Definitions.

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 2—Early Reading First

- “Sec. 1221. Purposes; definitions.
- “Sec. 1222. Local Early Reading First grants.
- “Sec. 1223. Federal administration.
- “Sec. 1224. Information dissemination.
- “Sec. 1225. Reporting requirements.
- “Sec. 1226. Evaluation.

“Subpart 3—William F. Goodling Even Start Family Literacy Programs

- “Sec. 1231. Statement of purpose.
- “Sec. 1232. Program authorized.
- “Sec. 1233. State educational agency programs.
- “Sec. 1234. Uses of funds.
- “Sec. 1235. Program elements.
- “Sec. 1236. Eligible participants.
- “Sec. 1237. Applications.
- “Sec. 1238. Award of subgrants.
- “Sec. 1239. Evaluation.
- “Sec. 1240. Indicators of program quality.
- “Sec. 1241. Research.
- “Sec. 1242. Construction.

“Subpart 4—Improving Literacy Through School Libraries

- “Sec. 1251. Improving literacy through school libraries.

“PART C—EDUCATION OF MIGRATORY CHILDREN

- “Sec. 1301. Program purpose.
- “Sec. 1302. Program authorized.
- “Sec. 1303. State allocations.
- “Sec. 1304. State applications; services.
- “Sec. 1305. Secretarial approval; peer review.
- “Sec. 1306. Comprehensive needs assessment and service-delivery plan; authorized activities.
- “Sec. 1307. Bypass.
- “Sec. 1308. Coordination of migrant education activities.
- “Sec. 1309. Definitions.

“PART D—PREVENTION AND INTERVENTION PROGRAMS FOR CHILDREN AND YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT-RISK

- “Sec. 1401. Purpose and program authorization.
- “Sec. 1402. Payments for programs under this part.

“Subpart 1—State Agency Programs

- “Sec. 1411. Eligibility.
- “Sec. 1412. Allocation of funds.
- “Sec. 1413. State reallocation of funds.
- “Sec. 1414. State plan and State agency applications.
- “Sec. 1415. Use of funds.
- “Sec. 1416. Institution-wide projects.
- “Sec. 1417. Three-year programs or projects.
- “Sec. 1418. Transition services.
- “Sec. 1419. Evaluation; technical assistance; annual model program.

“Subpart 2—Local Agency Programs

- “Sec. 1421. Purpose.
- “Sec. 1422. Programs operated by local educational agencies.
- “Sec. 1423. Local educational agency applications.
- “Sec. 1424. Uses of funds.
- “Sec. 1425. Program requirements for correctional facilities receiving funds under this section.
- “Sec. 1426. Accountability.

“Subpart 3—General Provisions

- “Sec. 1431. Program evaluations.
- “Sec. 1432. Definitions.

“PART E—NATIONAL ASSESSMENT OF TITLE I

- “Sec. 1501. Evaluations.
- “Sec. 1502. Demonstrations of innovative practices.
- “Sec. 1503. Assessment evaluation.
- “Sec. 1504. Close Up fellowship program.

“PART F—COMPREHENSIVE SCHOOL REFORM

- “Sec. 1601. Purpose.
- “Sec. 1602. Program authorization.
- “Sec. 1603. State applications.
- “Sec. 1604. State use of funds.
- “Sec. 1605. Local applications.

PUBLIC LAW 107-110—JAN. 8, 2002

- “Sec. 1606. Local use of funds.
- “Sec. 1607. Evaluation and reports.
- “Sec. 1608. Quality initiatives.

“PART G—ADVANCED PLACEMENT PROGRAMS

- “Sec. 1701. Short title.
- “Sec. 1702. Purposes.
- “Sec. 1703. Funding distribution rule.
- “Sec. 1704. Advanced placement test fee program.
- “Sec. 1705. Advanced placement incentive program grants.
- “Sec. 1706. Supplement, not supplant.
- “Sec. 1707. Definitions.

“PART H—SCHOOL DROPOUT PREVENTION

- “Sec. 1801. Short title.
- “Sec. 1802. Purpose.
- “Sec. 1803. Authorization of appropriations.

“Subpart 1—Coordinated National Strategy

- “Sec. 1811. National activities.

“Subpart 2—School Dropout Prevention Initiative

- “Sec. 1821. Definitions.
- “Sec. 1822. Program authorized.
- “Sec. 1823. Applications.
- “Sec. 1824. State reservation.
- “Sec. 1825. Strategies and capacity building.
- “Sec. 1826. Selection of local educational agencies for subgrants.
- “Sec. 1827. Community based organizations.
- “Sec. 1828. Technical assistance.
- “Sec. 1829. School dropout rate calculation.
- “Sec. 1830. Reporting and accountability.

“PART I—GENERAL PROVISIONS

- “Sec. 1901. Federal regulations.
- “Sec. 1902. Agreements and records.
- “Sec. 1903. State administration.
- “Sec. 1904. Local educational agency spending audits.
- “Sec. 1905. Prohibition against Federal mandates, direction, or control.
- “Sec. 1906. Rule of construction on equalized spending.
- “Sec. 1907. State report on dropout data.
- “Sec. 1908. Regulations for sections 1111 and 1116.

“TITLE II—PREPARING, TRAINING, AND RECRUITING HIGH QUALITY
TEACHERS AND PRINCIPALS

“PART A—TEACHER AND PRINCIPAL TRAINING AND RECRUITING FUND

- “Sec. 2101. Purpose.
- “Sec. 2102. Definitions.
- “Sec. 2103. Authorizations of appropriations.

“Subpart 1—Grants to States

- “Sec. 2111. Allotments to States.
- “Sec. 2112. State applications.
- “Sec. 2113. State use of funds.

“Subpart 2—Subgrants to Local Educational Agencies

- “Sec. 2121. Allocations to local educational agencies.
- “Sec. 2122. Local applications and needs assessment.
- “Sec. 2123. Local use of funds.

“Subpart 3—Subgrants to Eligible Partnerships

- “Sec. 2131. Definitions.
- “Sec. 2132. Subgrants.
- “Sec. 2133. Applications.
- “Sec. 2134. Use of funds.

“Subpart 4—Accountability

- “Sec. 2141. Technical assistance and accountability.

“Subpart 5—National Activities

- “Sec. 2151. National activities of demonstrated effectiveness.

“PART B—MATHEMATICS AND SCIENCE PARTNERSHIPS

- “Sec. 2201. Purpose; definitions.
- “Sec. 2202. Grants for mathematics and science partnerships.
- “Sec. 2203. Authorization of appropriations.

“PART C—INNOVATION FOR TEACHER QUALITY

“Subpart 1—Transitions to Teaching

“CHAPTER A—TROOPS-TO-TEACHERS PROGRAM

- “Sec. 2301. Definitions.

PUBLIC LAW 107-110—JAN. 8, 2002

- “Sec. 2302. Authorization of Troops-to-Teachers Program.
- “Sec. 2303. Recruitment and selection of program participants.
- “Sec. 2304. Participation agreement and financial assistance.
- “Sec. 2305. Participation by States.
- “Sec. 2306. Support of innovative preretirement teacher certification programs.
- “Sec. 2307. Reporting requirements.

“CHAPTER B—TRANSITION TO TEACHING PROGRAM

- “Sec. 2311. Purposes.
- “Sec. 2312. Definitions.
- “Sec. 2313. Grant program.
- “Sec. 2314. Evaluation and accountability for recruiting and retaining teachers.

“CHAPTER C—GENERAL PROVISIONS

- “Sec. 2321. Authorization of appropriations.

“Subpart 2—National Writing Project

- “Sec. 2331. Purposes.
- “Sec. 2332. National Writing Project.

“Subpart 3—Civic Education

- “Sec. 2341. Short title.
- “Sec. 2342. Purpose.
- “Sec. 2343. General authority.
- “Sec. 2344. We the People program.
- “Sec. 2345. Cooperative civic education and economic education exchange programs.
- “Sec. 2346. Authorization of appropriations.

“Subpart 4—Teaching of Traditional American History

- “Sec. 2351. Establishment of program.
- “Sec. 2352. Authorization of appropriations.

“Subpart 5—Teacher Liability Protection

- “Sec. 2361. Short title.
- “Sec. 2362. Purpose.
- “Sec. 2363. Definitions.
- “Sec. 2364. Applicability.
- “Sec. 2365. Preemption and election of State nonapplicability.
- “Sec. 2366. Limitation on liability for teachers.
- “Sec. 2367. Allocation of responsibility for noneconomic loss.
- “Sec. 2368. Effective date.

“PART D—ENHANCING EDUCATION THROUGH TECHNOLOGY

- “Sec. 2401. Short title.
- “Sec. 2402. Purposes and goals.
- “Sec. 2403. Definitions.
- “Sec. 2404. Authorization of appropriations.

“Subpart 1—State and Local Technology Grants

- “Sec. 2411. Allotment and reallocation.
- “Sec. 2412. Use of allotment by State.
- “Sec. 2413. State applications.
- “Sec. 2414. Local applications.
- “Sec. 2415. State activities.
- “Sec. 2416. Local activities.

“Subpart 2—National Technology Activities

- “Sec. 2421. National activities.
- “Sec. 2422. National education technology plan.

“Subpart 3—Ready-to-Learn Television

- “Sec. 2431. Ready-to-Learn Television.

“Subpart 4—Limitation on Availability of Certain Funds for Schools

- “Sec. 2441. Internet safety.

“TITLE III—LANGUAGE INSTRUCTION FOR LIMITED ENGLISH PROFICIENT AND IMMIGRANT STUDENTS

- “Sec. 3001. Authorizations of appropriations; condition on effectiveness of parts.

“PART A—ENGLISH LANGUAGE ACQUISITION, LANGUAGE ENHANCEMENT, AND ACADEMIC ACHIEVEMENT ACT

- “Sec. 3101. Short title.
- “Sec. 3102. Purposes.

“Subpart 1—Grants and Subgrants for English Language Acquisition and Language Enhancement

- “Sec. 3111. Formula grants to States.

PUBLIC LAW 107-110—JAN. 8, 2002

- “Sec. 3112. Native American and Alaska Native children in school.
- “Sec. 3113. State and specially qualified agency plans.
- “Sec. 3114. Within-State allocations.
- “Sec. 3115. Subgrants to eligible entities.
- “Sec. 3116. Local plans.

“Subpart 2—Accountability and Administration

- “Sec. 3121. Evaluations.
- “Sec. 3122. Achievement objectives and accountability.
- “Sec. 3123. Reporting requirements.
- “Sec. 3124. Coordination with related programs.
- “Sec. 3125. Rules of construction.
- “Sec. 3126. Legal authority under State law.
- “Sec. 3127. Civil rights.
- “Sec. 3128. Programs for Native Americans and Puerto Rico.
- “Sec. 3129. Prohibition.

“Subpart 3—National Activities

- “Sec. 3131. National professional development project.

“Subpart 4—Definitions

- “Sec. 3141. Eligible entity.

“PART B—IMPROVING LANGUAGE INSTRUCTION EDUCATIONAL PROGRAMS

- “Sec. 3201. Short title.
- “Sec. 3202. Purpose.
- “Sec. 3203. Native American children in school.
- “Sec. 3204. Residents of the territories and freely associated states.

“Subpart 1—Program Development and Enhancement

- “Sec. 3211. Financial assistance for language instruction educational programs.
- “Sec. 3212. Program enhancement activities.
- “Sec. 3213. Comprehensive school and systemwide improvement activities.
- “Sec. 3214. Applications.
- “Sec. 3215. Capacity building.
- “Sec. 3216. Programs for Native Americans and Puerto Rico.
- “Sec. 3217. Evaluations.
- “Sec. 3218. Construction.

“Subpart 2—Research, Evaluation, and Dissemination

- “Sec. 3221. Authority.
- “Sec. 3222. Research.
- “Sec. 3223. Academic excellence awards.
- “Sec. 3224. State grant program.
- “Sec. 3225. Instruction materials development.

“Subpart 3—Professional Development

- “Sec. 3231. Professional development grants.

“Subpart 4—Emergency Immigrant Education Program

- “Sec. 3241. Purpose.
- “Sec. 3242. State administrative costs.
- “Sec. 3243. Withholding.
- “Sec. 3244. State allotments.
- “Sec. 3245. State applications.
- “Sec. 3246. Administrative provisions.
- “Sec. 3247. Uses of funds.
- “Sec. 3248. Reports.

“Subpart 5—Administration

- “Sec. 3251. Release time.
- “Sec. 3252. Notification.
- “Sec. 3253. Coordination and reporting requirements.

“PART C—GENERAL PROVISIONS

- “Sec. 3301. Definitions.
- “Sec. 3302. Parental notification.
- “Sec. 3303. National Clearinghouse.
- “Sec. 3304. Regulations.

“TITLE IV—21ST CENTURY SCHOOLS

“PART A—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

- “Sec. 4001. Short title.
- “Sec. 4002. Purpose.
- “Sec. 4003. Authorization of appropriations.

“Subpart 1—State Grants

- “Sec. 4111. Reservations and allotments.

PUBLIC LAW 107-110—JAN. 8, 2002

- “Sec. 4112. Reservation of State funds for safe and drug-free schools.
- “Sec. 4113. State application.
- “Sec. 4114. Local educational agency program.
- “Sec. 4115. Authorized activities.
- “Sec. 4116. Reporting.
- “Sec. 4117. Programs for Native Hawaiians.

“Subpart 2—National Programs

- “Sec. 4121. Federal activities.
- “Sec. 4122. Impact evaluation.
- “Sec. 4123. Hate crime prevention.
- “Sec. 4124. Safe and Drug-Free Schools and Communities Advisory Committee.
- “Sec. 4125. National coordinator program.
- “Sec. 4126. Community service grant program.
- “Sec. 4127. School Security Technology and Resource Center.
- “Sec. 4128. National Center for School and Youth Safety.
- “Sec. 4129. Grants to reduce alcohol abuse.
- “Sec. 4130. Mentoring programs.

“Subpart 3—Gun Possession

- “Sec. 4141. Gun-free requirements.

“Subpart 4—General Provisions

- “Sec. 4151. Definitions.
- “Sec. 4152. Message and materials.
- “Sec. 4153. Parental consent.
- “Sec. 4154. Prohibited uses of funds.
- “Sec. 4155. Transfer of school disciplinary records.

“PART B—21ST CENTURY COMMUNITY LEARNING CENTERS

- “Sec. 4201. Purpose; definitions.
- “Sec. 4202. Allotments to States.
- “Sec. 4203. State application.
- “Sec. 4204. Local competitive grant program.
- “Sec. 4205. Local activities.
- “Sec. 4206. Authorization of appropriations.

“PART C—ENVIRONMENTAL TOBACCO SMOKE

- “Sec. 4301. Short title.
- “Sec. 4302. Definitions.
- “Sec. 4303. Nonsmoking policy for children’s services.
- “Sec. 4304. Preemption.

“TITLE V—PROMOTING INFORMED PARENTAL CHOICE AND INNOVATIVE PROGRAMS

“PART A—INNOVATIVE PROGRAMS

- “Sec. 5101. Purposes, State and local responsibility.

“Subpart 1—State and Local Programs

- “Sec. 5111. Allotment to States.
- “Sec. 5112. Allocation to local educational agencies.

“Subpart 2—State Programs

- “Sec. 5121. State uses of funds.
- “Sec. 5122. State applications.

“Subpart 3—Local Innovative Education Programs

- “Sec. 5131. Local uses of funds.
- “Sec. 5132. Administrative authority.
- “Sec. 5133. Local applications.

“Subpart 4—General Provisions

- “Sec. 5141. Maintenance of effort.
- “Sec. 5142. Participation of children enrolled in private schools.
- “Sec. 5143. Federal administration.
- “Sec. 5144. Supplement, not supplant.
- “Sec. 5145. Definitions.
- “Sec. 5146. Authorization of appropriations.

“PART B—PUBLIC CHARTER SCHOOLS

“Subpart 1—Charter School Programs

- “Sec. 5201. Purpose.
- “Sec. 5202. Program authorized.
- “Sec. 5203. Applications.
- “Sec. 5204. Administration.
- “Sec. 5205. National activities.
- “Sec. 5206. Federal formula allocation during first year and for successive enrollment expansions.

PUBLIC LAW 107-110—JAN. 8, 2002

“Sec. 5207. Solicitation of input from charter school operators.

“Sec. 5208. Records transfer.

“Sec. 5209. Paperwork reduction.

“Sec. 5210. Definitions.

“Sec. 5211. Authorization of appropriations.

“Subpart 2—Credit Enhancement Initiatives To Assist Charter School Facility
Acquisition, Construction, and Renovation

“Sec. 5221. Purpose.

“Sec. 5222. Grants to eligible entities.

“Sec. 5223. Applications.

“Sec. 5224. Charter school objectives.

“Sec. 5225. Reserve account.

“Sec. 5226. Limitation on administrative costs.

“Sec. 5227. Audits and reports.

“Sec. 5228. No full faith and credit for grantee obligations.

“Sec. 5229. Recovery of funds.

“Sec. 5230. Definitions.

“Sec. 5231. Authorization of appropriations.

“Subpart 3—Voluntary Public School Choice Programs

“Sec. 5241. Grants.

“Sec. 5242. Uses of funds.

“Sec. 5243. Applications.

“Sec. 5244. Priorities.

“Sec. 5245. Requirements and voluntary participation.

“Sec. 5246. Evaluations.

“Sec. 5247. Definitions.

“Sec. 5248. Authorization of appropriations.

“PART C—MAGNET SCHOOLS ASSISTANCE

“Sec. 5301. Findings and purpose.

“Sec. 5302. Definition.

“Sec. 5303. Program authorized.

“Sec. 5304. Eligibility.

“Sec. 5305. Applications and requirements.

“Sec. 5306. Priority.

“Sec. 5307. Use of funds.

“Sec. 5308. Prohibition.

“Sec. 5309. Limitations.

“Sec. 5310. Evaluations.

“Sec. 5311. Authorization of appropriations; reservation.

“PART D—FUND FOR THE IMPROVEMENT OF EDUCATION

“Sec. 5401. Authorization of appropriations.

“Subpart 1—Fund for the Improvement of Education

“Sec. 5411. Programs authorized.

“Sec. 5412. Applications.

“Sec. 5413. Program requirements.

“Sec. 5414. Studies of national significance.

“Subpart 2—Elementary and Secondary School Counseling Programs

“Sec. 5421. Elementary and secondary school counseling programs.

“Subpart 3—Partnerships in Character Education

“Sec. 5431. Partnerships in Character Education program.

“Subpart 4—Smaller Learning Communities

“Sec. 5441. Smaller learning communities.

“Subpart 5—Reading Is Fundamental—Inexpensive Book Distribution Program

“Sec. 5451. Inexpensive book distribution program for reading motivation.

“Subpart 6—Gifted and Talented Students

“Sec. 5461. Short title.

“Sec. 5462. Purpose.

“Sec. 5463. Rule of construction.

“Sec. 5464. Authorized programs.

“Sec. 5465. Program priorities.

“Sec. 5466. General provisions.

“Subpart 7—Star Schools Program

“Sec. 5471. Short title.

“Sec. 5472. Purposes.

“Sec. 5473. Grant program authorized.

“Sec. 5474. Applications.

“Sec. 5475. Other grant assistance.

PUBLIC LAW 107-110—JAN. 8, 2002

“Sec. 5476. Administrative provisions.

“Sec. 5477. Definitions.

“Subpart 8—Ready to Teach

“Sec. 5481. Grants.

“Sec. 5482. Application required.

“Sec. 5483. Reports and evaluation.

“Sec. 5484. Digital educational programming grants.

“Sec. 5485. Administrative costs.

“Subpart 9—Foreign Language Assistance Program

“Sec. 5491. Short title.

“Sec. 5492. Program authorized.

“Sec. 5493. Applications.

“Sec. 5494. Elementary school foreign language incentive program.

“Subpart 10—Physical Education

“Sec. 5501. Short title.

“Sec. 5502. Purpose.

“Sec. 5503. Program authorized.

“Sec. 5504. Applications.

“Sec. 5505. Requirements.

“Sec. 5506. Administrative provisions.

“Sec. 5507. Supplement, not supplant.

“Subpart 11—Community Technology Centers

“Sec. 5511. Purpose and program authorization.

“Sec. 5512. Eligibility and application requirements.

“Sec. 5513. Uses of funds.

“Subpart 12—Educational, Cultural, Apprenticeship, and Exchange Programs for Alaska Natives, Native Hawaiians, and Their Historical Whaling and Trading Partners in Massachusetts

“Sec. 5521. Short title.

“Sec. 5522. Findings and purposes.

“Sec. 5523. Program authorization.

“Sec. 5524. Administrative provisions.

“Sec. 5525. Availability of funds.

“Sec. 5526. Definitions.

“Subpart 13—Excellence in Economic Education

“Sec. 5531. Short title.

“Sec. 5532. Purpose and goals.

“Sec. 5533. Grant program authorized.

“Sec. 5534. Applications.

“Sec. 5535. Requirements.

“Sec. 5536. Administrative provisions.

“Sec. 5537. Supplement, not supplant.

“Subpart 14—Grants to Improve the Mental Health of Children

“Sec. 5541. Grants for the integration of schools and mental health systems.

“Sec. 5542. Promotion of school readiness through early childhood emotional and social development.

“Subpart 15—Arts in Education

“Sec. 5551. Assistance for arts education.

“Subpart 16—Parental Assistance and Local Family Information Centers

“Sec. 5561. Purposes.

“Sec. 5562. Grants authorized.

“Sec. 5563. Applications.

“Sec. 5564. Uses of funds.

“Sec. 5565. Administrative provisions.

“Sec. 5566. Local family information centers.

“Subpart 17—Combatting Domestic Violence

“Sec. 5571. Grants to combat the impact of experiencing or witnessing domestic violence on elementary and secondary school children.

“Subpart 18—Healthy, High-Performance Schools

“Sec. 5581. Grant program authorized.

“Sec. 5582. State uses of funds.

“Sec. 5583. Local uses of funds.

“Sec. 5584. Report to Congress.

“Sec. 5585. Limitations.

“Sec. 5586. Healthy, high-performance school building defined.

“Subpart 19—Grants for Capital Expenses of Providing Equitable Services for Private School Students

“Sec. 5591. Grant program authorized.

PUBLIC LAW 107-110—JAN. 8, 2002

- “Sec. 5592. Uses of funds.
- “Sec. 5593. Allotments to States.
- “Sec. 5594. Subgrants to local educational agencies.
- “Sec. 5595. Capital expenses defined.
- “Sec. 5596. Termination.
- “Subpart 20—Additional Assistance for Certain Local Educational Agencies Impacted by Federal Property Acquisition
 - “Sec. 5601. Reservation.
 - “Sec. 5602. Eligibility.
 - “Sec. 5603. Maximum amount.
- “Subpart 21—Women’s Educational Equity Act
 - “Sec. 5611. Short title and findings.
 - “Sec. 5612. Statement of purpose.
 - “Sec. 5613. Programs authorized.
 - “Sec. 5614. Applications.
 - “Sec. 5615. Criteria and priorities.
 - “Sec. 5616. Report.
 - “Sec. 5617. Administration.
 - “Sec. 5618. Amount.
- “TITLE VI—FLEXIBILITY AND ACCOUNTABILITY
 - “PART A—IMPROVING ACADEMIC ACHIEVEMENT
 - “Subpart 1—Accountability
 - “Sec. 6111. Grants for State assessments and related activities.
 - “Sec. 6112. Grants for enhanced assessment instruments.
 - “Sec. 6113. Funding.
 - “Subpart 2—Funding Transferability for State and Local Educational Agencies
 - “Sec. 6121. Short title.
 - “Sec. 6122. Purpose.
 - “Sec. 6123. Transferability of funds.
 - “Subpart 3—State and Local Flexibility Demonstration
 - “Sec. 6131. Short title.
 - “Sec. 6132. Purpose.
 - “Sec. 6133. General provision.
 - “CHAPTER A—STATE FLEXIBILITY AUTHORITY
 - “Sec. 6141. State flexibility.
 - “Sec. 6142. Consolidation and use of funds.
 - “Sec. 6143. Performance review and penalties.
 - “Sec. 6144. Renewal of grant of flexibility authority.
 - “CHAPTER B—LOCAL FLEXIBILITY DEMONSTRATION
 - “Sec. 6151. Local flexibility demonstration agreements.
 - “Sec. 6152. Consolidation and use of funds.
 - “Sec. 6153. Limitations on administrative expenditures.
 - “Sec. 6154. Performance review and penalties.
 - “Sec. 6155. Renewal of local flexibility demonstration agreement.
 - “Sec. 6156. Reports.
 - “Subpart 4—State Accountability for Adequate Yearly Progress
 - “Sec. 6161. Accountability for adequate yearly progress.
 - “Sec. 6162. Peer review.
 - “Sec. 6163. Technical assistance.
 - “Sec. 6164. Report to Congress.
 - “PART B—RURAL EDUCATION INITIATIVE
 - “Sec. 6201. Short title.
 - “Sec. 6202. Purpose.
 - “Subpart 1—Small, Rural School Achievement Program
 - “Sec. 6211. Use of applicable funding.
 - “Sec. 6212. Grant program authorized.
 - “Sec. 6213. Accountability.
 - “Subpart 2—Rural and Low-Income School Program
 - “Sec. 6221. Program authorized.
 - “Sec. 6222. Uses of funds.
 - “Sec. 6223. Applications.
 - “Sec. 6224. Accountability.
 - “Subpart 3—General Provisions
 - “Sec. 6231. Annual average daily attendance determination.
 - “Sec. 6232. Supplement, not supplant.
 - “Sec. 6233. Rule of construction.

PUBLIC LAW 107-110—JAN. 8, 2002

“Sec. 6234. orization of appropriations.

“PART C—GENERAL PROVISIONS

“Sec. 6301. Prohibition against Federal mandates, direction, or control.

“Sec. 6302. Rule of construction on equalized spending.

“TITLE VII—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

“PART A—INDIAN EDUCATION

“Sec. 7101. Statement of policy.

“Sec. 7102. Purpose.

“Subpart 1—Formula Grants to Local Educational Agencies

“Sec. 7111. Purpose.

“Sec. 7112. Grants to local educational agencies and tribes.

“Sec. 7113. Amount of grants.

“Sec. 7114. Applications.

“Sec. 7115. Authorized services and activities.

“Sec. 7116. Integration of services authorized.

“Sec. 7117. Student eligibility forms.

“Sec. 7118. Payments.

“Sec. 7119. State educational agency review.

“Subpart 2—Special Programs and Projects To Improve Educational Opportunities for Indian Children

“Sec. 7121. Improvement of educational opportunities for Indian children.

“Sec. 7122. Professional development for teachers and education professionals.

“Subpart 3—National Activities

“Sec. 7131. National research activities.

“Sec. 7132. In-service training for teachers of Indian children.

“Sec. 7133. Fellowships for Indian students.

“Sec. 7134. Gifted and talented Indian students.

“Sec. 7135. Grants to tribes for education administrative planning and development.

“Sec. 7136. Improvement of educational opportunities for adult Indians.

“Subpart 4—Federal Administration

“Sec. 7141. National Advisory Council on Indian Education.

“Sec. 7142. Peer review.

“Sec. 7143. Preference for Indian applicants.

“Sec. 7144. Minimum grant criteria.

“Subpart 5—Definitions; Authorizations of Appropriations

“Sec. 7151. Definitions.

“Sec. 7152. Authorizations of appropriations.

“PART B—NATIVE HAWAIIAN EDUCATION

“Sec. 7201. Short title.

“Sec. 7202. Findings.

“Sec. 7203. Purposes.

“Sec. 7204. Native Hawaiian Education Council and island councils.

“Sec. 7205. Program authorized.

“Sec. 7206. Administrative provisions.

“Sec. 7207. Definitions.

“PART C—ALASKA NATIVE EDUCATION

“Sec. 7301. Short title.

“Sec. 7302. Findings.

“Sec. 7303. Purposes.

“Sec. 7304. Program authorized.

“Sec. 7305. Administrative provisions.

“Sec. 7306. Definitions.

“TITLE VIII—IMPACT AID

“Sec. 8001. Purpose.

“Sec. 8002. Payments relating to Federal acquisition of real property.

“Sec. 8003. Payments for eligible federally connected children.

“Sec. 8004. Policies and procedures relating to children residing on Indian lands.

“Sec. 8005. Application for payments under sections 8002 and 8003.

“Sec. 8007. Construction.

“Sec. 8008. Facilities.

“Sec. 8009. State consideration of payments in providing State aid.

“Sec. 8010. Federal administration.

“Sec. 8011. Administrative hearings and judicial review.

“Sec. 8012. Forgiveness of overpayments.

“Sec. 8013. Definitions.

“Sec. 8014. Authorization of appropriations.

“TITLE IX—GENERAL PROVISIONS

“PART A—DEFINITIONS

“Sec. 9101. Definitions.

PUBLIC LAW 107-110—JAN. 8, 2002

“Sec. 9102. Applicability of title.

“Sec. 9103. Applicability to Bureau of Indian Affairs operated schools.

“PART B—FLEXIBILITY IN THE USE OF ADMINISTRATIVE AND OTHER FUNDS

“Sec. 9201. Consolidation of State administrative funds for elementary and secondary education programs.

“Sec. 9202. Single local educational agency States.

“Sec. 9203. Consolidation of funds for local administration.

“Sec. 9204. Consolidated set-aside for Department of the Interior funds.

“PART C—COORDINATION OF PROGRAMS; CONSOLIDATED STATE AND LOCAL PLANS AND APPLICATIONS

“Sec. 9301. Purpose.

“Sec. 9302. Optional consolidated State plans or applications.

“Sec. 9303. Consolidated reporting.

“Sec. 9304. General applicability of State educational agency assurances.

“Sec. 9305. Consolidated local plans or applications.

“Sec. 9306. Other general assurances.

“PART D—WAIVERS

“Sec. 9401. Waivers of statutory and regulatory requirements.

“PART E—UNIFORM PROVISIONS

“Subpart 1—Private Schools

“Sec. 9501. Participation by private school children and teachers.

“Sec. 9502. Standards for by-pass.

“Sec. 9503. Complaint process for participation of private school children.

“Sec. 9504. By-pass determination process.

“Sec. 9505. Prohibition against funds for religious worship or instruction.

“Sec. 9506. Private, religious, and home schools.

“Subpart 2—Other Provisions

“Sec. 9521. Maintenance of effort.

“Sec. 9522. Prohibition regarding State aid.

“Sec. 9523. Privacy of assessment results.

“Sec. 9524. School prayer.

“Sec. 9525. Equal access to public school facilities.

“Sec. 9526. General prohibitions.

“Sec. 9527. Prohibitions on Federal Government and use of Federal funds.

“Sec. 9528. Armed Forces recruiter access to students and student recruiting information.

“Sec. 9529. Prohibition on federally sponsored testing.

“Sec. 9530. Limitations on national testing or certification for teachers.

“Sec. 9531. Prohibition on nationwide database.

“Sec. 9532. Unsafe school choice option.

“Sec. 9533. Prohibition on discrimination.

“Sec. 9534. Civil rights.

“Sec. 9535. Rulemaking.

“Sec. 9536. Severability.

“PART F—EVALUATIONS

“Sec. 9601. Evaluations.”.

TITLE I—IMPROVING THE ACADEMIC ACHIEVEMENT OF THE DISADVANTAGED

SEC. 101. IMPROVING THE ACADEMIC ACHIEVEMENT OF THE DISADVANTAGED.

Title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended to read as follows:

“TITLE I—IMPROVING THE ACADEMIC ACHIEVEMENT OF THE DISADVANTAGED

“SEC. 1001. STATEMENT OF PURPOSE.

20 USC 6301.

“The purpose of this title is to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality

PUBLIC LAW 107-110—JAN. 8, 2002

education and reach, at a minimum, proficiency on challenging State academic achievement standards and state academic assessments. This purpose can be accomplished by—

“(1) ensuring that high-quality academic assessments, accountability systems, teacher preparation and training, curriculum, and instructional materials are aligned with challenging State academic standards so that students, teachers, parents, and administrators can measure progress against common expectations for student academic achievement;

“(2) meeting the educational needs of low-achieving children in our Nation’s highest-poverty schools, limited English proficient children, migratory children, children with disabilities, Indian children, neglected or delinquent children, and young children in need of reading assistance;

“(3) closing the achievement gap between high- and low-performing children, especially the achievement gaps between minority and nonminority students, and between disadvantaged children and their more advantaged peers;

“(4) holding schools, local educational agencies, and States accountable for improving the academic achievement of all students, and identifying and turning around low-performing schools that have failed to provide a high-quality education to their students, while providing alternatives to students in such schools to enable the students to receive a high-quality education;

“(5) distributing and targeting resources sufficiently to make a difference to local educational agencies and schools where needs are greatest;

“(6) improving and strengthening accountability, teaching, and learning by using State assessment systems designed to ensure that students are meeting challenging State academic achievement and content standards and increasing achievement overall, but especially for the disadvantaged;

“(7) providing greater decisionmaking authority and flexibility to schools and teachers in exchange for greater responsibility for student performance;

“(8) providing children an enriched and accelerated educational program, including the use of schoolwide programs or additional services that increase the amount and quality of instructional time;

“(9) promoting schoolwide reform and ensuring the access of children to effective, scientifically based instructional strategies and challenging academic content;

“(10) significantly elevating the quality of instruction by providing staff in participating schools with substantial opportunities for professional development;

“(11) coordinating services under all parts of this title with each other, with other educational services, and, to the extent feasible, with other agencies providing services to youth, children, and families; and

“(12) affording parents substantial and meaningful opportunities to participate in the education of their children.

20 USC 6302.

“SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

“(a) LOCAL EDUCATIONAL AGENCY GRANTS.—For the purpose of carrying out part A, there are authorized to be appropriated—

“(1) \$13,500,000,000 for fiscal year 2002;

“(2) \$16,000,000,000 for fiscal year 2003;

“(3) \$18,500,000,000 for fiscal year 2004;

“(4) \$20,500,000,000 for fiscal year 2005;

“(5) \$22,750,000,000 for fiscal year 2006; and

“(6) \$25,000,000,000 for fiscal year 2007.

“(b) READING FIRST.—

“(1) READING FIRST.—For the purpose of carrying out subpart 1 of part B, there are authorized to be appropriated

PUBLIC LAW 107-110—JAN. 8, 2002

\$900,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(2) EARLY READING FIRST.—For the purpose of carrying out subpart 2 of part B, there are authorized to be appropriated \$75,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(3) EVEN START.—For the purpose of carrying out subpart 3 of part B, there are authorized to be appropriated \$260,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(4) IMPROVING LITERACY THROUGH SCHOOL LIBRARIES.—For the purpose of carrying out subpart 4 of part B, there are authorized to be appropriated \$250,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(c) EDUCATION OF MIGRATORY CHILDREN.—For the purpose of carrying out part C, there are authorized to be appropriated \$410,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(d) PREVENTION AND INTERVENTION PROGRAMS FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK.—For the purpose of carrying out part D, there are authorized to be appropriated \$50,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(e) FEDERAL ACTIVITIES.—

“(1) SECTIONS 1501 AND 1502.—For the purpose of carrying out sections 1501 and 1502, there are authorized to be appropriated such sums as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“(2) SECTION 1504.—

“(A) IN GENERAL.—For the purpose of carrying out section 1504, there are authorized to be appropriated such sums as may be necessary for fiscal year 2002 and for each of the 5 succeeding fiscal years.

“(B) SPECIAL RULE.—Of the funds appropriated pursuant to subparagraph (A), not more than 30 percent may be used for teachers associated with students participating in the programs described in subsections (a)(1), (b)(1), and (c)(1).

“(f) COMPREHENSIVE SCHOOL REFORM.—For the purpose of carrying out part F, there are authorized to be appropriated such sums as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“(g) ADVANCED PLACEMENT.—For the purposes of carrying out part G, there are authorized to be appropriated such sums for fiscal year 2002 and each 5 succeeding fiscal year.

“(h) SCHOOL DROPOUT PREVENTION.—For the purpose of carrying out part H, there are authorized to be appropriated \$125,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years, of which—

“(1) up to 10 percent shall be available to carry out subpart 1 of part H for each fiscal year; and

“(2) the remainder shall be available to carry out subpart 2 of part H for each fiscal year.

“(i) SCHOOL IMPROVEMENT.—For the purpose of carrying out section 1003(g), there are authorized to be appropriated \$500,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“SEC. 1003. SCHOOL IMPROVEMENT.

20 USC 6303.

“(a) STATE RESERVATIONS.—Each State shall reserve 2 percent of the amount the State receives under subpart 2 of part A for fiscal years 2002 and 2003, and 4 percent of the amount received under such subpart for fiscal years 2004 through 2007, to carry out subsection (b) and to carry out the State’s responsibilities under

PUBLIC LAW 107-110—JAN. 8, 2002

sections 1116 and 1117, including carrying out the State educational agency's statewide system of technical assistance and support for local educational agencies.

“(b) USES.—Of the amount reserved under subsection (a) for any fiscal year, the State educational agency—

“(1) shall allocate not less than 95 percent of that amount directly to local educational agencies for schools identified for school improvement, corrective action, and restructuring, for activities under section 1116(b); or

“(2) may, with the approval of the local educational agency, directly provide for these activities or arrange for their provision through other entities such as school support teams or educational service agencies.

“(c) PRIORITY.—The State educational agency, in allocating funds to local educational agencies under this section, shall give priority to local educational agencies that—

“(1) serve the lowest-achieving schools;

“(2) demonstrate the greatest need for such funds; and

“(3) demonstrate the strongest commitment to ensuring that such funds are used to enable the lowest-achieving schools to meet the progress goals in school improvement plans under section 1116 (b)(3)(A)(v).

“(d) UNUSED FUNDS.—If, after consultation with local educational agencies in the State, the State educational agency determines that the amount of funds reserved to carry out subsection (b) is greater than the amount needed to provide the assistance described in that subsection, the State educational agency shall allocate the excess amount to local educational agencies in accordance with—

“(1) the relative allocations the State educational agency made to those agencies for that fiscal year under subpart 2 of part A; or

“(2) section 1126(c).

“(e) SPECIAL RULE.—Notwithstanding any other provision of this section, the amount of funds reserved by the State educational agency under subsection (a) in any fiscal year shall not decrease the amount of funds each local educational agency receives under subpart 2 below the amount received by such local educational agency under such subpart for the preceding fiscal year.

“(f) REPORTING.—The State educational agency shall make publicly available a list of those schools that have received funds or services pursuant to subsection (b) and the percentage of students from each school from families with incomes below the poverty line.

“(g) ASSISTANCE FOR LOCAL SCHOOL IMPROVEMENT.—

“(1) PROGRAM AUTHORIZED.—The Secretary shall award grants to States to enable the States to provide subgrants to local educational agencies for the purpose of providing assistance for school improvement consistent with section 1116.

“(2) STATE ALLOTMENTS.—Such grants shall be allotted among States, the Bureau of Indian Affairs, and the outlying areas, in proportion to the funds received by the States, the Bureau of Indian Affairs, and the outlying areas, respectively, for the fiscal year under parts A, C, and D of this title. The Secretary shall expeditiously allot a portion of such funds to States for the purpose of assisting local educational agencies and schools that were in school improvement status on the date preceding the date of enactment of the No Child Left Behind Act of 2001.

“(3) REALLOCATIONS.—If a State does not receive funds under this subsection, the Secretary shall reallocate such funds to other States in the same proportion funds are allocated under paragraph (2).

“(4) STATE APPLICATIONS.—Each State educational agency that desires to receive funds under this subsection shall submit

PUBLIC LAW 107-110—JAN. 8, 2002

an application to the Secretary at such time, and containing such information, as the Secretary shall reasonably require, except that such requirement shall be waived if a State educational agency submitted such information as part of its State plan under this part. Each State application shall describe how the State educational agency will allocate such funds in order to assist the State educational agency and local educational agencies in complying with school improvement, corrective action, and restructuring requirements of section 1116.

“(5) LOCAL EDUCATIONAL AGENCY GRANTS.—A grant to a local educational agency under this subsection shall be—

“(A) of sufficient size and scope to support the activities required under sections 1116 and 1117, but not less than \$50,000 and not more than \$500,000 for each participating school;

“(B) integrated with other funds awarded by the State under this Act; and

“(C) renewable for two additional 1-year periods if schools are meeting the goals in their school improvement plans developed under section 1116.

“(6) PRIORITY.—The State, in awarding such grants, shall give priority to local educational agencies with the lowest-achieving schools that demonstrate—

“(A) the greatest need for such funds; and

“(B) the strongest commitment to ensuring that such funds are used to provide adequate resources to enable the lowest-achieving schools to meet the goals under school and local educational agency improvement, corrective action, and restructuring plans under section 1116.

“(7) ALLOCATION.—A State educational agency that receives a grant under this subsection shall allocate at least 95 percent of the grant funds directly to local educational agencies for schools identified for school improvement, corrective action, or restructuring to carry out activities under section 1116(b), or may, with the approval of the local educational agency, directly provide for these activities or arrange for their provision through other entities such as school support teams or educational service agencies.

“(8) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant award under this subsection may reserve not more than 5 percent of such grant funds for administration, evaluation, and technical assistance expenses.

“(9) LOCAL AWARDS.—Each local educational agency that applies for assistance under this subsection shall describe how it will provide the lowest-achieving schools the resources necessary to meet goals under school and local educational agency improvement, corrective action, and restructuring plans under section 1116.

“SEC. 1004. STATE ADMINISTRATION.

20 USC 6304.

“(a) IN GENERAL.—Except as provided in subsection (b), to carry out administrative duties assigned under parts A, C, and D of this title, each State may reserve the greater of—

“(1) 1 percent of the amounts received under such parts;

or

“(2) \$400,000 (\$50,000 in the case of each outlying area).

“(b) EXCEPTION.—If the sum of the amounts appropriated for parts A, C, and D of this title is equal to or greater than \$14,000,000,000, then the reservation described in subsection (a)(1) shall not exceed 1 percent of the amount the State would receive, if \$14,000,000,000 were allocated among the States for parts A, C, and D of this title.

PUBLIC LAW 107-110—JAN. 8, 2002

“PART A—IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

“Subpart 1—Basic Program Requirements

20 USC 6311.

“SEC. 1111. STATE PLANS.**“(a) PLANS REQUIRED.—**

“(1) IN GENERAL.—For any State desiring to receive a grant under this part, the State educational agency shall submit to the Secretary a plan, developed by the State educational agency, in consultation with local educational agencies, teachers, principals, pupil services personnel, administrators (including administrators of programs described in other parts of this title), other staff, and parents, that satisfies the requirements of this section and that is coordinated with other programs under this Act, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, the Adult Education and Family Literacy Act, and the McKinney-Vento Homeless Assistance Act.

“(2) CONSOLIDATED PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 9302.

“(b) ACADEMIC STANDARDS, ACADEMIC ASSESSMENTS, AND ACCOUNTABILITY.—**“(1) CHALLENGING ACADEMIC STANDARDS.—**

“(A) IN GENERAL.—Each State plan shall demonstrate that the State has adopted challenging academic content standards and challenging student academic achievement standards that will be used by the State, its local educational agencies, and its schools to carry out this part, except that a State shall not be required to submit such standards to the Secretary.

“(B) SAME STANDARDS.—The academic standards required by subparagraph (A) shall be the same academic standards that the State applies to all schools and children in the State.

“(C) SUBJECTS.—The State shall have such academic standards for all public elementary school and secondary school children, including children served under this part, in subjects determined by the State, but including at least mathematics, reading or language arts, and (beginning in the 2005–2006 school year) science, which shall include the same knowledge, skills, and levels of achievement expected of all children.

“(D) CHALLENGING ACADEMIC STANDARDS.—Standards under this paragraph shall include—

“(i) challenging academic content standards in academic subjects that—

“(I) specify what children are expected to know and be able to do;

“(II) contain coherent and rigorous content; and

“(III) encourage the teaching of advanced skills; and

“(ii) challenging student academic achievement standards that—

“(I) are aligned with the State’s academic content standards;

“(II) describe two levels of high achievement (proficient and advanced) that determine how well children are mastering the material in the State academic content standards; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(III) describe a third level of achievement (basic) to provide complete information about the progress of the lower-achieving children toward mastering the proficient and advanced levels of achievement.

“(E) INFORMATION.—For the subjects in which students will be served under this part, but for which a State is not required by subparagraphs (A), (B), and (C) to develop, and has not otherwise developed, such academic standards, the State plan shall describe a strategy for ensuring that students are taught the same knowledge and skills in such subjects and held to the same expectations as are all children.

“(F) EXISTING STANDARDS.—Nothing in this part shall prohibit a State from revising, consistent with this section, any standard adopted under this part before or after the date of enactment of the No Child Left Behind Act of 2001.

“(2) ACCOUNTABILITY.—

“(A) IN GENERAL.—Each State plan shall demonstrate that the State has developed and is implementing a single, statewide State accountability system that will be effective in ensuring that all local educational agencies, public elementary schools, and public secondary schools make adequate yearly progress as defined under this paragraph. Each State accountability system shall—

“(i) be based on the academic standards and academic assessments adopted under paragraphs (1) and (3), and other academic indicators consistent with subparagraph (C)(vi) and (vii), and shall take into account the achievement of all public elementary school and secondary school students;

“(ii) be the same accountability system the State uses for all public elementary schools and secondary schools or all local educational agencies in the State, except that public elementary schools, secondary schools, and local educational agencies not participating under this part are not subject to the requirements of section 1116; and

“(iii) include sanctions and rewards, such as bonuses and recognition, the State will use to hold local educational agencies and public elementary schools and secondary schools accountable for student achievement and for ensuring that they make adequate yearly progress in accordance with the State’s definition under subparagraphs (B) and (C).

“(B) ADEQUATE YEARLY PROGRESS.—Each State plan shall demonstrate, based on academic assessments described in paragraph (3), and in accordance with this paragraph, what constitutes adequate yearly progress of the State, and of all public elementary schools, secondary schools, and local educational agencies in the State, toward enabling all public elementary school and secondary school students to meet the State’s student academic achievement standards, while working toward the goal of narrowing the achievement gaps in the State, local educational agencies, and schools.

“(C) DEFINITION.—‘Adequate yearly progress’ shall be defined by the State in a manner that—

“(i) applies the same high standards of academic achievement to all public elementary school and secondary school students in the State;

“(ii) is statistically valid and reliable;

“(iii) results in continuous and substantial academic improvement for all students;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iv) measures the progress of public elementary schools, secondary schools and local educational agencies and the State based primarily on the academic assessments described in paragraph (3);

“(v) includes separate measurable annual objectives for continuous and substantial improvement for each of the following:

“(I) The achievement of all public elementary school and secondary school students.

“(II) The achievement of—

“(aa) economically disadvantaged students;

“(bb) students from major racial and ethnic groups;

“(cc) students with disabilities; and

“(dd) students with limited English proficiency;

except that disaggregation of data under subclause (II) shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student;

“(vi) in accordance with subparagraph (D), includes graduation rates for public secondary school students (defined as the percentage of students who graduate from secondary school with a regular diploma in the standard number of years) and at least one other academic indicator, as determined by the State for all public elementary school students; and

“(vii) in accordance with subparagraph (D), at the State’s discretion, may also include other academic indicators, as determined by the State for all public school students, measured separately for each group described in clause (v), such as achievement on additional State or locally administered assessments, decreases in grade-to-grade retention rates, attendance rates, and changes in the percentages of students completing gifted and talented, advanced placement, and college preparatory courses.

“(D) REQUIREMENTS FOR OTHER INDICATORS.—In carrying out subparagraph (C)(vi) and (vii), the State—

“(i) shall ensure that the indicators described in those provisions are valid and reliable, and are consistent with relevant, nationally recognized professional and technical standards, if any; and

“(ii) except as provided in subparagraph (I)(i), may not use those indicators to reduce the number of, or change, the schools that would otherwise be subject to school improvement, corrective action, or restructuring under section 1116 if those additional indicators were not used, but may use them to identify additional schools for school improvement or in need of corrective action or restructuring.

“(E) STARTING POINT.—Each State, using data for the 2001–2002 school year, shall establish the starting point for measuring, under subparagraphs (G) and (H), the percentage of students meeting or exceeding the State’s proficient level of academic achievement on the State assessments under paragraph (3) and pursuant to the timeline described in subparagraph (F). The starting point shall be, at a minimum, based on the higher of the percentage of students at the proficient level who are in—

“(i) the State’s lowest achieving group of students described in subparagraph (C)(v)(II); or

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) the school at the 20th percentile in the State, based on enrollment, among all schools ranked by the percentage of students at the proficient level.

“(F) TIMELINE.—Each State shall establish a timeline for adequate yearly progress. The timeline shall ensure that not later than 12 years after the end of the 2001–2002 school year, all students in each group described in subparagraph (C)(v) will meet or exceed the State’s proficient level of academic achievement on the State assessments under paragraph (3).

“(G) MEASURABLE OBJECTIVES.—Each State shall establish statewide annual measurable objectives, pursuant to subparagraph (C)(v), for meeting the requirements of this paragraph, and which—

“(i) shall be set separately for the assessments of mathematics and reading or language arts under subsection (a)(3);

“(ii) shall be the same for all schools and local educational agencies in the State;

“(iii) shall identify a single minimum percentage of students who are required to meet or exceed the proficient level on the academic assessments that applies separately to each group of students described in subparagraph (C)(v);

“(iv) shall ensure that all students will meet or exceed the State’s proficient level of academic achievement on the State assessments within the State’s timeline under subparagraph (F); and

“(v) may be the same for more than 1 year, subject to the requirements of subparagraph (H).

“(H) INTERMEDIATE GOALS FOR ANNUAL YEARLY PROGRESS.—Each State shall establish intermediate goals for meeting the requirements, including the measurable objectives in subparagraph (G), of this paragraph and that shall—

“(i) increase in equal increments over the period covered by the State’s timeline under subparagraph (F);

“(ii) provide for the first increase to occur in not more than 2 years; and

“(iii) provide for each following increase to occur in not more than 3 years.

“(I) ANNUAL IMPROVEMENT FOR SCHOOLS.—Each year, for a school to make adequate yearly progress under this paragraph—

“(i) each group of students described in subparagraph (C)(v) must meet or exceed the objectives set by the State under subparagraph (G), except that if any group described in subparagraph (C)(v) does not meet those objectives in any particular year, the school shall be considered to have made adequate yearly progress if the percentage of students in that group who did not meet or exceed the proficient level of academic achievement on the State assessments under paragraph (3) for that year decreased by 10 percent of that percentage from the preceding school year and that group made progress on one or more of the academic indicators described in subparagraph (C)(vi) or (vii); and

“(ii) not less than 95 percent of each group of students described in subparagraph (C)(v) who are enrolled in the school are required to take the assessments, consistent with paragraph (3)(C)(xi) and with accommodations, guidelines, and alternative assessments provided in the same manner as those provided

PUBLIC LAW 107-110—JAN. 8, 2002

under section 612(a)(17)(A) of the Individuals with Disabilities Education Act and paragraph (3), on which adequate yearly progress is based (except that the 95 percent requirement described in this clause shall not apply in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student).

“(J) UNIFORM AVERAGING PROCEDURE.—For the purpose of determining whether schools are making adequate yearly progress, the State may establish a uniform procedure for averaging data which includes one or more of the following:

“(i) The State may average data from the school year for which the determination is made with data from one or two school years immediately preceding that school year.

“(ii) Until the assessments described in paragraph (3) are administered in such manner and time to allow for the implementation of the uniform procedure for averaging data described in clause (i), the State may use the academic assessments that were required under paragraph (3) as that paragraph was in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001, provided that nothing in this clause shall be construed to undermine or delay the determination of adequate yearly progress, the requirements of section 1116, or the implementation of assessments under this section.

“(iii) The State may use data across grades in a school.

“(K) ACCOUNTABILITY FOR CHARTER SCHOOLS.—The accountability provisions under this Act shall be overseen for charter schools in accordance with State charter school law.

“(3) ACADEMIC ASSESSMENTS.—

“(A) IN GENERAL.—Each State plan shall demonstrate that the State educational agency, in consultation with local educational agencies, has implemented a set of high-quality, yearly student academic assessments that include, at a minimum, academic assessments in mathematics, reading or language arts, and science that will be used as the primary means of determining the yearly performance of the State and of each local educational agency and school in the State in enabling all children to meet the State’s challenging student academic achievement standards, except that no State shall be required to meet the requirements of this part relating to science assessments until the beginning of the 2007–2008 school year.

“(B) USE OF ASSESSMENTS.—Each State educational agency may incorporate the data from the assessments under this paragraph into a State-developed longitudinal data system that links student test scores, length of enrollment, and graduation records over time.

“(C) REQUIREMENTS.—Such assessments shall—

“(i) be the same academic assessments used to measure the achievement of all children;

“(ii) be aligned with the State’s challenging academic content and student academic achievement standards, and provide coherent information about student attainment of such standards;

“(iii) be used for purposes for which such assessments are valid and reliable, and be consistent with relevant, nationally recognized professional and technical standards;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iv) be used only if the State educational agency provides to the Secretary evidence from the test publisher or other relevant sources that the assessments used are of adequate technical quality for each purpose required under this Act and are consistent with the requirements of this section, and such evidence is made public by the Secretary upon request;

“(v)(I) except as otherwise provided for grades 3 through 8 under clause vii, measure the proficiency of students in, at a minimum, mathematics and reading or language arts, and be administered not less than once during—

“(aa) grades 3 through 5;

“(bb) grades 6 through 9; and

“(cc) grades 10 through 12;

“(II) beginning not later than school year 2007–2008, measure the proficiency of all students in science and be administered not less than one time during—

“(aa) grades 3 through 5;

“(bb) grades 6 through 9; and

“(cc) grades 10 through 12;

“(vi) involve multiple up-to-date measures of student academic achievement, including measures that assess higher-order thinking skills and understanding;

“(vii) beginning not later than school year 2005–2006, measure the achievement of students against the challenging State academic content and student academic achievement standards in each of grades 3 through 8 in, at a minimum, mathematics, and reading or language arts, except that the Secretary may provide the State 1 additional year if the State demonstrates that exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State, prevented full implementation of the academic assessments by that deadline and that the State will complete implementation within the additional 1-year period;

“(viii) at the discretion of the State, measure the proficiency of students in academic subjects not described in clauses (v), (vi), (vii) in which the State has adopted challenging academic content and academic achievement standards;

“(ix) provide for—

“(I) the participation in such assessments of all students;

“(II) the reasonable adaptations and accommodations for students with disabilities (as defined under section 602(3) of the Individuals with Disabilities Education Act) necessary to measure the academic achievement of such students relative to State academic content and State student academic achievement standards; and

“(III) the inclusion of limited English proficient students, who shall be assessed in a valid and reliable manner and provided reasonable accommodations on assessments administered to such students under this paragraph, including, to the extent practicable, assessments in the language and form most likely to yield accurate data on what such students know and can do in academic content areas, until such students have achieved English language proficiency as determined under paragraph (7);

“(x) notwithstanding subclause (III), the academic assessment (using tests written in English) of reading

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

or language arts of any student who has attended school in the United States (not including Puerto Rico) for three or more consecutive school years, except that if the local educational agency determines, on a case-by-case individual basis, that academic assessments in another language or form would likely yield more accurate and reliable information on what such student knows and can do, the local educational agency may make a determination to assess such student in the appropriate language other than English for a period that does not exceed two additional consecutive years, provided that such student has not yet reached a level of English language proficiency sufficient to yield valid and reliable information on what such student knows and can do on tests (written in English) of reading or language arts;

“(xi) include students who have attended schools in a local educational agency for a full academic year but have not attended a single school for a full academic year, except that the performance of students who have attended more than 1 school in the local educational agency in any academic year shall be used only in determining the progress of the local educational agency;

“(xii) produce individual student interpretive, descriptive, and diagnostic reports, consistent with clause (iii) that allow parents, teachers, and principals to understand and address the specific academic needs of students, and include information regarding achievement on academic assessments aligned with State academic achievement standards, and that are provided to parents, teachers, and principals, as soon as is practicably possible after the assessment is given, in an understandable and uniform format, and to the extent practicable, in a language that parents can understand;

“(xiii) enable results to be disaggregated within each State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged, except that, in the case of a local educational agency or a school, such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student;

“(xiv) be consistent with widely accepted professional testing standards, objectively measure academic achievement, knowledge, and skills, and be tests that do not evaluate or assess personal or family beliefs and attitudes, or publicly disclose personally identifiable information; and

“(xv) enable itemized score analyses to be produced and reported, consistent with clause (iii), to local educational agencies and schools, so that parents, teachers, principals, and administrators can interpret and address the specific academic needs of students as indicated by the students’ achievement on assessment items.

“(D) DEFERRAL.—A State may defer the commencement, or suspend the administration, but not cease the development, of the assessments described in this para-

PUBLIC LAW 107-110—JAN. 8, 2002

graph, that were not required prior to the date of enactment of the No Child Left Behind Act of 2001, for 1 year for each year for which the amount appropriated for grants under section 6113(a)(2) is less than—

- “(i) \$370,000,000 for fiscal year 2002;
- “(ii) \$380,000,000 for fiscal year 2003;
- “(iii) \$390,000,000 for fiscal year 2004; and
- “(iv) \$400,000,000 for fiscal years 2005 through

2007.

“(4) SPECIAL RULE.—Academic assessment measures in addition to those in paragraph (3) that do not meet the requirements of such paragraph may be included in the assessment under paragraph (3) as additional measures, but may not be used in lieu of the academic assessments required under paragraph (3). Such additional assessment measures may not be used to reduce the number of or change, the schools that would otherwise be subject to school improvement, corrective action, or restructuring under section 1116 if such additional indicators were not used, but may be used to identify additional schools for school improvement or in need of corrective action or restructuring except as provided in paragraph (2)(I)(i).

“(5) STATE AUTHORITY.—If a State educational agency provides evidence, which is satisfactory to the Secretary, that neither the State educational agency nor any other State government official, agency, or entity has sufficient authority, under State law, to adopt curriculum content and student academic achievement standards, and academic assessments aligned with such academic standards, which will be applicable to all students enrolled in the State’s public elementary schools and secondary schools, then the State educational agency may meet the requirements of this subsection by—

“(A) adopting academic standards and academic assessments that meet the requirements of this subsection, on a statewide basis, and limiting their applicability to students served under this part; or

“(B) adopting and implementing policies that ensure that each local educational agency in the State that receives grants under this part will adopt curriculum content and student academic achievement standards, and academic assessments aligned with such standards, which—

“(i) meet all of the criteria in this subsection and any regulations regarding such standards and assessments that the Secretary may publish; and

“(ii) are applicable to all students served by each such local educational agency.

“(6) LANGUAGE ASSESSMENTS.—Each State plan shall identify the languages other than English that are present in the participating student population and indicate the languages for which yearly student academic assessments are not available and are needed. The State shall make every effort to develop such assessments and may request assistance from the Secretary if linguistically accessible academic assessment measures are needed. Upon request, the Secretary shall assist with the identification of appropriate academic assessment measures in the needed languages, but shall not mandate a specific academic assessment or mode of instruction.

“(7) ACADEMIC ASSESSMENTS OF ENGLISH LANGUAGE PROFICIENCY.—Each State plan shall demonstrate that local educational agencies in the State will, beginning not later than school year 2002–2003, provide for an annual assessment of English proficiency (measuring students’ oral language, reading, and writing skills in English) of all students with limited English proficiency in the schools served by the State educational agency, except that the Secretary may provide the State 1 additional year if the State demonstrates that excep-

Deadline.
Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

tional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State, prevented full implementation of this paragraph by that deadline and that the State will complete implementation within the additional 1-year period.

“(8) REQUIREMENT.—Each State plan shall describe—

“(A) how the State educational agency will assist each local educational agency and school affected by the State plan to develop the capacity to comply with each of the requirements of sections 1112(c)(1)(D), 1114(b), and 1115(c) that is applicable to such agency or school;

“(B) how the State educational agency will assist each local educational agency and school affected by the State plan to provide additional educational assistance to individual students assessed as needing help to achieve the State’s challenging academic achievement standards;

“(C) the specific steps the State educational agency will take to ensure that both schoolwide programs and targeted assistance schools provide instruction by highly qualified instructional staff as required by sections 1114(b)(1)(C) and 1115(c)(1)(E), including steps that the State educational agency will take to ensure that poor and minority children are not taught at higher rates than other children by inexperienced, unqualified, or out-of-field teachers, and the measures that the State educational agency will use to evaluate and publicly report the progress of the State educational agency with respect to such steps;

“(D) an assurance that the State educational agency will assist local educational agencies in developing or identifying high-quality effective curricula aligned with State academic achievement standards and how the State educational agency will disseminate such curricula to each local educational agency and school within the State; and

“(E) such other factors the State educational agency determines appropriate to provide students an opportunity to achieve the knowledge and skills described in the challenging academic content standards adopted by the State.

“(9) FACTORS AFFECTING STUDENT ACHIEVEMENT.—Each State plan shall include an assurance that the State educational agency will coordinate and collaborate, to the extent feasible and necessary as determined by the State educational agency, with agencies providing services to children, youth, and families, with respect to local educational agencies within the State that are identified under section 1116 and that request assistance with addressing major factors that have significantly affected the academic achievement of students in the local educational agency or schools served by such agency.

“(10) USE OF ACADEMIC ASSESSMENT RESULTS TO IMPROVE STUDENT ACADEMIC ACHIEVEMENT.—Each State plan shall describe how the State educational agency will ensure that the results of the State assessments described in paragraph (3)—

“(A) will be promptly provided to local educational agencies, schools, and teachers in a manner that is clear and easy to understand, but not later than before the beginning of the next school year; and

“(B) be used by those local educational agencies, schools, and teachers to improve the educational achievement of individual students.

“(C) OTHER PROVISIONS TO SUPPORT TEACHING AND LEARNING.—Each State plan shall contain assurances that—

“(1) the State educational agency will meet the requirements of subsection (h)(1) and, beginning with the 2002-2003 school year, will produce the annual State report cards described in such subsection, except that the Secretary may

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

provide the State educational agency 1 additional year if the State educational agency demonstrates that exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State, prevented full implementation of this paragraph by that deadline and that the State will complete implementation within the additional 1-year period;

“(2) the State will, beginning in school year 2002–2003, participate in biennial State academic assessments of 4th and 8th grade reading and mathematics under the National Assessment of Educational Progress carried out under section 411(b)(2) of the National Education Statistics Act of 1994 if the Secretary pays the costs of administering such assessments;

Deadline.

“(3) the State educational agency, in consultation with the Governor, will include, as a component of the State plan, a plan to carry out the responsibilities of the State under sections 1116 and 1117, including carrying out the State educational agency’s statewide system of technical assistance and support for local educational agencies;

“(4) the State educational agency will work with other agencies, including educational service agencies or other local consortia, and institutions to provide technical assistance to local educational agencies and schools, including technical assistance in providing professional development under section 1119, technical assistance under section 1117, and technical assistance relating to parental involvement under section 1118;

“(5)(A) where educational service agencies exist, the State educational agency will consider providing professional development and technical assistance through such agencies; and

“(B) where educational service agencies do not exist, the State educational agency will consider providing professional development and technical assistance through other cooperative agreements such as through a consortium of local educational agencies;

“(6) the State educational agency will notify local educational agencies and the public of the content and student academic achievement standards and academic assessments developed under this section, and of the authority to operate schoolwide programs, and will fulfill the State educational agency’s responsibilities regarding local educational agency improvement and school improvement under section 1116, including such corrective actions as are necessary;

Notification.

“(7) the State educational agency will provide the least restrictive and burdensome regulations for local educational agencies and individual schools participating in a program assisted under this part;

“(8) the State educational agency will inform the Secretary and the public of how Federal laws, if at all, hinder the ability of States to hold local educational agencies and schools accountable for student academic achievement;

“(9) the State educational agency will encourage schools to consolidate funds from other Federal, State, and local sources for schoolwide reform in schoolwide programs under section 1114;

“(10) the State educational agency will modify or eliminate State fiscal and accounting barriers so that schools can easily consolidate funds from other Federal, State, and local sources for schoolwide programs under section 1114;

“(11) the State educational agency has involved the committee of practitioners established under section 1903(b) in developing the plan and monitoring its implementation;

“(12) the State educational agency will inform local educational agencies in the State of the local educational agency’s authority to transfer funds under title VI, to obtain waivers under part D of title IX, and, if the State is an Ed-Flex Partner-

PUBLIC LAW 107-110—JAN. 8, 2002

ship State, to obtain waivers under the Education Flexibility Partnership Act of 1999;

“(13) the State educational agency will coordinate activities funded under this part with other Federal activities as appropriate; and

“(14) the State educational agency will encourage local educational agencies and individual schools participating in a program assisted under this part to offer family literacy services (using funds under this part), if the agency or school determines that a substantial number of students served under this part by the agency or school have parents who do not have a secondary school diploma or its recognized equivalent or who have low levels of literacy.

“(d) PARENTAL INVOLVEMENT.—Each State plan shall describe how the State educational agency will support the collection and dissemination to local educational agencies and schools of effective parental involvement practices. Such practices shall—

“(1) be based on the most current research that meets the highest professional and technical standards, on effective parental involvement that fosters achievement to high standards for all children; and

“(2) be geared toward lowering barriers to greater participation by parents in school planning, review, and improvement experienced.

“(e) PEER REVIEW AND SECRETARIAL APPROVAL.—

“(1) SECRETARIAL DUTIES.—The Secretary shall—

Establishment.

“(A) establish a peer-review process to assist in the review of State plans;

“(B) appoint individuals to the peer-review process who are representative of parents, teachers, State educational agencies, and local educational agencies, and who are familiar with educational standards, assessments, accountability, the needs of low-performing schools, and other educational needs of students;

Deadline.

“(C) approve a State plan within 120 days of its submission unless the Secretary determines that the plan does not meet the requirements of this section;

“(D) if the Secretary determines that the State plan does not meet the requirements of subsection (a), (b), or (c), immediately notify the State of such determination and the reasons for such determination;

“(E) not decline to approve a State’s plan before—
“(i) offering the State an opportunity to revise its plan;

“(ii) providing technical assistance in order to assist the State to meet the requirements of subsections (a), (b), and (c); and

“(iii) providing a hearing; and

“(F) have the authority to disapprove a State plan for not meeting the requirements of this part, but shall not have the authority to require a State, as a condition of approval of the State plan, to include in, or delete from, such plan one or more specific elements of the State’s academic content standards or to use specific academic assessment instruments or items.

“(2) STATE REVISIONS.—A State plan shall be revised by the State educational agency if it is necessary to satisfy the requirements of this section.

“(f) DURATION OF THE PLAN.—

“(1) IN GENERAL.—Each State plan shall—

“(A) remain in effect for the duration of the State’s participation under this part; and

“(B) be periodically reviewed and revised as necessary by the State educational agency to reflect changes in the State’s strategies and programs under this part.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) ADDITIONAL INFORMATION.—If significant changes are made to a State’s plan, such as the adoption of new State academic content standards and State student achievement standards, new academic assessments, or a new definition of adequate yearly progress, such information shall be submitted to the Secretary.

“(g) PENALTIES.—

“(1) FAILURE TO MEET DEADLINES ENACTED IN 1994.—

“(A) IN GENERAL.—If a State fails to meet the deadlines established by the Improving America’s Schools Act of 1994 (or under any waiver granted by the Secretary or under any compliance agreement with the Secretary) for demonstrating that the State has in place challenging academic content standards and student achievement standards, and a system for measuring and monitoring adequate yearly progress, the Secretary shall withhold 25 percent of the funds that would otherwise be available to the State for State administration and activities under this part in each year until the Secretary determines that the State meets those requirements.

“(B) NO EXTENSION.—Notwithstanding any other provision of law, 90 days after the date of enactment of the No Child Left Behind Act of 2001 the Secretary shall not grant any additional waivers of, or enter into any additional compliance agreements to extend, the deadlines described in subparagraph (A) for any State.

“(2) FAILURE TO MEET REQUIREMENTS ENACTED IN 2001.—

If a State fails to meet any of the requirements of this section, other than the requirements described in paragraph (1), then the Secretary may withhold funds for State administration under this part until the Secretary determines that the State has fulfilled those requirements.

“(h) REPORTS.—

“(1) ANNUAL STATE REPORT CARD.—

“(A) IN GENERAL.—Not later than the beginning of the 2002–2003 school year, unless the State has received a 1-year extension pursuant to subsection (c)(1), a State that receives assistance under this part shall prepare and disseminate an annual State report card.

Deadline.

“(B) IMPLEMENTATION.—The State report card shall be—

“(i) concise; and

“(ii) presented in an understandable and uniform format and, to the extent practicable, provided in a language that the parents can understand.

“(C) REQUIRED INFORMATION.—The State shall include in its annual State report card—

“(i) information, in the aggregate, on student achievement at each proficiency level on the State academic assessments described in subsection (b)(3) (disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and status as economically disadvantaged, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student);

“(ii) information that provides a comparison between the actual achievement levels of each group of students described in subsection (b)(2)(C)(v) and the State’s annual measurable objectives for each such group of students on each of the academic assessments required under this part;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) the percentage of students not tested (disaggregated by the same categories and subject to the same exception described in clause (i));

“(iv) the most recent 2-year trend in student achievement in each subject area, and for each grade level, for which assessments under this section are required;

“(v) aggregate information on any other indicators used by the State to determine the adequate yearly progress of students in achieving State academic achievement standards;

“(vi) graduation rates for secondary school students consistent with subsection (b)(2)(C)(vi);

“(vii) information on the performance of local educational agencies in the State regarding making adequate yearly progress, including the number and names of each school identified for school improvement under section 1116; and

“(viii) the professional qualifications of teachers in the State, the percentage of such teachers teaching with emergency or provisional credentials, and the percentage of classes in the State not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools which, for the purpose of this clause, means schools in the top quartile of poverty and the bottom quartile of poverty in the State.

“(D) OPTIONAL INFORMATION.—The State may include in its annual State report card such other information as the State believes will best provide parents, students, and other members of the public with information regarding the progress of each of the State’s public elementary schools and public secondary schools. Such information may include information regarding—

“(i) school attendance rates;

“(ii) average class size in each grade;

“(iii) academic achievement and gains in English proficiency of limited English proficient students;

“(iv) the incidence of school violence, drug abuse, alcohol abuse, student suspensions, and student expulsions;

“(v) the extent and type of parental involvement in the schools;

“(vi) the percentage of students completing advanced placement courses, and the rate of passing of advanced placement tests; and

“(vii) a clear and concise description of the State’s accountability system, including a description of the criteria by which the State evaluates school performance, and the criteria that the State has established, consistent with subsection (b)(2), to determine the status of schools regarding school improvement, corrective action, and restructuring.

“(2) ANNUAL LOCAL EDUCATIONAL AGENCY REPORT CARDS.—

“(A) REPORT CARDS.—

Deadline.

“(i) IN GENERAL.—Not later than the beginning of the 2002–2003 school year, a local educational agency that receives assistance under this part shall prepare and disseminate an annual local educational agency report card, except that the State educational agency may provide the local educational agency 1 additional year if the local educational agency demonstrates that exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of

PUBLIC LAW 107-110—JAN. 8, 2002

the local educational agency, prevented full implementation of this paragraph by that deadline and that the local educational agency will complete implementation within the additional 1-year period.

“(ii) SPECIAL RULE.—If a State educational agency has received an extension pursuant to subsection (c)(1), then a local educational agency within that State shall not be required to include the information required under paragraph (1)(C) in such report card during such extension.

“(B) MINIMUM REQUIREMENTS.—The State educational agency shall ensure that each local educational agency collects appropriate data and includes in the local educational agency’s annual report the information described in paragraph (1)(C) as applied to the local educational agency and each school served by the local educational agency, and—

“(i) in the case of a local educational agency—

“(I) the number and percentage of schools identified for school improvement under section 1116(c) and how long the schools have been so identified; and

“(II) information that shows how students served by the local educational agency achieved on the statewide academic assessment compared to students in the State as a whole; and

“(ii) in the case of a school—

“(I) whether the school has been identified for school improvement; and

“(II) information that shows how the school’s students achievement on the statewide academic assessments and other indicators of adequate yearly progress compared to students in the local educational agency and the State as a whole.

“(C) OTHER INFORMATION.—A local educational agency may include in its annual local educational agency report card any other appropriate information, whether or not such information is included in the annual State report card.

“(D) DATA.—A local educational agency or school shall only include in its annual local educational agency report card data that are sufficient to yield statistically reliable information, as determined by the State, and that do not reveal personally identifiable information about an individual student.

“(E) PUBLIC DISSEMINATION.—The local educational agency shall, not later than the beginning of the 2002–2003 school year, unless the local educational agency has received a 1-year extension pursuant to subparagraph (A), publicly disseminate the information described in this paragraph to all schools in the school district served by the local educational agency and to all parents of students attending those schools in an understandable and uniform format and, to the extent practicable, provided in a language that the parents can understand, and make the information widely available through public means, such as posting on the Internet, distribution to the media, and distribution through public agencies, except that if a local educational agency issues a report card for all students, the local educational agency may include the information under this section as part of such report.

Deadline.

“(3) PREEXISTING REPORT CARDS.—A State educational agency or local educational agency that was providing public report cards on the performance of students, schools, local educational agencies, or the State prior to the enactment of

PUBLIC LAW 107-110—JAN. 8, 2002

the No Child Left Behind Act of 2001 may use those report cards for the purpose of this subsection, so long as any such report card is modified, as may be needed, to contain the information required by this subsection.

Deadlines.

“(4) ANNUAL STATE REPORT TO THE SECRETARY.—Each State educational agency receiving assistance under this part shall report annually to the Secretary, and make widely available within the State—

“(A) beginning with school year 2002–2003, information on the State’s progress in developing and implementing the academic assessments described in subsection (b)(3);

“(B) beginning not later than school year 2002–2003, information on the achievement of students on the academic assessments required by subsection (b)(3), including the disaggregated results for the categories of students identified in subsection (b)(2)(C)(v);

“(C) in any year before the State begins to provide the information described in subparagraph (B), information on the results of student academic assessments (including disaggregated results) required under this section;

“(D) beginning not later than school year 2002–2003, unless the State has received an extension pursuant to subsection (c)(1), information on the acquisition of English proficiency by children with limited English proficiency;

“(E) the number and names of each school identified for school improvement under section 1116(c), the reason why each school was so identified, and the measures taken to address the achievement problems of such schools;

“(F) the number of students and schools that participated in public school choice and supplemental service programs and activities under this title; and

“(G) beginning not later than the 2002–2003 school year, information on the quality of teachers and the percentage of classes being taught by highly qualified teachers in the State, local educational agency, and school.

“(5) REPORT TO CONGRESS.—The Secretary shall transmit annually to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that provides national and State-level data on the information collected under paragraph (4).

“(6) PARENTS RIGHT-TO-KNOW.—

Notification.

“(A) QUALIFICATIONS.—At the beginning of each school year, a local educational agency that receives funds under this part shall notify the parents of each student attending any school receiving funds under this part that the parents may request, and the agency will provide the parents on request (and in a timely manner), information regarding the professional qualifications of the student’s classroom teachers, including, at a minimum, the following:

“(i) Whether the teacher has met State qualification and licensing criteria for the grade levels and subject areas in which the teacher provides instruction.

“(ii) Whether the teacher is teaching under emergency or other provisional status through which State qualification or licensing criteria have been waived.

“(iii) The baccalaureate degree major of the teacher and any other graduate certification or degree held by the teacher, and the field of discipline of the certification or degree.

“(iv) Whether the child is provided services by paraprofessionals and, if so, their qualifications.

“(B) ADDITIONAL INFORMATION.—In addition to the information that parents may request under subparagraph

PUBLIC LAW 107-110—JAN. 8, 2002

(A), a school that receives funds under this part shall provide to each individual parent—

“(i) information on the level of achievement of the parent’s child in each of the State academic assessments as required under this part; and

“(ii) timely notice that the parent’s child has been assigned, or has been taught for four or more consecutive weeks by, a teacher who is not highly qualified.

“(C) FORMAT.—The notice and information provided to parents under this paragraph shall be in an understandable and uniform format and, to the extent practicable, provided in a language that the parents can understand.

“(i) PRIVACY.—Information collected under this section shall be collected and disseminated in a manner that protects the privacy of individuals.

“(j) TECHNICAL ASSISTANCE.—The Secretary shall provide a State educational agency, at the State educational agency’s request, technical assistance in meeting the requirements of this section, including the provision of advice by experts in the development of high-quality academic assessments, the setting of State standards, the development of measures of adequate yearly progress that are valid and reliable, and other relevant areas.

“(k) VOLUNTARY PARTNERSHIPS.—A State may enter into a voluntary partnership with another State to develop and implement the academic assessments and standards required under this section.

“(l) CONSTRUCTION.—Nothing in this part shall be construed to prescribe the use of the academic assessments described in this part for student promotion or graduation purposes.

“(m) SPECIAL RULE WITH RESPECT TO BUREAU-FUNDED SCHOOLS.—In determining the assessments to be used by each operated or funded by BIA school receiving funds under this part, the following shall apply:

Applicability.

“(1) Each such school that is accredited by the State in which it is operating shall use the assessments the State has developed and implemented to meet the requirements of this section, or such other appropriate assessment as approved by the Secretary of the Interior.

“(2) Each such school that is accredited by a regional accrediting organization shall adopt an appropriate assessment, in consultation with and with the approval of, the Secretary of the Interior and consistent with assessments adopted by other schools in the same State or region, that meets the requirements of this section.

“(3) Each such school that is accredited by a tribal accrediting agency or tribal division of education shall use an assessment developed by such agency or division, except that the Secretary of the Interior shall ensure that such assessment meets the requirements of this section.

“SEC. 1112. LOCAL EDUCATIONAL AGENCY PLANS.

20 USC 6312.

“(a) PLANS REQUIRED.—

“(1) SUBGRANTS.—A local educational agency may receive a subgrant under this part for any fiscal year only if such agency has on file with the State educational agency a plan, approved by the State educational agency, that is coordinated with other programs under this Act, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the McKinney-Vento Homeless Assistance Act, and other Acts, as appropriate.

“(2) CONSOLIDATED APPLICATION.—The plan may be submitted as part of a consolidated application under section 9305.

“(b) PLAN PROVISIONS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) IN GENERAL.—In order to help low-achieving children meet challenging achievement academic standards, each local educational agency plan shall include—

“(A) a description of high-quality student academic assessments, if any, that are in addition to the academic assessments described in the State plan under section 1111(b)(3), that the local educational agency and schools served under this part will use—

“(i) to determine the success of children served under this part in meeting the State student academic achievement standards, and to provide information to teachers, parents, and students on the progress being made toward meeting the State student academic achievement standards described in section 1111(b)(1)(D)(ii);

“(ii) to assist in diagnosis, teaching, and learning in the classroom in ways that best enable low-achieving children served under this part to meet State student achievement academic standards and do well in the local curriculum;

“(iii) to determine what revisions are needed to projects under this part so that such children meet the State student academic achievement standards; and

“(iv) to identify effectively students who may be at risk for reading failure or who are having difficulty reading, through the use of screening, diagnostic, and classroom-based instructional reading assessments, as defined under section 1208;

“(B) at the local educational agency’s discretion, a description of any other indicators that will be used in addition to the academic indicators described in section 1111 for the uses described in such section;

“(C) a description of how the local educational agency will provide additional educational assistance to individual students assessed as needing help in meeting the State’s challenging student academic achievement standards;

“(D) a description of the strategy the local educational agency will use to coordinate programs under this part with programs under title II to provide professional development for teachers and principals, and, if appropriate, pupil services personnel, administrators, parents and other staff, including local educational agency level staff in accordance with sections 1118 and 1119;

“(E) a description of how the local educational agency will coordinate and integrate services provided under this part with other educational services at the local educational agency or individual school level, such as—

“(i) Even Start, Head Start, Reading First, Early Reading First, and other preschool programs, including plans for the transition of participants in such programs to local elementary school programs; and

“(ii) services for children with limited English proficiency, children with disabilities, migratory children, neglected or delinquent youth, Indian children served under part A of title VII, homeless children, and immigrant children in order to increase program effectiveness, eliminate duplication, and reduce fragmentation of the instructional program;

“(F) an assurance that the local educational agency will participate, if selected, in the State National Assessment of Educational Progress in 4th and 8th grade reading and mathematics carried out under section 411(b)(2) of the National Education Statistics Act of 1994;

PUBLIC LAW 107-110—JAN. 8, 2002

“(G) a description of the poverty criteria that will be used to select school attendance areas under section 1113;

“(H) a description of how teachers, in consultation with parents, administrators, and pupil services personnel, in targeted assistance schools under section 1115, will identify the eligible children most in need of services under this part;

“(I) a general description of the nature of the programs to be conducted by such agency’s schools under sections 1114 and 1115 and, where appropriate, educational services outside such schools for children living in local institutions for neglected or delinquent children, and for neglected and delinquent children in community day school programs;

“(J) a description of how the local educational agency will ensure that migratory children and formerly migratory children who are eligible to receive services under this part are selected to receive such services on the same basis as other children who are selected to receive services under this part;

“(K) if appropriate, a description of how the local educational agency will use funds under this part to support preschool programs for children, particularly children participating in Early Reading First, or in a Head Start or Even Start program, which services may be provided directly by the local educational agency or through a subcontract with the local Head Start agency designated by the Secretary of Health and Human Services under section 641 of the Head Start Act, or an agency operating an Even Start program, an Early Reading First program, or another comparable public early childhood development program;

“(L) a description of the actions the local educational agency will take to assist its low-achieving schools identified under section 1116 as in need of improvement;

“(M) a description of the actions the local educational agency will take to implement public school choice and supplemental services, consistent with the requirements of section 1116;

“(N) a description of how the local educational agency will meet the requirements of section 1119;

“(O) a description of the services the local educational agency will provide homeless children, including services provided with funds reserved under section 1113(c)(3)(A);

“(P) a description of the strategy the local educational agency will use to implement effective parental involvement under section 1118; and

“(Q) where appropriate, a description of how the local educational agency will use funds under this part to support after school (including before school and summer school) and school-year extension programs.

“(2) EXCEPTION.—The academic assessments and indicators described in subparagraphs (A) and (B) of paragraph (1) shall not be used—

“(A) in lieu of the academic assessments required under section 1111(b)(3) and other State academic indicators under section 1111(b)(2); or

“(B) to reduce the number of, or change which, schools would otherwise be subject to school improvement, corrective action, or restructuring under section 1116, if such additional assessments or indicators described in such subparagraphs were not used, but such assessments and indicators may be used to identify additional schools for school improvement or in need of corrective action or restructuring.

“(c) ASSURANCES.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) IN GENERAL.—Each local educational agency plan shall provide assurances that the local educational agency will—

“(A) inform eligible schools and parents of schoolwide program authority and the ability of such schools to consolidate funds from Federal, State, and local sources;

“(B) provide technical assistance and support to schoolwide programs;

“(C) work in consultation with schools as the schools develop the schools’ plans pursuant to section 1114 and assist schools as the schools implement such plans or undertake activities pursuant to section 1115 so that each school can make adequate yearly progress toward meeting the State student academic achievement standards;

“(D) fulfill such agency’s school improvement responsibilities under section 1116, including taking actions under paragraphs (7) and (8) of section 1116(b);

“(E) provide services to eligible children attending private elementary schools and secondary schools in accordance with section 1120, and timely and meaningful consultation with private school officials regarding such services;

“(F) take into account the experience of model programs for the educationally disadvantaged, and the findings of relevant scientifically based research indicating that services may be most effective if focused on students in the earliest grades at schools that receive funds under this part;

“(G) in the case of a local educational agency that chooses to use funds under this part to provide early childhood development services to low-income children below the age of compulsory school attendance, ensure that such services comply with the performance standards established under section 641A(a) of the Head Start Act;

“(H) work in consultation with schools as the schools develop and implement their plans or activities under sections 1118 and 1119;

“(I) comply with the requirements of section 1119 regarding the qualifications of teachers and paraprofessionals and professional development;

“(J) inform eligible schools of the local educational agency’s authority to obtain waivers on the school’s behalf under title IX and, if the State is an Ed-Flex Partnership State, to obtain waivers under the Education Flexibility Partnership Act of 1999;

“(K) coordinate and collaborate, to the extent feasible and necessary as determined by the local educational agency, with the State educational agency and other agencies providing services to children, youth, and families with respect to a school in school improvement, corrective action, or restructuring under section 1116 if such a school requests assistance from the local educational agency in addressing major factors that have significantly affected student achievement at the school;

“(L) ensure, through incentives for voluntary transfers, the provision of professional development, recruitment programs, or other effective strategies, that low-income students and minority students are not taught at higher rates than other students by unqualified, out-of-field, or inexperienced teachers;

“(M) use the results of the student academic assessments required under section 1111(b)(3), and other measures or indicators available to the agency, to review annually the progress of each school served by the agency and receiving funds under this part to determine whether all of the schools are making the progress necessary to

PUBLIC LAW 107-110—JAN. 8, 2002

ensure that all students will meet the State's proficient level of achievement on the State academic assessments described in section 1111(b)(3) within 12 years from the end of the 2001-2002 school year;

“(N) ensure that the results from the academic assessments required under section 1111(b)(3) will be provided to parents and teachers as soon as is practicably possible after the test is taken, in an understandable and uniform format and, to the extent practicable, provided in a language that the parents can understand; and

“(O) assist each school served by the agency and assisted under this part in developing or identifying examples of high-quality, effective curricula consistent with section 1111(b)(8)(D).

“(2) SPECIAL RULE.—In carrying out subparagraph (G) of paragraph (1), the Secretary—

“(A) shall consult with the Secretary of Health and Human Services and shall establish procedures (taking into consideration existing State and local laws, and local teacher contracts) to assist local educational agencies to comply with such subparagraph; and

“(B) shall disseminate to local educational agencies the Head Start performance standards as in effect under section 641A(a) of the Head Start Act, and such agencies affected by such subparagraph shall plan for the implementation of such subparagraph (taking into consideration existing State and local laws, and local teacher contracts), including pursuing the availability of other Federal, State, and local funding sources to assist in compliance with such subparagraph.

“(3) INAPPLICABILITY.—Paragraph (1)(G) of this subsection shall not apply to preschool programs using the Even Start model or to Even Start programs that are expanded through the use of funds under this part.

“(d) PLAN DEVELOPMENT AND DURATION.—

“(1) CONSULTATION.—Each local educational agency plan shall be developed in consultation with teachers, principals, administrators (including administrators of programs described in other parts of this title), and other appropriate school personnel, and with parents of children in schools served under this part.

“(2) DURATION.—Each such plan shall be submitted for the first year for which this part is in effect following the date of enactment of the No Child Left Behind Act of 2001 and shall remain in effect for the duration of the agency's participation under this part.

“(3) REVIEW.—Each local educational agency shall periodically review and, as necessary, revise its plan.

“(e) STATE APPROVAL.—

“(1) IN GENERAL.—Each local educational agency plan shall be filed according to a schedule established by the State educational agency.

“(2) APPROVAL.—The State educational agency shall approve a local educational agency's plan only if the State educational agency determines that the local educational agency's plan—

“(A) enables schools served under this part to substantially help children served under this part meet the academic standards expected of all children described in section 1111(b)(1); and

“(B) meets the requirements of this section.

“(3) REVIEW.—The State educational agency shall review the local educational agency's plan to determine if such agencies activities are in accordance with sections 1118 and 1119.

Procedures.

PUBLIC LAW 107-110—JAN. 8, 2002

“(f) PROGRAM RESPONSIBILITY.—The local educational agency plan shall reflect the shared responsibility of schools, teachers, and the local educational agency in making decisions regarding activities under sections 1114 and 1115.

“(g) PARENTAL NOTIFICATION.—

“(1) IN GENERAL.—

Deadline.

“(A) NOTICE.—Each local educational agency using funds under this part to provide a language instruction educational program as determined in part C of title III shall, not later than 30 days after the beginning of the school year, inform a parent or parents of a limited English proficient child identified for participation or participating in, such a program of—

“(i) the reasons for the identification of their child as limited English proficient and in need of placement in a language instruction educational program;

“(ii) the child’s level of English proficiency, how such level was assessed, and the status of the child’s academic achievement;

“(iii) the methods of instruction used in the program in which their child is, or will be participating, and the methods of instruction used in other available programs, including how such programs differ in content, instructional goals, and the use of English and a native language in instruction;

“(iv) how the program in which their child is, or will be participating, will meet the educational strengths and needs of their child;

“(v) how such program will specifically help their child learn English, and meet age-appropriate academic achievement standards for grade promotion and graduation;

“(vi) the specific exit requirements for the program, including the expected rate of transition from such program into classrooms that are not tailored for limited English proficient children, and the expected rate of graduation from secondary school for such program if funds under this part are used for children in secondary schools;

“(vii) in the case of a child with a disability, how such program meets the objectives of the individualized education program of the child;

“(viii) information pertaining to parental rights that includes written guidance—

“(I) detailing—

“(aa) the right that parents have to have their child immediately removed from such program upon their request; and

“(bb) the options that parents have to decline to enroll their child in such program or to choose another program or method of instruction, if available; and

“(II) assisting parents in selecting among various programs and methods of instruction, if more than one program or method is offered by the eligible entity.

Deadline.

“(B) SEPARATE NOTIFICATION.—In addition to providing the information required to be provided under paragraph (1), each eligible entity that is using funds provided under this part to provide a language instruction educational program, and that has failed to make progress on the annual measurable achievement objectives described in section 3122 for any fiscal year for which part A is in effect, shall separately inform a parent or the parents of a child identified for participation in such program, or participat-

PUBLIC LAW 107-110—JAN. 8, 2002

ing in such program, of such failure not later than 30 days after such failure occurs.

“(2) NOTICE.—The notice and information provided in paragraph (1) to a parent or parents of a child identified for participation in a language instruction educational program for limited English proficient children shall be in an understandable and uniform format and, to the extent practicable, provided in a language that the parents can understand.

“(3) SPECIAL RULE APPLICABLE DURING THE SCHOOL YEAR.—For those children who have not been identified as limited English proficient prior to the beginning of the school year the local educational agency shall notify parents within the first 2 weeks of the child being placed in a language instruction educational program consistent with paragraphs (1) and (2).

Deadline.

“(4) PARENTAL PARTICIPATION.—Each local educational agency receiving funds under this part shall implement an effective means of outreach to parents of limited English proficient students to inform the parents regarding how the parents can be involved in the education of their children, and be active participants in assisting their children to attain English proficiency, achieve at high levels in core academic subjects, and meet challenging State academic achievement standards and State academic content standards expected of all students, including holding, and sending notice of opportunities for, regular meetings for the purpose of formulating and responding to recommendations from parents of students assisted under this part.

“(5) BASIS FOR ADMISSION OR EXCLUSION.—A student shall not be admitted to, or excluded from, any federally assisted education program on the basis of a surname or language-minority status.

“SEC. 1113. ELIGIBLE SCHOOL ATTENDANCE AREAS.

20 USC 6313.

“(a) DETERMINATION.—

“(1) IN GENERAL.—A local educational agency shall use funds received under this part only in eligible school attendance areas.

“(2) ELIGIBLE SCHOOL ATTENDANCE AREAS.—For the purposes of this part—

“(A) the term ‘school attendance area’ means, in relation to a particular school, the geographical area in which the children who are normally served by that school reside; and

“(B) the term ‘eligible school attendance area’ means a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of children from low-income families served by the local educational agency as a whole.

“(3) RANKING ORDER.—If funds allocated in accordance with subsection (c) are insufficient to serve all eligible school attendance areas, a local educational agency shall—

“(A) annually rank, without regard to grade spans, such agency’s eligible school attendance areas in which the concentration of children from low-income families exceeds 75 percent from highest to lowest according to the percentage of children from low-income families; and

“(B) serve such eligible school attendance areas in rank order.

“(4) REMAINING FUNDS.—If funds remain after serving all eligible school attendance areas under paragraph (3), a local educational agency shall—

“(A) annually rank such agency’s remaining eligible school attendance areas from highest to lowest either by grade span or for the entire local educational agency accord-

PUBLIC LAW 107-110—JAN. 8, 2002

ing to the percentage of children from low-income families; and

“(B) serve such eligible school attendance areas in rank order either within each grade-span grouping or within the local educational agency as a whole.

“(5) MEASURES.—The local educational agency shall use the same measure of poverty, which measure shall be the number of children ages 5 through 17 in poverty counted in the most recent census data approved by the Secretary, the number of children eligible for free and reduced priced lunches under the Richard B. Russell National School Lunch Act, the number of children in families receiving assistance under the State program funded under part A of title IV of the Social Security Act, or the number of children eligible to receive medical assistance under the Medicaid program, or a composite of such indicators, with respect to all school attendance areas in the local educational agency—

“(A) to identify eligible school attendance areas;

“(B) to determine the ranking of each area; and

“(C) to determine allocations under subsection (c).

“(6) EXCEPTION.—This subsection shall not apply to a local educational agency with a total enrollment of less than 1,000 children.

“(7) WAIVER FOR DESEGREGATION PLANS.—The Secretary may approve a local educational agency’s written request for a waiver of the requirements of subsections (a) and (c), and permit such agency to treat as eligible, and serve, any school that children attend with a State-ordered, court-ordered school desegregation plan or a plan that continues to be implemented in accordance with a State-ordered or court-ordered desegregation plan, if—

“(A) the number of economically disadvantaged children enrolled in the school is at least 25 percent of the school’s total enrollment; and

“(B) the Secretary determines on the basis of a written request from such agency and in accordance with such criteria as the Secretary establishes, that approval of that request would further the purposes of this part.

“(b) LOCAL EDUCATIONAL AGENCY DISCRETION.—

“(1) IN GENERAL.—Notwithstanding subsection (a)(2), a local educational agency may—

“(A) designate as eligible any school attendance area or school in which at least 35 percent of the children are from low-income families;

“(B) use funds received under this part in a school that is not in an eligible school attendance area, if the percentage of children from low-income families enrolled in the school is equal to or greater than the percentage of such children in a participating school attendance area of such agency;

“(C) designate and serve a school attendance area or school that is not eligible under this section, but that was eligible and that was served in the preceding fiscal year, but only for 1 additional fiscal year; and

“(D) elect not to serve an eligible school attendance area or eligible school that has a higher percentage of children from low-income families if—

“(i) the school meets the comparability requirements of section 1120A(c);

“(ii) the school is receiving supplemental funds from other State or local sources that are spent according to the requirements of section 1114 or 1115; and

“(iii) the funds expended from such other sources equal or exceed the amount that would be provided under this part.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) SPECIAL RULE.—Notwithstanding paragraph (1)(D), the number of children attending private elementary schools and secondary schools who are to receive services, and the assistance such children are to receive under this part, shall be determined without regard to whether the public school attendance area in which such children reside is assisted under subparagraph (A).

“(c) ALLOCATIONS.—

“(1) IN GENERAL.—A local educational agency shall allocate funds received under this part to eligible school attendance areas or eligible schools, identified under subsections (a) and (b), in rank order, on the basis of the total number of children from low-income families in each area or school.

“(2) SPECIAL RULE.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the per-pupil amount of funds allocated to each school attendance area or school under paragraph (1) shall be at least 125 percent of the per-pupil amount of funds a local educational agency received for that year under the poverty criteria described by the local educational agency in the plan submitted under section 1112, except that this paragraph shall not apply to a local educational agency that only serves schools in which the percentage of such children is 35 percent or greater.

“(B) EXCEPTION.—A local educational agency may reduce the amount of funds allocated under subparagraph (A) for a school attendance area or school by the amount of any supplemental State and local funds expended in that school attendance area or school for programs that meet the requirements of section 1114 or 1115.

“(3) RESERVATION.—A local educational agency shall reserve such funds as are necessary under this part to provide services comparable to those provided to children in schools funded under this part to serve—

“(A) homeless children who do not attend participating schools, including providing educationally related support services to children in shelters and other locations where children may live;

“(B) children in local institutions for neglected children; and

“(C) if appropriate, children in local institutions for delinquent children, and neglected or delinquent children in community day school programs.

“(4) FINANCIAL INCENTIVES AND REWARDS RESERVATION.—A local educational agency may reserve such funds as are necessary from those funds received by the local educational agency under title II, and not more than 5 percent of those funds received by the local educational agency under subpart 2, to provide financial incentives and rewards to teachers who serve in schools eligible under this section and identified for school improvement, corrective action, and restructuring under section 1116(b) for the purpose of attracting and retaining qualified and effective teachers.

“SEC. 1114. SCHOOLWIDE PROGRAMS.

20 USC 6314.

“(a) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—

“(1) IN GENERAL.—A local educational agency may consolidate and use funds under this part, together with other Federal, State, and local funds, in order to upgrade the entire educational program of a school that serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families, or not less than 40 percent of the children enrolled in the school are from such families.

“(2) IDENTIFICATION OF STUDENTS NOT REQUIRED.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) IN GENERAL.—No school participating in a schoolwide program shall be required—

“(i) to identify particular children under this part as eligible to participate in a schoolwide program; or

“(ii) to provide services to such children that are supplementary, as otherwise required by section 1120A(b).

“(B) SUPPLEMENTAL FUNDS.—A school participating in a schoolwide program shall use funds available to carry out this section only to supplement the amount of funds that would, in the absence of funds under this part, be made available from non-Federal sources for the school, including funds needed to provide services that are required by law for children with disabilities and children with limited English proficiency.

“(3) EXEMPTION FROM STATUTORY AND REGULATORY REQUIREMENTS.—

“(A) EXEMPTION.—Except as provided in subsection (b), the Secretary may, through publication of a notice in the Federal Register, exempt schoolwide programs under this section from statutory or regulatory provisions of any other noncompetitive formula grant program administered by the Secretary (other than formula or discretionary grant programs under the Individuals with Disabilities Education Act, except as provided in section 613(a)(2)(D) of such Act), or any discretionary grant program administered by the Secretary, to support schoolwide programs if the intent and purposes of such other programs are met.

“(B) REQUIREMENTS.—A school that chooses to use funds from such other programs shall not be relieved of the requirements relating to health, safety, civil rights, student and parental participation and involvement, services to private school children, maintenance of effort, comparability of services, uses of Federal funds to supplement, not supplant non-Federal funds, or the distribution of funds to State educational agencies or local educational agencies that apply to the receipt of funds from such programs.

“(C) RECORDS.—A school that consolidates and uses funds from different Federal programs under this section shall not be required to maintain separate fiscal accounting records, by program, that identify the specific activities supported by those particular funds as long as the school maintains records that demonstrate that the schoolwide program, considered as a whole, addresses the intent and purposes of each of the Federal programs that were consolidated to support the schoolwide program.

“(4) PROFESSIONAL DEVELOPMENT.—Each school receiving funds under this part for any fiscal year shall devote sufficient resources to effectively carry out the activities described in subsection (b)(1)(D) in accordance with section 1119 for such fiscal year, except that a school may enter into a consortium with another school to carry out such activities.

“(b) COMPONENTS OF A SCHOOLWIDE PROGRAM.—

“(1) IN GENERAL.—A schoolwide program shall include the following components:

“(A) A comprehensive needs assessment of the entire school (including taking into account the needs of migratory children as defined in section 1309(2)) that is based on information which includes the achievement of children in relation to the State academic content standards and the State student academic achievement standards described in section 1111(b)(1).

“(B) Schoolwide reform strategies that—

“(i) provide opportunities for all children to meet the State’s proficient and advanced levels of student

PUBLIC LAW 107-110—JAN. 8, 2002

academic achievement described in section 1111(b)(1)(D);

“(ii) use effective methods and instructional strategies that are based on scientifically based research that—

“(I) strengthen the core academic program in the school;

“(II) increase the amount and quality of learning time, such as providing an extended school year and before- and after-school and summer programs and opportunities, and help provide an enriched and accelerated curriculum; and

“(III) include strategies for meeting the educational needs of historically underserved populations;

“(iii)(I) include strategies to address the needs of all children in the school, but particularly the needs of low-achieving children and those at risk of not meeting the State student academic achievement standards who are members of the target population of any program that is included in the schoolwide program, which may include—

“(aa) counseling, pupil services, and mentoring services;

“(bb) college and career awareness and preparation, such as college and career guidance, personal finance education, and innovative teaching methods, which may include applied learning and team-teaching strategies; and

“(cc) the integration of vocational and technical education programs; and

“(II) address how the school will determine if such needs have been met; and

“(iv) are consistent with, and are designed to implement, the State and local improvement plans, if any.

“(C) Instruction by highly qualified teachers.

“(D) In accordance with section 1119 and subsection (a)(4), high-quality and ongoing professional development for teachers, principals, and paraprofessionals and, if appropriate, pupil services personnel, parents, and other staff to enable all children in the school to meet the State’s student academic achievement standards.

“(E) Strategies to attract high-quality highly qualified teachers to high-need schools.

“(F) Strategies to increase parental involvement in accordance with section 1118, such as family literary services.

“(G) Plans for assisting preschool children in the transition from early childhood programs, such as Head Start, Even Start, Early Reading First, or a State-run preschool program, to local elementary school programs.

“(H) Measures to include teachers in the decisions regarding the use of academic assessments described in section 1111(b)(3) in order to provide information on, and to improve, the achievement of individual students and the overall instructional program.

“(I) Activities to ensure that students who experience difficulty mastering the proficient or advanced levels of academic achievement standards required by section 1111(b)(1) shall be provided with effective, timely additional assistance which shall include measures to ensure that students’ difficulties are identified on a timely basis and to provide sufficient information on which to base effective assistance.

PUBLIC LAW 107-110—JAN. 8, 2002

“(J) Coordination and integration of Federal, State, and local services and programs, including programs supported under this Act, violence prevention programs, nutrition programs, housing programs, Head Start, adult education, vocational and technical education, and job training.

“(2) PLAN.—

“(A) IN GENERAL.—Any eligible school that desires to operate a schoolwide program shall first develop (or amend a plan for such a program that was in existence on the day before the date of enactment of the No Child Left Behind Act of 2001), in consultation with the local educational agency and its school support team or other technical assistance provider under section 1117, a comprehensive plan for reforming the total instructional program in the school that—

“(i) describes how the school will implement the components described in paragraph (1);

“(ii) describes how the school will use resources under this part and from other sources to implement those components;

“(iii) includes a list of State educational agency and local educational agency programs and other Federal programs under subsection (a)(3) that will be consolidated in the schoolwide program; and

“(iv) describes how the school will provide individual student academic assessment results in a language the parents can understand, including an interpretation of those results, to the parents of a child who participates in the academic assessments required by section 1111(b)(3).

“(B) PLAN DEVELOPMENT.—The comprehensive plan shall be—

“(i) developed during a one-year period, unless—

“(I) the local educational agency, after considering the recommendation of the technical assistance providers under section 1117, determines that less time is needed to develop and implement the schoolwide program; or

“(II) the school is operating a schoolwide program on the day preceding the date of enactment of the No Child Left Behind Act of 2001, in which case such school may continue to operate such program, but shall develop amendments to its existing plan during the first year of assistance after that date to reflect the provisions of this section;

“(ii) developed with the involvement of parents and other members of the community to be served and individuals who will carry out such plan, including teachers, principals, and administrators (including administrators of programs described in other parts of this title), and, if appropriate, pupil services personnel, technical assistance providers, school staff, and, if the plan relates to a secondary school, students from such school;

“(iii) in effect for the duration of the school’s participation under this part and reviewed and revised, as necessary, by the school;

“(iv) available to the local educational agency, parents, and the public, and the information contained in such plan shall be in an understandable and uniform format and, to the extent practicable, provided in a language that the parents can understand; and

“(v) if appropriate, developed in coordination with programs under Reading First, Early Reading First,

Records.

PUBLIC LAW 107-110—JAN. 8, 2002

Even Start, Carl D. Perkins Vocational and Technical Education Act of 1998, and the Head Start Act.

“(c) PREKINDERGARTEN PROGRAM.—A school that is eligible for a schoolwide program under this section may use funds made available under this part to establish or enhance prekindergarten programs for children below the age of 6, such as Even Start programs or Early Reading First programs.

“SEC. 1115. TARGETED ASSISTANCE SCHOOLS.

20 USC 6315.

“(a) IN GENERAL.—In all schools selected to receive funds under section 1113(c) that are ineligible for a schoolwide program under section 1114, or that choose not to operate such a schoolwide program, a local educational agency serving such school may use funds received under this part only for programs that provide services to eligible children under subsection (b) identified as having the greatest need for special assistance.

“(b) ELIGIBLE CHILDREN.—

“(1) ELIGIBLE POPULATION.—

“(A) IN GENERAL.—The eligible population for services under this section is—

“(i) children not older than age 21 who are entitled to a free public education through grade 12; and

“(ii) children who are not yet at a grade level at which the local educational agency provides a free public education.

“(B) ELIGIBLE CHILDREN FROM ELIGIBLE POPULATION.—

From the population described in subparagraph (A), eligible children are children identified by the school as failing, or most at risk of failing, to meet the State’s challenging student academic achievement standards on the basis of multiple, educationally related, objective criteria established by the local educational agency and supplemented by the school, except that children from preschool through grade 2 shall be selected solely on the basis of such criteria as teacher judgment, interviews with parents, and developmentally appropriate measures.

“(2) CHILDREN INCLUDED.—

“(A) IN GENERAL.—Children who are economically disadvantaged, children with disabilities, migrant children or limited English proficient children, are eligible for services under this part on the same basis as other children selected to receive services under this part.

“(B) HEAD START, EVEN START, OR EARLY READING FIRST CHILDREN.—A child who, at any time in the 2 years preceding the year for which the determination is made, participated in a Head Start, Even Start, or Early Reading First program, or in preschool services under this title, is eligible for services under this part.

“(C) PART C CHILDREN.—A child who, at any time in the 2 years preceding the year for which the determination is made, received services under part C is eligible for services under this part.

“(D) NEGLECTED OR DELINQUENT CHILDREN.—A child in a local institution for neglected or delinquent children and youth or attending a community day program for such children is eligible for services under this part.

“(E) HOMELESS CHILDREN.—A child who is homeless and attending any school served by the local educational agency is eligible for services under this part.

“(3) SPECIAL RULE.—Funds received under this part may not be used to provide services that are otherwise required by law to be made available to children described in paragraph (2) but may be used to coordinate or supplement such services.

“(c) COMPONENTS OF A TARGETED ASSISTANCE SCHOOL PROGRAM.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) IN GENERAL.—To assist targeted assistance schools and local educational agencies to meet their responsibility to provide for all their students served under this part the opportunity to meet the State’s challenging student academic achievement standards in subjects as determined by the State, each targeted assistance program under this section shall—

“(A) use such program’s resources under this part to help participating children meet such State’s challenging student academic achievement standards expected for all children;

“(B) ensure that planning for students served under this part is incorporated into existing school planning;

“(C) use effective methods and instructional strategies that are based on scientifically based research that strengthens the core academic program of the school and that—

“(i) give primary consideration to providing extended learning time, such as an extended school year, before- and after-school, and summer programs and opportunities;

“(ii) help provide an accelerated, high-quality curriculum, including applied learning; and

“(iii) minimize removing children from the regular classroom during regular school hours for instruction provided under this part;

“(D) coordinate with and support the regular education program, which may include services to assist preschool children in the transition from early childhood programs such as Head Start, Even Start, Early Reading First or State-run preschool programs to elementary school programs;

“(E) provide instruction by highly qualified teachers;

“(F) in accordance with subsection (e)(3) and section 1119, provide opportunities for professional development with resources provided under this part, and, to the extent practicable, from other sources, for teachers, principals, and paraprofessionals, including, if appropriate, pupil services personnel, parents, and other staff, who work with participating children in programs under this section or in the regular education program;

“(G) provide strategies to increase parental involvement in accordance with section 1118, such as family literacy services; and

“(H) coordinate and integrate Federal, State, and local services and programs, including programs supported under this Act, violence prevention programs, nutrition programs, housing programs, Head Start, adult education, vocational and technical education, and job training.

“(2) REQUIREMENTS.—Each school conducting a program under this section shall assist participating children selected in accordance with subsection (b) to meet the State’s proficient and advanced levels of achievement by—

“(A) the coordinating of resources provided under this part with other resources; and

“(B) reviewing, on an ongoing basis, the progress of participating children and revising the targeted assistance program, if necessary, to provide additional assistance to enable such children to meet the State’s challenging student academic achievement standards, such as an extended school year, before- and after-school, and summer programs and opportunities, training for teachers regarding how to identify students who need additional assistance, and training for teachers regarding how to implement student academic achievement standards in the classroom.

PUBLIC LAW 107-110—JAN. 8, 2002

“(d) INTEGRATION OF PROFESSIONAL DEVELOPMENT.—To promote the integration of staff supported with funds under this part into the regular school program and overall school planning and improvement efforts, public school personnel who are paid with funds received under this part may—

“(1) participate in general professional development and school planning activities; and

“(2) assume limited duties that are assigned to similar personnel who are not so paid, including duties beyond classroom instruction or that do not benefit participating children, so long as the amount of time spent on such duties is the same proportion of total work time as prevails with respect to similar personnel at the same school.

“(e) SPECIAL RULES.—

“(1) SIMULTANEOUS SERVICE.—Nothing in this section shall be construed to prohibit a school from serving students under this section simultaneously with students with similar educational needs, in the same educational settings where appropriate.

“(2) COMPREHENSIVE SERVICES.—If—

“(A) health, nutrition, and other social services are not otherwise available to eligible children in a targeted assistance school and such school, if appropriate, has engaged in a comprehensive needs assessment and established a collaborative partnership with local service providers; and

“(B) funds are not reasonably available from other public or private sources to provide such services, then a portion of the funds provided under this part may be used as a last resort to provide such services, including—

“(i) the provision of basic medical equipment, such as eyeglasses and hearing aids;

“(ii) compensation of a coordinator; and

“(iii) professional development necessary to assist teachers, pupil services personnel, other staff, and parents in identifying and meeting the comprehensive needs of eligible children.

“(3) PROFESSIONAL DEVELOPMENT.—Each school receiving funds under this part for any fiscal year shall devote sufficient resources to carry out effectively the professional development activities described in subparagraph (F) of subsection (c)(1) in accordance with section 1119 for such fiscal year, and a school may enter into a consortium with another school to carry out such activities.

“SEC. 1116. ACADEMIC ASSESSMENT AND LOCAL EDUCATIONAL AGENCY AND SCHOOL IMPROVEMENT. 20 USC 6316.

“(a) LOCAL REVIEW.—

“(1) IN GENERAL.—Each local educational agency receiving funds under this part shall—

“(A) use the State academic assessments and other indicators described in the State plan to review annually the progress of each school served under this part to determine whether the school is making adequate yearly progress as defined in section 1111(b)(2);

“(B) at the local educational agency’s discretion, use any academic assessments or any other academic indicators described in the local educational agency’s plan under section 1112(b)(1)(A) and (B) to review annually the progress of each school served under this part to determine whether the school is making adequate yearly progress as defined in section 1111(b)(2), except that the local educational agency may not use such indicators (other than as provided for in section 1111(b)(2)(I)) if the indicators reduce the number or change the schools that would otherwise be

PUBLIC LAW 107-110—JAN. 8, 2002

subject to school improvement, corrective action, or restructuring under section 1116 if such additional indicators were not used, but may identify additional schools for school improvement or in need of corrective action or restructuring;

“(C) publicize and disseminate the results of the local annual review described in paragraph (1) to parents, teachers, principals, schools, and the community so that the teachers, principals, other staff, and schools can continually refine, in an instructionally useful manner, the program of instruction to help all children served under this part meet the challenging State student academic achievement standards established under section 1111(b)(1); and

“(D) review the effectiveness of the actions and activities the schools are carrying out under this part with respect to parental involvement, professional development, and other activities assisted under this part.

“(2) AVAILABLE RESULTS.—The State educational agency shall ensure that the results of State academic assessments administered in that school year are available to the local educational agency before the beginning of the next school year.

“(b) SCHOOL IMPROVEMENT.—

“(1) GENERAL REQUIREMENTS.—

“(A) IDENTIFICATION.—Subject to subparagraph (C), a local educational agency shall identify for school improvement any elementary school or secondary school served under this part that fails, for 2 consecutive years, to make adequate yearly progress as defined in the State’s plan under section 1111(b)(2).

“(B) DEADLINE.—The identification described in subparagraph (A) shall take place before the beginning of the school year following such failure to make adequate yearly progress.

“(C) APPLICATION.—Subparagraph (A) shall not apply to a school if almost every student in each group specified in section 1111(b)(2)(C)(v) enrolled in such school is meeting or exceeding the State’s proficient level of academic achievement.

“(D) TARGETED ASSISTANCE SCHOOLS.—To determine if an elementary school or a secondary school that is conducting a targeted assistance program under section 1115 should be identified for school improvement, corrective action, or restructuring under this section, a local educational agency may choose to review the progress of only the students in the school who are served, or are eligible for services, under this part.

“(E) PUBLIC SCHOOL CHOICE.—

“(i) IN GENERAL.—In the case of a school identified for school improvement under this paragraph, the local educational agency shall, not later than the first day of the school year following such identification, provide all students enrolled in the school with the option to transfer to another public school served by the local educational agency, which may include a public charter school, that has not been identified for school improvement under this paragraph, unless such an option is prohibited by State law.

“(ii) RULE.—In providing students the option to transfer to another public school, the local educational agency shall give priority to the lowest achieving children from low-income families, as determined by the local educational agency for purposes of allocating funds to schools under section 1113(c)(1).

PUBLIC LAW 107-110—JAN. 8, 2002

“(F) TRANSFER.—Students who use the option to transfer under subparagraph (E) and paragraph (5)(A), (7)(C)(i), or (8)(A)(i) or subsection (c)(10)(C)(vii) shall be enrolled in classes and other activities in the public school to which the students transfer in the same manner as all other children at the public school.

“(2) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE; TIME LIMIT.—

“(A) IDENTIFICATION.—Before identifying an elementary school or a secondary school for school improvement under paragraphs (1) or (5)(A), for corrective action under paragraph (7), or for restructuring under paragraph (8), the local educational agency shall provide the school with an opportunity to review the school-level data, including academic assessment data, on which the proposed identification is based.

“(B) EVIDENCE.—If the principal of a school proposed for identification under paragraph (1), (5)(A), (7), or (8) believes, or a majority of the parents of the students enrolled in such school believe, that the proposed identification is in error for statistical or other substantive reasons, the principal may provide supporting evidence to the local educational agency, which shall consider that evidence before making a final determination.

“(C) FINAL DETERMINATION.—Not later than 30 days after a local educational agency provides the school with the opportunity to review such school-level data, the local educational agency shall make public a final determination on the status of the school with respect to the identification.

Deadline.
Public
information.

“(3) SCHOOL PLAN.—

“(A) REVISED PLAN.—After the resolution of a review under paragraph (2), each school identified under paragraph (1) for school improvement shall, not later than 3 months after being so identified, develop or revise a school plan, in consultation with parents, school staff, the local educational agency serving the school, and outside experts, for approval by such local educational agency. The school plan shall cover a 2-year period and—

Deadline.

“(i) incorporate strategies based on scientifically based research that will strengthen the core academic subjects in the school and address the specific academic issues that caused the school to be identified for school improvement, and may include a strategy for the implementation of a comprehensive school reform model that includes each of the components described in part F;

“(ii) adopt policies and practices concerning the school’s core academic subjects that have the greatest likelihood of ensuring that all groups of students specified in section 1111(b)(2)(C)(v) and enrolled in the school will meet the State’s proficient level of achievement on the State academic assessment described in section 1111(b)(3) not later than 12 years after the end of the 2001–2002 school year;

“(iii) provide an assurance that the school will spend not less than 10 percent of the funds made available to the school under section 1113 for each fiscal year that the school is in school improvement status, for the purpose of providing to the school’s teachers and principal high-quality professional development that—

“(I) directly addresses the academic achievement problem that caused the school to be identified for school improvement;

PUBLIC LAW 107-110—JAN. 8, 2002

“(II) meets the requirements for professional development activities under section 1119; and

“(III) is provided in a manner that affords increased opportunity for participating in that professional development;

“(iv) specify how the funds described in clause (iii) will be used to remove the school from school improvement status;

Deadline.

“(v) establish specific annual, measurable objectives for continuous and substantial progress by each group of students specified in section 1111(b)(2)(C)(v) and enrolled in the school that will ensure that all such groups of students will, in accordance with adequate yearly progress as defined in section 1111(b)(2), meet the State’s proficient level of achievement on the State academic assessment described in section 1111(b)(3) not later than 12 years after the end of the 2001–2002 school year;

“(vi) describe how the school will provide written notice about the identification to parents of each student enrolled in such school, in a format and, to the extent practicable, in a language that the parents can understand;

“(vii) specify the responsibilities of the school, the local educational agency, and the State educational agency serving the school under the plan, including the technical assistance to be provided by the local educational agency under paragraph (4) and the local educational agency’s responsibilities under section 1120A;

“(viii) include strategies to promote effective parental involvement in the school;

“(ix) incorporate, as appropriate, activities before school, after school, during the summer, and during any extension of the school year; and

“(x) incorporate a teacher mentoring program.

“(B) **CONDITIONAL APPROVAL.**—The local educational agency may condition approval of a school plan under this paragraph on—

“(i) inclusion of one or more of the corrective actions specified in paragraph (7)(C)(iv); or

“(ii) feedback on the school improvement plan from parents and community leaders.

Deadline.

“(C) **PLAN IMPLEMENTATION.**—Except as provided in subparagraph (D), a school shall implement the school plan (including a revised plan) expeditiously, but not later than the beginning of the next full school year following the identification under paragraph (1).

“(D) **PLAN APPROVED DURING SCHOOL YEAR.**—Notwithstanding subparagraph (C), if a plan is not approved prior to the beginning of a school year, such plan shall be implemented immediately upon approval.

“(E) **LOCAL EDUCATIONAL AGENCY APPROVAL.**—The local educational agency, within 45 days of receiving a school plan, shall—

Establishment.

“(i) establish a peer review process to assist with review of the school plan; and

“(ii) promptly review the school plan, work with the school as necessary, and approve the school plan if the plan meets the requirements of this paragraph.

“(4) **TECHNICAL ASSISTANCE.**—

“(A) **IN GENERAL.**—For each school identified for school improvement under paragraph (1), the local educational agency serving the school shall ensure the provision of technical assistance as the school develops and implements

PUBLIC LAW 107-110—JAN. 8, 2002

the school plan under paragraph (3) throughout the plan's duration.

“(B) SPECIFIC ASSISTANCE.—Such technical assistance—

“(i) shall include assistance in analyzing data from the assessments required under section 1111(b)(3), and other examples of student work, to identify and address problems in instruction, and problems if any, in implementing the parental involvement requirements described in section 1118, the professional development requirements described in section 1119, and the responsibilities of the school and local educational agency under the school plan, and to identify and address solutions to such problems;

“(ii) shall include assistance in identifying and implementing professional development, instructional strategies, and methods of instruction that are based on scientifically based research and that have proven effective in addressing the specific instructional issues that caused the school to be identified for school improvement;

“(iii) shall include assistance in analyzing and revising the school's budget so that the school's resources are more effectively allocated to the activities most likely to increase student academic achievement and to remove the school from school improvement status; and

“(iv) may be provided—

“(I) by the local educational agency, through mechanisms authorized under section 1117; or

“(II) by the State educational agency, an institution of higher education (that is in full compliance with all the reporting provisions of title II of the Higher Education Act of 1965), a private not-for-profit organization or for-profit organization, an educational service agency, or another entity with experience in helping schools improve academic achievement.

“(C) SCIENTIFICALLY BASED RESEARCH.—Technical assistance provided under this section by a local educational agency or an entity approved by that agency shall be based on scientifically based research.

“(5) FAILURE TO MAKE ADEQUATE YEARLY PROGRESS AFTER IDENTIFICATION.—In the case of any school served under this part that fails to make adequate yearly progress, as set out in the State's plan under section 1111(b)(2), by the end of the first full school year after identification under paragraph (1), the local educational agency serving such school—

“(A) shall continue to provide all students enrolled in the school with the option to transfer to another public school served by the local educational agency in accordance with subparagraphs (E) and (F);

“(B) shall make supplemental educational services available consistent with subsection (e)(1); and

“(C) shall continue to provide technical assistance.

“(6) NOTICE TO PARENTS.—A local educational agency shall promptly provide to a parent or parents (in an understandable and uniform format and, to the extent practicable, in a language the parents can understand) of each student enrolled in an elementary school or a secondary school identified for school improvement under paragraph (1), for corrective action under paragraph (7), or for restructuring under paragraph (8)—

“(A) an explanation of what the identification means, and how the school compares in terms of academic achievement to other elementary schools or secondary schools

PUBLIC LAW 107-110—JAN. 8, 2002

served by the local educational agency and the State educational agency involved;

“(B) the reasons for the identification;

“(C) an explanation of what the school identified for school improvement is doing to address the problem of low achievement;

“(D) an explanation of what the local educational agency or State educational agency is doing to help the school address the achievement problem;

“(E) an explanation of how the parents can become involved in addressing the academic issues that caused the school to be identified for school improvement; and

“(F) an explanation of the parents’ option to transfer their child to another public school under paragraphs (1)(E), (5)(A), (7)(C)(i), (8)(A)(i), and subsection (c)(10)(C)(vii) (with transportation provided by the agency when required by paragraph (9)) or to obtain supplemental educational services for the child, in accordance with subsection (e).

“(7) CORRECTIVE ACTION.—

“(A) IN GENERAL.—In this subsection, the term ‘corrective action’ means action, consistent with State law, that—

“(i) substantially and directly responds to—

“(I) the consistent academic failure of a school that caused the local educational agency to take such action; and

“(II) any underlying staffing, curriculum, or other problems in the school; and

“(ii) is designed to increase substantially the likelihood that each group of students described in 1111(b)(2)(C) enrolled in the school identified for corrective action will meet or exceed the State’s proficient levels of achievement on the State academic assessments described in section 1111(b)(3).

“(B) SYSTEM.—In order to help students served under this part meet challenging State student academic achievement standards, each local educational agency shall implement a system of corrective action in accordance with subparagraphs (C) through (E).

“(C) ROLE OF LOCAL EDUCATIONAL AGENCY.—In the case of any school served by a local educational agency under this part that fails to make adequate yearly progress, as defined by the State under section 1111(b)(2), by the end of the second full school year after the identification under paragraph (1), the local educational agency shall—

“(i) continue to provide all students enrolled in the school with the option to transfer to another public school served by the local educational agency, in accordance with paragraph (1)(E) and (F);

“(ii) continue to provide technical assistance consistent with paragraph (4) while instituting any corrective action under clause (iv);

“(iii) continue to make supplemental educational services available, in accordance with subsection (e), to children who remain in the school; and

“(iv) identify the school for corrective action and take at least one of the following corrective actions:

“(I) Replace the school staff who are relevant to the failure to make adequate yearly progress.

“(II) Institute and fully implement a new curriculum, including providing appropriate professional development for all relevant staff, that is based on scientifically based research and offers substantial promise of improving educational achievement for low-achieving students and

PUBLIC LAW 107-110—JAN. 8, 2002

enabling the school to make adequate yearly progress.

“(III) Significantly decrease management authority at the school level.

“(IV) Appoint an outside expert to advise the school on its progress toward making adequate yearly progress, based on its school plan under paragraph (3).

“(V) Extend the school year or school day for the school.

“(VI) Restructure the internal organizational structure of the school.

“(D) DELAY.—Notwithstanding any other provision of this paragraph, the local educational agency may delay, for a period not to exceed 1 year, implementation of the requirements under paragraph (5), corrective action under this paragraph, or restructuring under paragraph (8) if the school makes adequate yearly progress for 1 year or if its failure to make adequate yearly progress is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency or school. No such period shall be taken into account in determining the number of consecutive years of failure to make adequate yearly progress.

“(E) PUBLICATION AND DISSEMINATION.—The local educational agency shall publish and disseminate information regarding any corrective action the local educational agency takes under this paragraph at a school—

“(i) to the public and to the parents of each student enrolled in the school subject to corrective action;

“(ii) in an understandable and uniform format and, to the extent practicable, provided in a language that the parents can understand; and

“(iii) through such means as the Internet, the media, and public agencies.

“(8) RESTRUCTURING.—

“(A) FAILURE TO MAKE ADEQUATE YEARLY PROGRESS.—If, after 1 full school year of corrective action under paragraph (7), a school subject to such corrective action continues to fail to make adequate yearly progress, then the local educational agency shall—

“(i) continue to provide all students enrolled in the school with the option to transfer to another public school served by the local educational agency, in accordance with paragraph (1)(E) and (F);

“(ii) continue to make supplemental educational services available, in accordance with subsection (e), to children who remain in the school; and

“(iii) prepare a plan and make necessary arrangements to carry out subparagraph (B).

“(B) ALTERNATIVE GOVERNANCE.—Not later than the beginning of the school year following the year in which the local educational agency implements subparagraph (A), the local educational agency shall implement one of the following alternative governance arrangements for the school consistent with State law:

“(i) Reopening the school as a public charter school.

“(ii) Replacing all or most of the school staff (which may include the principal) who are relevant to the failure to make adequate yearly progress.

“(iii) Entering into a contract with an entity, such as a private management company, with a demonstrated record of effectiveness, to operate the public school.

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

“(iv) Turning the operation of the school over to the State educational agency, if permitted under State law and agreed to by the State.

“(v) Any other major restructuring of the school’s governance arrangement that makes fundamental reforms, such as significant changes in the school’s staffing and governance, to improve student academic achievement in the school and that has substantial promise of enabling the school to make adequate yearly progress as defined in the State plan under section 1111(b)(2). In the case of a rural local educational agency with a total of less than 600 students in average daily attendance at the schools that are served by the agency and all of whose schools have a School Locale Code of 7 or 8, as determined by the Secretary, the Secretary shall, at such agency’s request, provide technical assistance to such agency for the purpose of implementing this clause.

“(C) PROMPT NOTICE.—The local educational agency shall—

“(i) provide prompt notice to teachers and parents whenever subparagraph (A) or (B) applies; and

“(ii) provide the teachers and parents with an adequate opportunity to—

“(I) comment before taking any action under those subparagraphs; and

“(II) participate in developing any plan under subparagraph (A)(iii).

“(9) TRANSPORTATION.—In any case described in paragraph (1)(E) for schools described in paragraphs (1)(A), (5), (7)(C)(i), and (8)(A), and subsection (c)(10)(C)(vii), the local educational agency shall provide, or shall pay for the provision of, transportation for the student to the public school the student attends.

“(10) FUNDS FOR TRANSPORTATION AND SUPPLEMENTAL EDUCATIONAL SERVICES.—

“(A) IN GENERAL.—Unless a lesser amount is needed to comply with paragraph (9) and to satisfy all requests for supplemental educational services under subsection (e), a local educational agency shall spend an amount equal to 20 percent of its allocation under subpart 2, from which the agency shall spend—

“(i) an amount equal to 5 percent of its allocation under subpart 2 to provide, or pay for, transportation under paragraph (9);

“(ii) an amount equal to 5 percent of its allocation under subpart 2 to provide supplemental educational services under subsection (e); and

“(iii) an amount equal to the remaining 10 percent of its allocation under subpart 2 for transportation under paragraph (9), supplemental educational services under subsection (e), or both, as the agency determines.

“(B) TOTAL AMOUNT.—The total amount described in subparagraph (A)(ii) is the maximum amount the local educational agency shall be required to spend under this part on supplemental educational services described in subsection (e).

“(C) INSUFFICIENT FUNDS.—If the amount of funds described in subparagraph (A)(ii) or (iii) and available to provide services under this subsection is insufficient to provide supplemental educational services to each child whose parents request the services, the local educational agency shall give priority to providing the services to the lowest-achieving children.

“(D) PROHIBITION.—A local educational agency shall not, as a result of the application of this paragraph, reduce

PUBLIC LAW 107-110—JAN. 8, 2002

by more than 15 percent the total amount made available under section 1113(c) to a school described in paragraph (7)(C) or (8)(A) of subsection (b).

“(11) COOPERATIVE AGREEMENT.—In any case described in paragraph (1)(E), (5)(A), (7)(C)(i), or (8)(A)(i), or subsection (c)(10)(C)(vii) if all public schools served by the local educational agency to which a child may transfer are identified for school improvement, corrective action or restructuring, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for a transfer.

“(12) DURATION.—If any school identified for school improvement, corrective action, or restructuring makes adequate yearly progress for two consecutive school years, the local educational agency shall no longer subject the school to the requirements of school improvement, corrective action, or restructuring or identify the school for school improvement for the succeeding school year.

“(13) SPECIAL RULE.—A local educational agency shall permit a child who transferred to another school under this subsection to remain in that school until the child has completed the highest grade in that school. The obligation of the local educational agency to provide, or to provide for, transportation for the child ends at the end of a school year if the local educational agency determines that the school from which the child transferred is no longer identified for school improvement or subject to corrective action or restructuring.

“(14) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—The State educational agency shall—

“(A) make technical assistance under section 1117 available to schools identified for school improvement, corrective action, or restructuring under this subsection consistent with section 1117(a)(2);

“(B) if the State educational agency determines that a local educational agency failed to carry out its responsibilities under this subsection, take such corrective actions as the State educational agency determines to be appropriate and in compliance with State law;

“(C) ensure that academic assessment results under this part are provided to schools before any identification of a school may take place under this subsection; and

“(D) for local educational agencies or schools identified for improvement under this subsection, notify the Secretary of major factors that were brought to the attention of the State educational agency under section 1111(b)(9) that have significantly affected student academic achievement.

“(c) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—

“(1) IN GENERAL.—A State shall—

“(A) annually review the progress of each local educational agency receiving funds under this part to determine whether schools receiving assistance under this part are making adequate yearly progress as defined in section 1111(b)(2) toward meeting the State’s student academic achievement standards and to determine if each local educational agency is carrying out its responsibilities under this section and sections 1117, 1118, and 1119; and

“(B) publicize and disseminate to local educational agencies, teachers and other staff, parents, students, and the community the results of the State review, including statistically sound disaggregated results, as required by section 1111(b)(2).

“(2) REWARDS.—In the case of a local educational agency that, for 2 consecutive years, has exceeded adequate yearly progress as defined in the State plan under section 1111(b)(2),

PUBLIC LAW 107-110—JAN. 8, 2002

the State may make rewards of the kinds described under section 1117 to the agency.

“(3) IDENTIFICATION OF LOCAL EDUCATIONAL AGENCY FOR IMPROVEMENT.—A State shall identify for improvement any local educational agency that, for 2 consecutive years, including the period immediately prior to the date of enactment of the No Child Left Behind Act of 2001, failed to make adequate yearly progress as defined in the State’s plan under section 1111(b)(2).

“(4) TARGETED ASSISTANCE SCHOOLS.—When reviewing targeted assistance schools served by a local educational agency, a State educational agency may choose to review the progress of only the students in such schools who are served, or are eligible for services, under this part.

“(5) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—

“(A) REVIEW.—Before identifying a local educational agency for improvement under paragraph (3) or corrective action under paragraph (10), a State educational agency shall provide the local educational agency with an opportunity to review the data, including academic assessment data, on which the proposed identification is based.

Deadline.

“(B) EVIDENCE.—If the local educational agency believes that the proposed identification is in error for statistical or other substantive reasons, the agency may provide supporting evidence to the State educational agency, which shall consider the evidence before making a final determination not later than 30 days after the State educational agency provides the local educational agency with the opportunity to review such data under subparagraph (A).

“(6) NOTIFICATION TO PARENTS.—The State educational agency shall promptly provide to the parents (in a format and, to the extent practicable, in a language the parents can understand) of each student enrolled in a school served by a local educational agency identified for improvement, the results of the review under paragraph (1) and, if the agency is identified for improvement, the reasons for that identification and how parents can participate in upgrading the quality of the local educational agency.

“(7) LOCAL EDUCATIONAL AGENCY REVISIONS.—

Deadline.

“(A) PLAN.—Each local educational agency identified under paragraph (3) shall, not later than 3 months after being so identified, develop or revise a local educational agency plan, in consultation with parents, school staff, and others. Such plan shall—

“(i) incorporate scientifically based research strategies that strengthen the core academic program in schools served by the local educational agency;

“(ii) identify actions that have the greatest likelihood of improving the achievement of participating children in meeting the State’s student academic achievement standards;

“(iii) address the professional development needs of the instructional staff serving the agency by committing to spend not less than 10 percent of the funds received by the local educational agency under subpart 2 for each fiscal year in which the agency is identified for improvement for professional development (including funds reserved for professional development under subsection (b)(3)(A)(iii)), but excluding funds reserved for professional development under section 1119;

“(iv) include specific measurable achievement goals and targets for each of the groups of students identified in the disaggregated data pursuant to section

PUBLIC LAW 107-110—JAN. 8, 2002

1111(b)(2)(C)(v), consistent with adequate yearly progress as defined under section 1111(b)(2);

“(v) address the fundamental teaching and learning needs in the schools of that agency, and the specific academic problems of low-achieving students, including a determination of why the local educational agency’s prior plan failed to bring about increased student academic achievement;

“(vi) incorporate, as appropriate, activities before school, after school, during the summer, and during an extension of the school year;

“(vii) specify the responsibilities of the State educational agency and the local educational agency under the plan, including specifying the technical assistance to be provided by the State educational agency under paragraph (9) and the local educational agency’s responsibilities under section 1120A; and

“(viii) include strategies to promote effective parental involvement in the school.

“(B) IMPLEMENTATION.—The local educational agency shall implement the plan (including a revised plan) expeditiously, but not later than the beginning of the next school year after the school year in which the agency was identified for improvement.

Deadline.

“(9) STATE EDUCATIONAL AGENCY RESPONSIBILITY.—

“(A) TECHNICAL OR OTHER ASSISTANCE.—For each local educational agency identified under paragraph (3), the State educational agency shall provide technical or other assistance if requested, as authorized under section 1117, to better enable the local educational agency to—

“(i) develop and implement the local educational agency’s plan; and

“(ii) work with schools needing improvement.

“(B) METHODS AND STRATEGIES.—Technical assistance provided under this section by the State educational agency or an entity authorized by such agency shall be supported by effective methods and instructional strategies based on scientifically based research. Such technical assistance shall address problems, if any, in implementing the parental involvement activities described in section 1118 and the professional development activities described in section 1119.

“(10) CORRECTIVE ACTION.—In order to help students served under this part meet challenging State student academic achievement standards, each State shall implement a system of corrective action in accordance with the following:

“(A) DEFINITION.—As used in this paragraph, the term ‘corrective action’ means action, consistent with State law, that—

“(i) substantially and directly responds to the consistent academic failure that caused the State to take such action and to any underlying staffing, curricular, or other problems in the agency; and

“(ii) is designed to meet the goal of having all students served under this part achieve at the proficient and advanced student academic achievement levels.

“(B) GENERAL REQUIREMENTS.—After providing technical assistance under paragraph (9) and subject to subparagraph (E), the State—

“(i) may take corrective action at any time with respect to a local educational agency that has been identified under paragraph (3);

“(ii) shall take corrective action with respect to any local educational agency that fails to make ade-

PUBLIC LAW 107-110—JAN. 8, 2002

quate yearly progress, as defined by the State, by the end of the second full school year after the identification of the agency under paragraph (3); and

“(iii) shall continue to provide technical assistance while instituting any corrective action under clause (i) or (ii).

“(C) CERTAIN CORRECTIVE ACTIONS REQUIRED.—In the case of a local educational agency identified for corrective action, the State educational agency shall take at least one of the following corrective actions:

“(i) Deferring programmatic funds or reducing administrative funds.

“(ii) Instituting and fully implementing a new curriculum that is based on State and local academic content and achievement standards, including providing appropriate professional development based on scientifically based research for all relevant staff, that offers substantial promise of improving educational achievement for low-achieving students.

“(iii) Replacing the local educational agency personnel who are relevant to the failure to make adequate yearly progress.

“(iv) Removing particular schools from the jurisdiction of the local educational agency and establishing alternative arrangements for public governance and supervision of such schools.

“(v) Appointing, through the State educational agency, a receiver or trustee to administer the affairs of the local educational agency in place of the superintendent and school board.

“(vi) Abolishing or restructuring the local educational agency.

“(vii) Authorizing students to transfer from a school operated by the local educational agency to a higher-performing public school operated by another local educational agency in accordance with subsections (b)(1)(E) and (F), and providing to such students transportation (or the costs of transportation) to such schools consistent with subsection (b)(9), in conjunction with carrying out not less than one additional action described under this subparagraph.

“(D) HEARING.—Prior to implementing any corrective action under this paragraph, the State educational agency shall provide notice and a hearing to the affected local educational agency, if State law provides for such notice and hearing. The hearing shall take place not later than 45 days following the decision to implement corrective action.

“(E) NOTICE TO PARENTS.—The State educational agency shall publish, and disseminate to parents and the public, information on any corrective action the State educational agency takes under this paragraph through such means as the Internet, the media, and public agencies.

“(F) DELAY.—Notwithstanding subparagraph (B)(ii), a State educational agency may delay, for a period not to exceed 1 year, implementation of corrective action under this paragraph if the local educational agency makes adequate yearly progress for 1 year or its failure to make adequate yearly progress is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency. No such period shall be taken into account in determining the number of consecutive years of failure to make adequate yearly progress.

Notice.
Deadline.

Publication.

PUBLIC LAW 107-110—JAN. 8, 2002

“(11) SPECIAL RULE.—If a local educational agency makes adequate yearly progress for two consecutive school years beginning after the date of identification of the agency under paragraph (3), the State educational agency need no longer identify the local educational agency for improvement or subject the local educational agency to corrective action for the succeeding school year.

“(d) CONSTRUCTION.—Nothing in this section shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded school or school district employees under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.

“(e) SUPPLEMENTAL EDUCATIONAL SERVICES.—

“(1) SUPPLEMENTAL EDUCATIONAL SERVICES.—In the case of any school described in paragraph (5), (7), or (8) of subsection (b), the local educational agency serving such school shall, subject to this subsection, arrange for the provision of supplemental educational services to eligible children in the school from a provider with a demonstrated record of effectiveness, that is selected by the parents and approved for that purpose by the State educational agency in accordance with reasonable criteria, consistent with paragraph (5), that the State educational agency shall adopt.

“(2) LOCAL EDUCATIONAL AGENCY RESPONSIBILITIES.—Each local educational agency subject to this subsection shall—

“(A) provide, at a minimum, annual notice to parents (in an understandable and uniform format and, to the extent practicable, in a language the parents can understand) of—

“(i) the availability of services under this subsection;

“(ii) the identity of approved providers of those services that are within the local educational agency or whose services are reasonably available in neighboring local educational agencies; and

“(iii) a brief description of the services, qualifications, and demonstrated effectiveness of each such provider;

“(B) if requested, assist parents in choosing a provider from the list of approved providers maintained by the State;

“(C) apply fair and equitable procedures for serving students if the number of spaces at approved providers is not sufficient to serve all students; and

“(D) not disclose to the public the identity of any student who is eligible for, or receiving, supplemental educational services under this subsection without the written permission of the parents of the student.

“(3) AGREEMENT.—In the case of the selection of an approved provider by a parent, the local educational agency shall enter into an agreement with such provider. Such agreement shall—

“(A) require the local educational agency to develop, in consultation with parents (and the provider chosen by the parents), a statement of specific achievement goals for the student, how the student’s progress will be measured, and a timetable for improving achievement that, in the case of a student with disabilities, is consistent with the student’s individualized education program under section 614(d) of the Individuals with Disabilities Education Act;

“(B) describe how the student’s parents and the student’s teacher or teachers will be regularly informed of the student’s progress;

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) provide for the termination of such agreement if the provider is unable to meet such goals and timetables;

“(D) contain provisions with respect to the making of payments to the provider by the local educational agency; and

“(E) prohibit the provider from disclosing to the public the identity of any student eligible for, or receiving, supplemental educational services under this subsection without the written permission of the parents of such student.

“(4) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—A State educational agency shall—

“(A) in consultation with local educational agencies, parents, teachers, and other interested members of the public, promote maximum participation by providers to ensure, to the extent practicable, that parents have as many choices as possible;

“(B) develop and apply objective criteria, consistent with paragraph (5), to potential providers that are based on a demonstrated record of effectiveness in increasing the academic proficiency of students in subjects relevant to meeting the State academic content and student achievement standards adopted under section 1111(b)(1);

Records.

“(C) maintain an updated list of approved providers across the State, by school district, from which parents may select;

Reports.
Public
information.

“(D) develop, implement, and publicly report on standards and techniques for monitoring the quality and effectiveness of the services offered by approved providers under this subsection, and for withdrawing approval from providers that fail, for 2 consecutive years, to contribute to increasing the academic proficiency of students served under this subsection as described in subparagraph (B); and

Notice.

“(E) provide annual notice to potential providers of supplemental educational services of the opportunity to provide services under this subsection and of the applicable procedures for obtaining approval from the State educational agency to be an approved provider of those services.

“(5) CRITERIA FOR PROVIDERS.—In order for a provider to be included on the State list under paragraph (4)(C), a provider shall agree to carry out the following:

“(A) Provide parents of children receiving supplemental educational services under this subsection and the appropriate local educational agency with information on the progress of the children in increasing achievement, in a format and, to the extent practicable, a language that such parents can understand.

“(B) Ensure that instruction provided and content used by the provider are consistent with the instruction provided and content used by the local educational agency and State, and are aligned with State student academic achievement standards.

“(C) Meet all applicable Federal, State, and local health, safety, and civil rights laws.

“(D) Ensure that all instruction and content under this subsection are secular, neutral, and nonideological.

“(6) AMOUNTS FOR SUPPLEMENTAL EDUCATIONAL SERVICES.—The amount that a local educational agency shall make available for supplemental educational services for each child receiving those services under this subsection shall be the lesser of—

“(A) the amount of the agency’s allocation under subpart 2, divided by the number of children from families

PUBLIC LAW 107-110—JAN. 8, 2002

below the poverty level counted under section 1124(c)(1)(A);
or

“(B) the actual costs of the supplemental educational services received by the child.

“(7) FUNDS PROVIDED BY STATE EDUCATIONAL AGENCY.—Each State educational agency may use funds that the agency reserves under this part, and part A of title V, to assist local educational agencies that do not have sufficient funds to provide services under this subsection for all eligible students requesting such services.

“(8) DURATION.—The local educational agency shall continue to provide supplemental educational services to a child receiving such services under this subsection until the end of the school year in which such services were first received.

“(9) PROHIBITION.—Nothing contained in this subsection shall permit the making of any payment for religious worship or instruction.

“(10) WAIVER.—

“(A) REQUIREMENT.—At the request of a local educational agency, a State educational agency may waive, in whole or in part, the requirement of this subsection to provide supplemental educational services if the State educational agency determines that—

“(i) none of the providers of those services on the list approved by the State educational agency under paragraph (4)(C) makes those services available in the area served by the local educational agency or within a reasonable distance of that area; and

“(ii) the local educational agency provides evidence that it is not able to provide those services.

“(B) NOTIFICATION.—The State educational agency shall notify the local educational agency, within 30 days of receiving the local educational agency’s request for a waiver under subparagraph (A), whether the request is approved or disapproved and, if disapproved, the reasons for the disapproval, in writing.

Deadline.

“(11) SPECIAL RULE.—If State law prohibits a State educational agency from carrying out one or more of its responsibilities under paragraph (4) with respect to those who provide, or seek approval to provide, supplemental educational services, each local educational agency in the State shall carry out those responsibilities with respect to its students who are eligible for those services.

“(12) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible child’ means a child from a low-income family, as determined by the local educational agency for purposes of allocating funds to schools under section 1113(c)(1);

“(B) the term ‘provider’ means a non-profit entity, a for-profit entity, or a local educational agency that—

“(i) has a demonstrated record of effectiveness in increasing student academic achievement;

“(ii) is capable of providing supplemental educational services that are consistent with the instructional program of the local educational agency and the academic standards described under section 1111; and

“(iii) is financially sound; and

“(C) the term ‘supplemental educational services’ means tutoring and other supplemental academic enrichment services that are—

“(i) in addition to instruction provided during the school day; and

“(ii) are of high quality, research-based, and specifically designed to increase the academic achieve-

PUBLIC LAW 107-110—JAN. 8, 2002

ment of eligible children on the academic assessments required under section 1111 and attain proficiency in meeting the State's academic achievement standards.

“(f) SCHOOLS AND LEAS PREVIOUSLY IDENTIFIED FOR IMPROVEMENT OR CORRECTIVE ACTION.—

“(1) SCHOOLS.—

“(A) SCHOOL IMPROVEMENT.—

“(i) SCHOOLS IN SCHOOL-IMPROVEMENT STATUS BEFORE DATE OF ENACTMENT.—Any school that was in the first year of school improvement status under this section on the day preceding the date of enactment of the No Child Left Behind Act of 2001 (as this section was in effect on such day) shall be treated by the local educational agency as a school that is in the first year of school improvement status under paragraph (1).

“(ii) SCHOOLS IN SCHOOL-IMPROVEMENT STATUS FOR 2 OR MORE YEARS BEFORE DATE OF ENACTMENT.—Any school that was in school improvement status under this section for two or more consecutive school years preceding the date of enactment of the No Child Left Behind Act of 2001 (as this section was in effect on such day) shall be treated by the local educational agency as a school described in subsection (b)(5).

“(B) CORRECTIVE ACTION.—Any school that was in corrective action status under this section on the day preceding the date of enactment of the No Child Left Behind Act of 2001 (as this section was in effect on such day) shall be treated by the local educational agency as a school described in paragraph (7).

“(2) LEAs.—

“(A) LEA IMPROVEMENT.—A State shall identify for improvement under subsection (c)(3) any local educational agency that was in improvement status under this section as this section was in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001.

“(B) CORRECTIVE ACTION.—A State shall identify for corrective action under subsection (c)(10) any local educational agency that was in corrective action status under this section as this section was in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001.

Deadline.

“(C) SPECIAL RULE.—For the schools and other local educational agencies described under paragraphs (1) and (2), as required, the State shall ensure that public school choice in accordance with subparagraphs (b)(1)(E) and (F) and supplemental education services in accordance with subsection (e) are provided not later than the first day of the 2002–2003 school year.

“(D) TRANSITION.—With respect to a determination that a local educational agency has for 2 consecutive years failed to make adequate yearly progress as defined in the State plan under section 1111(b)(2), such determination shall include in such 2-year period any continuous period of time immediately preceding the date of enactment of the No Child Left Behind Act of 2001 during which the agency has failed to make such progress.

“(g) SCHOOLS FUNDED BY THE BUREAU OF INDIAN AFFAIRS.—

“(1) ADEQUATE YEARLY PROGRESS FOR BUREAU FUNDED SCHOOLS.—

“(A) DEVELOPMENT OF DEFINITION.—

“(i) DEFINITION.—The Secretary of the Interior, in consultation with the Secretary if the Secretary of Interior requests the consultation, using the process

PUBLIC LAW 107-110—JAN. 8, 2002

set out in section 1138(b) of the Education Amendments of 1978, shall define adequate yearly progress, consistent with section 1111(b), for the schools funded by the Bureau of Indian Affairs on a regional or tribal basis, as appropriate, taking into account the unique circumstances and needs of such schools and the students served by such schools.

“(ii) USE OF DEFINITION.—The Secretary of the Interior, consistent with clause (i), may use the definition of adequate yearly progress that the State in which the school that is funded by the Bureau is located uses consistent with section 1111(b), or in the case of schools that are located in more than one State, the Secretary of the Interior may use whichever State definition of adequate yearly progress that best meets the unique circumstances and needs of such school or schools and the students the schools serve.

“(B) WAIVER.—The tribal governing body or school board of a school funded by the Bureau of Indian Affairs may waive, in part or in whole, the definition of adequate yearly progress established pursuant to paragraph (A) where such definition is determined by such body or school board to be inappropriate. If such definition is waived, the tribal governing body or school board shall, within 60 days thereafter, submit to the Secretary of Interior a proposal for an alternative definition of adequate yearly progress, consistent with section 1111(b), that takes into account the unique circumstances and needs of such school or schools and the students served. The Secretary of the Interior, in consultation with the Secretary if the Secretary of Interior requests the consultation, shall approve such alternative definition unless the Secretary determines that the definition does not meet the requirements of section 1111(b), taking into account the unique circumstances and needs of such school or schools and the students served.

Deadline.

“(C) TECHNICAL ASSISTANCE.—The Secretary of Interior shall, in consultation with the Secretary if the Secretary of Interior requests the consultation, either directly or through a contract, provide technical assistance, upon request, to a tribal governing body or school board of a school funded by the Bureau of Indian Affairs that seeks to develop an alternative definition of adequate yearly progress.

“(2) ACCOUNTABILITY FOR BIA SCHOOLS.—For the purposes of this section, schools funded by the Bureau of Indian Affairs shall be considered schools subject to subsection (b), as specifically provided for in this subsection, except that such schools shall not be subject to subsection (c), or the requirements to provide public school choice and supplemental educational services under subsections (b) and (e).

“(3) SCHOOL IMPROVEMENT FOR BUREAU SCHOOLS.—

“(A) CONTRACT AND GRANT SCHOOLS.—For a school funded by the Bureau of Indian Affairs which is operated under a contract issued by the Secretary of the Interior pursuant to the Indian Self-Determination Act (25 U.S.C. 450 et seq.) or under a grant issued by the Secretary of the Interior pursuant to the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), the school board of such school shall be responsible for meeting the requirements of subsection (b) relating to development and implementation of any school improvement plan as described in subsections (b)(1) through (b)(3), and subsection (b)(5), other than subsection (b)(1)(E). The Bureau of Indian Affairs shall be responsible for meeting the

PUBLIC LAW 107-110—JAN. 8, 2002

requirements of subsection (b)(4) relating to technical assistance.

“(B) BUREAU OPERATED SCHOOLS.—For schools operated by the Bureau of Indian Affairs, the Bureau shall be responsible for meeting the requirements of subsection (b) relating to development and implementation of any school improvement plan as described in subsections (b)(1) through (b)(5), other than subsection (b)(1)(E).

“(4) CORRECTIVE ACTION AND RESTRUCTURING FOR BUREAU-FUNDED SCHOOLS.—

“(A) CONTRACT AND GRANT SCHOOLS.—For a school funded by the Bureau of Indian Affairs which is operated under a contract issued by the Secretary of the Interior pursuant to the Indian Self-Determination Act (25 U.S.C. 450 et seq.) or under a grant issued by the Secretary of the Interior pursuant to the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), the school board of such school shall be responsible for meeting the requirements of subsection (b) relating to corrective action and restructuring as described in subsection (b)(7) and (b)(8). Any action taken by such school board under subsection (b)(7) or (b)(8) shall take into account the unique circumstances and structure of the Bureau of Indian Affairs-funded school system and the laws governing that system.

“(B) BUREAU OPERATED SCHOOLS.—For schools operated by the Bureau of Indian Affairs, the Bureau shall be responsible for meeting the requirements of subsection (b) relating to corrective action and restructuring as described in subsection (b)(7) and (b)(8). Any action taken by the Bureau under subsection (b)(7) or (b)(8) shall take into account the unique circumstances and structure of the Bureau of Indian Affairs-funded school system and the laws governing that system.

“(5) ANNUAL REPORT.—On an annual basis, the Secretary of the Interior shall report to the Secretary of Education and to the appropriate committees of Congress regarding any schools funded by the Bureau of Indian Affairs which have been identified for school improvement. Such report shall include—

“(A) the identity of each school;

“(B) a statement from each affected school board regarding the factors that lead to such identification; and

“(C) an analysis by the Secretary of the Interior, in consultation with the Secretary if the Secretary of Interior requests the consultation, as to whether sufficient resources were available to enable such school to achieve adequate yearly progress.

“(h) OTHER AGENCIES.—After receiving the notice described in subsection (b)(14)(D), the Secretary may notify, to the extent feasible and necessary as determined by the Secretary, other relevant Federal agencies regarding the major factors that were determined by the State educational agency to have significantly affected student academic achievement.

20 USC 6317.

“SEC. 1117. SCHOOL SUPPORT AND RECOGNITION.

“(a) SYSTEM FOR SUPPORT.—

“(1) IN GENERAL.—Each State shall establish a statewide system of intensive and sustained support and improvement for local educational agencies and schools receiving funds under this part, in order to increase the opportunity for all students served by those agencies and schools to meet the State’s academic content standards and student academic achievement standards.

“(2) PRIORITIES.—In carrying out this subsection, a State shall—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) first, provide support and assistance to local educational agencies with schools subject to corrective action under section 1116 and assist those schools, in accordance with section 1116(b)(11), for which a local educational agency has failed to carry out its responsibilities under paragraphs (7) and (8) of section 1116(b);

“(B) second, provide support and assistance to other local educational agencies with schools identified as in need of improvement under section 1116(b); and

“(C) third, provide support and assistance to other local educational agencies and schools participating under this part that need that support and assistance in order to achieve the purpose of this part.

“(3) REGIONAL CENTERS.—Such a statewide system shall, to the extent practicable, work with and receive support and assistance from the comprehensive regional technical assistance centers and the regional educational laboratories under section 941(h) of the Educational Research, Development, Dissemination, and Improvement Act of 1994, or other providers of technical assistance.

“(4) STATEWIDE SYSTEM.—

“(A) In order to achieve the purpose described in paragraph (1), the statewide system shall include, at a minimum, the following approaches:

“(i) Establishing school support teams in accordance with subparagraph (C) for assignment to, and working in, schools in the State that are described in paragraph (2).

“(ii) Providing such support as the State educational agency determines necessary and available in order to ensure the effectiveness of such teams.

“(iii) Designating and using distinguished teachers and principals who are chosen from schools served under this part that have been especially successful in improving academic achievement.

“(iv) Devising additional approaches to providing the assistance described in paragraph (1), such as providing assistance through institutions of higher education and educational service agencies or other local consortia, and private providers of scientifically based technical assistance.

“(B) PRIORITY.—The State educational agency shall give priority to the approach described in clause (i) of subparagraph (A).

“(5) SCHOOL SUPPORT TEAMS.—

“(A) COMPOSITION.—Each school support team established under this section shall be composed of persons knowledgeable about scientifically based research and practice on teaching and learning and about successful schoolwide projects, school reform, and improving educational opportunities for low-achieving students, including—

“(i) highly qualified or distinguished teachers and principals;

“(ii) pupil services personnel;

“(iii) parents;

“(iv) representatives of institutions of higher education;

“(v) representatives of regional educational laboratories or comprehensive regional technical assistance centers;

“(vi) representatives of outside consultant groups;

or

PUBLIC LAW 107-110—JAN. 8, 2002

“(vii) other individuals as the State educational agency, in consultation with the local educational agency, may determine appropriate.

“(B) FUNCTIONS.—Each school support team assigned to a school under this section shall—

“(i) review and analyze all facets of the school’s operation, including the design and operation of the instructional program, and assist the school in developing recommendations for improving student performance in that school;

“(ii) collaborate with parents and school staff and the local educational agency serving the school in the design, implementation, and monitoring of a plan that, if fully implemented, can reasonably be expected to improve student performance and help the school meet its goals for improvement, including adequate yearly progress under section 1111(b)(2)(B);

“(iii) evaluate, at least semiannually, the effectiveness of school personnel assigned to the school, including identifying outstanding teachers and principals, and make findings and recommendations to the school, the local educational agency, and, where appropriate, the State educational agency; and

“(iv) make additional recommendations as the school implements the plan described in clause (ii) to the local educational agency and the State educational agency concerning additional assistance that is needed by the school or the school support team.

“(C) CONTINUATION OF ASSISTANCE.—After one school year, from the beginning of the activities, such school support team, in consultation with the local educational agency, may recommend that the school support team continue to provide assistance to the school, or that the local educational agency or the State educational agency, as appropriate, take alternative actions with regard to the school.

“(b) STATE RECOGNITION.—

“(1) ACADEMIC ACHIEVEMENT AWARDS PROGRAM.—

“(A) IN GENERAL.—Each State receiving a grant under this part—

“(i) shall establish a program for making academic achievement awards to recognize schools that meet the criteria described in subparagraph (B); and

“(ii) as appropriate and as funds are available under subsection (c)(2)(A), may financially reward schools served under this part that meet the criteria described in clause (i).

“(B) CRITERIA.—The criteria referred to in subparagraph (A) are that a school—

“(i) significantly closed the achievement gap between the groups of students described in section 1111(b)(2); or

“(ii) exceeded their adequate yearly progress, consistent with section 1111(b)(2), for 2 or more consecutive years.

“(2) DISTINGUISHED SCHOOLS.—Of those schools meeting the criteria described in paragraph (2), each State shall designate as distinguished schools those schools that have made the greatest gains in closing the achievement gap as described in subparagraph (B)(i) or exceeding adequate yearly progress as described in subparagraph (B)(ii). Such distinguished schools may serve as models for and provide support to other schools, especially schools identified for improvement under section 1116, to assist such schools in meeting the State’s academic

PUBLIC LAW 107-110—JAN. 8, 2002

content standards and student academic achievement standards.

“(3) AWARDS TO TEACHERS.—A State program under paragraph (1) may also recognize and provide financial awards to teachers teaching in a school described in such paragraph that consistently makes significant gains in academic achievement in the areas in which the teacher provides instruction, or to teachers or principals designated as distinguished under subsection (a)(4)(A)(iii).

“(c) FUNDING.—

“(1) IN GENERAL.—Each State—

“(A) shall use funds reserved under section 1003(a) and may use funds made available under section 1003(g) for the approaches described under subsection (a)(4)(A); and

“(B) shall use State administrative funds authorized under section 1004(a) to establish the statewide system of support described under subsection (a).

“(2) RESERVATIONS OF FUNDS BY STATE.—

“(A) AWARDS PROGRAM.—For the purpose of carrying out subsection (b)(1), each State receiving a grant under this part may reserve, from the amount (if any) by which the funds received by the State under subpart 2 for a fiscal year exceed the amount received by the State under that subpart for the preceding fiscal year, not more than 5 percent of such excess amount.

“(B) TEACHER AWARDS.—For the purpose of carrying out subsection (b)(3), a State educational agency may reserve such funds as necessary from funds made available under section 2113.

“(3) USE WITHIN 3 YEARS.—Notwithstanding any other provision of law, the amount reserved under subparagraph (A) by a State for each fiscal year shall remain available to the State until expended for a period not exceeding 3 years receipt of funds.

“(4) SPECIAL ALLOCATION RULE FOR SCHOOLS IN HIGH-POVERTY AREAS.—

“(A) IN GENERAL.—Each State shall distribute not less than 75 percent of any amount reserved under paragraph (2)(A) for each fiscal year to schools described in subparagraph (B), or to teachers in those schools consistent with subsection (b)(3).

“(B) SCHOOL DESCRIBED.—A school described in subparagraph (A) is a school whose student population is in the highest quartile of schools statewide in terms of the percentage of children from low income families.

“SEC. 1118. PARENTAL INVOLVEMENT.

20 USC 6318.

“(a) LOCAL EDUCATIONAL AGENCY POLICY.—

“(1) IN GENERAL.—A local educational agency may receive funds under this part only if such agency implements programs, activities, and procedures for the involvement of parents in programs assisted under this part consistent with this section. Such programs, activities, and procedures shall be planned and implemented with meaningful consultation with parents of participating children.

“(2) WRITTEN POLICY.—Each local educational agency that receives funds under this part shall develop jointly with, agree on with, and distribute to, parents of participating children a written parent involvement policy. The policy shall be incorporated into the local educational agency’s plan developed under section 1112, establish the agency’s expectations for parent involvement, and describe how the agency will—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) involve parents in the joint development of the plan under section 1112, and the process of school review and improvement under section 1116;

“(B) provide the coordination, technical assistance, and other support necessary to assist participating schools in planning and implementing effective parent involvement activities to improve student academic achievement and school performance;

“(C) build the schools’ and parents’ capacity for strong parental involvement as described in subsection (e);

“(D) coordinate and integrate parental involvement strategies under this part with parental involvement strategies under other programs, such as the Head Start program, Reading First program, Early Reading First program, Even Start program, Parents as Teachers program, and Home Instruction Program for Preschool Youngsters, and State-run preschool programs;

“(E) conduct, with the involvement of parents, an annual evaluation of the content and effectiveness of the parental involvement policy in improving the academic quality of the schools served under this part, including identifying barriers to greater participation by parents in activities authorized by this section (with particular attention to parents who are economically disadvantaged, are disabled, have limited English proficiency, have limited literacy, or are of any racial or ethnic minority background), and use the findings of such evaluation to design strategies for more effective parental involvement, and to revise, if necessary, the parental involvement policies described in this section; and

“(F) involve parents in the activities of the schools served under this part.

“(3) RESERVATION.—

“(A) IN GENERAL.—Each local educational agency shall reserve not less than 1 percent of such agency’s allocation under subpart 2 of this part to carry out this section, including promoting family literacy and parenting skills, except that this paragraph shall not apply if 1 percent of such agency’s allocation under subpart 2 of this part for the fiscal year for which the determination is made is \$5,000 or less.

“(B) PARENTAL INPUT.—Parents of children receiving services under this part shall be involved in the decisions regarding how funds reserved under subparagraph (A) are allotted for parental involvement activities.

“(C) DISTRIBUTION OF FUNDS.—Not less than 95 percent of the funds reserved under subparagraph (A) shall be distributed to schools served under this part.

“(b) SCHOOL PARENTAL INVOLVEMENT POLICY.—

“(1) IN GENERAL.—Each school served under this part shall jointly develop with, and distribute to, parents of participating children a written parental involvement policy, agreed on by such parents, that shall describe the means for carrying out the requirements of subsections (c) through (f). Parents shall be notified of the policy in an understandable and uniform format and, to the extent practicable, provided in a language the parents can understand. Such policy shall be made available to the local community and updated periodically to meet the changing needs of parents and the school.

“(2) SPECIAL RULE.—If the school has a parental involvement policy that applies to all parents, such school may amend that policy, if necessary, to meet the requirements of this subsection.

“(3) AMENDMENT.—If the local educational agency involved has a school district-level parental involvement policy that

Notification.

Public information.

PUBLIC LAW 107-110—JAN. 8, 2002

applies to all parents, such agency may amend that policy, if necessary, to meet the requirements of this subsection.

“(4) PARENTAL COMMENTS.—If the plan under section 1112 is not satisfactory to the parents of participating children, the local educational agency shall submit any parent comments with such plan when such local educational agency submits the plan to the State.

“(c) POLICY INVOLVEMENT.—Each school served under this part shall—

“(1) convene an annual meeting, at a convenient time, to which all parents of participating children shall be invited and encouraged to attend, to inform parents of their school’s participation under this part and to explain the requirements of this part, and the right of the parents to be involved;

“(2) offer a flexible number of meetings, such as meetings in the morning or evening, and may provide, with funds provided under this part, transportation, child care, or home visits, as such services relate to parental involvement;

“(3) involve parents, in an organized, ongoing, and timely way, in the planning, review, and improvement of programs under this part, including the planning, review, and improvement of the school parental involvement policy and the joint development of the schoolwide program plan under section 1114(b)(2), except that if a school has in place a process for involving parents in the joint planning and design of the school’s programs, the school may use that process, if such process includes an adequate representation of parents of participating children;

“(4) provide parents of participating children—

“(A) timely information about programs under this part;

“(B) a description and explanation of the curriculum in use at the school, the forms of academic assessment used to measure student progress, and the proficiency levels students are expected to meet; and

“(C) if requested by parents, opportunities for regular meetings to formulate suggestions and to participate, as appropriate, in decisions relating to the education of their children, and respond to any such suggestions as soon as practicably possible; and

“(5) if the schoolwide program plan under section 1114(b)(2) is not satisfactory to the parents of participating children, submit any parent comments on the plan when the school makes the plan available to the local educational agency.

“(d) SHARED RESPONSIBILITIES FOR HIGH STUDENT ACADEMIC ACHIEVEMENT.—As a component of the school-level parental involvement policy developed under subsection (b), each school served under this part shall jointly develop with parents for all children served under this part a school-parent compact that outlines how parents, the entire school staff, and students will share the responsibility for improved student academic achievement and the means by which the school and parents will build and develop a partnership to help children achieve the State’s high standards. Such compact shall—

“(1) describe the school’s responsibility to provide high-quality curriculum and instruction in a supportive and effective learning environment that enables the children served under this part to meet the State’s student academic achievement standards, and the ways in which each parent will be responsible for supporting their children’s learning, such as monitoring attendance, homework completion, and television watching; volunteering in their child’s classroom; and participating, as appropriate, in decisions relating to the education of their children and positive use of extracurricular time; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) address the importance of communication between teachers and parents on an ongoing basis through, at a minimum—

“(A) parent-teacher conferences in elementary schools, at least annually, during which the compact shall be discussed as the compact relates to the individual child’s achievement;

“(B) frequent reports to parents on their children’s progress; and

“(C) reasonable access to staff, opportunities to volunteer and participate in their child’s class, and observation of classroom activities.

“(e) BUILDING CAPACITY FOR INVOLVEMENT.—To ensure effective involvement of parents and to support a partnership among the school involved, parents, and the community to improve student academic achievement, each school and local educational agency assisted under this part—

“(1) shall provide assistance to parents of children served by the school or local educational agency, as appropriate, in understanding such topics as the State’s academic content standards and State student academic achievement standards, State and local academic assessments, the requirements of this part, and how to monitor a child’s progress and work with educators to improve the achievement of their children;

“(2) shall provide materials and training to help parents to work with their children to improve their children’s achievement, such as literacy training and using technology, as appropriate, to foster parental involvement;

“(3) shall educate teachers, pupil services personnel, principals, and other staff, with the assistance of parents, in the value and utility of contributions of parents, and in how to reach out to, communicate with, and work with parents as equal partners, implement and coordinate parent programs, and build ties between parents and the school;

“(4) shall, to the extent feasible and appropriate, coordinate and integrate parent involvement programs and activities with Head Start, Reading First, Early Reading First, Even Start, the Home Instruction Programs for Preschool Youngsters, the Parents as Teachers Program, and public preschool and other programs, and conduct other activities, such as parent resource centers, that encourage and support parents in more fully participating in the education of their children;

“(5) shall ensure that information related to school and parent programs, meetings, and other activities is sent to the parents of participating children in a format and, to the extent practicable, in a language the parents can understand;

“(6) may involve parents in the development of training for teachers, principals, and other educators to improve the effectiveness of such training;

“(7) may provide necessary literacy training from funds received under this part if the local educational agency has exhausted all other reasonably available sources of funding for such training;

“(8) may pay reasonable and necessary expenses associated with local parental involvement activities, including transportation and child care costs, to enable parents to participate in school-related meetings and training sessions;

“(9) may train parents to enhance the involvement of other parents;

“(10) may arrange school meetings at a variety of times, or conduct in-home conferences between teachers or other educators, who work directly with participating children, with parents who are unable to attend such conferences at school, in order to maximize parental involvement and participation;

PUBLIC LAW 107-110—JAN. 8, 2002

“(11) may adopt and implement model approaches to improving parental involvement;

“(12) may establish a districtwide parent advisory council to provide advice on all matters related to parental involvement in programs supported under this section;

“(13) may develop appropriate roles for community-based organizations and businesses in parent involvement activities; and

“(14) shall provide such other reasonable support for parental involvement activities under this section as parents may request.

“(f) ACCESSIBILITY.—In carrying out the parental involvement requirements of this part, local educational agencies and schools, to the extent practicable, shall provide full opportunities for the participation of parents with limited English proficiency, parents with disabilities, and parents of migratory children, including providing information and school reports required under section 1111 in a format and, to the extent practicable, in a language such parents understand.

“(g) INFORMATION FROM PARENTAL INFORMATION AND RESOURCE CENTERS.—In a State where a parental information and resource center is established to provide training, information, and support to parents and individuals who work with local parents, local educational agencies, and schools receiving assistance under this part, each local educational agency or school that receives assistance under this part and is located in the State shall assist parents and parental organizations by informing such parents and organizations of the existence and purpose of such centers.

“(h) REVIEW.—The State educational agency shall review the local educational agency’s parental involvement policies and practices to determine if the policies and practices meet the requirements of this section.

“SEC. 1119. QUALIFICATIONS FOR TEACHERS AND PARAPROFES- 20 USC 6319.
SIONALS.

“(a) TEACHER QUALIFICATIONS AND MEASURABLE OBJECTIVES.—

“(1) IN GENERAL.—Beginning with the first day of the first school year after the date of enactment of the No Child Left Behind Act of 2001, each local educational agency receiving assistance under this part shall ensure that all teachers hired after such day and teaching in a program supported with funds under this part are highly qualified.

“(2) STATE PLAN.—As part of the plan described in section 1111, each State educational agency receiving assistance under this part shall develop a plan to ensure that all teachers teaching in core academic subjects within the State are highly qualified not later than the end of the 2005–2006 school year. Such plan shall establish annual measurable objectives for each local educational agency and school that, at a minimum—

“(A) shall include an annual increase in the percentage of highly qualified teachers at each local educational agency and school, to ensure that all teachers teaching in core academic subjects in each public elementary school and secondary school are highly qualified not later than the end of the 2005–2006 school year; Deadline.

“(B) shall include an annual increase in the percentage of teachers who are receiving high-quality professional development to enable such teachers to become highly qualified and successful classroom teachers; and

“(C) may include such other measures as the State educational agency determines to be appropriate to increase teacher qualifications.

“(3) LOCAL PLAN.—As part of the plan described in section 1112, each local educational agency receiving assistance under this part shall develop a plan to ensure that all teachers teach- Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

ing within the school district served by the local educational agency are highly qualified not later than the end of the 2005–2006 school year.

Deadlines.

“(b) REPORTS.—

“(1) ANNUAL STATE AND LOCAL REPORTS.—

“(A) LOCAL REPORTS.—Each State educational agency described in subsection (a)(2) shall require each local educational agency receiving funds under this part to publicly report, each year, beginning with the 2002–2003 school year, the annual progress of the local educational agency as a whole and of each of the schools served by the agency, in meeting the measurable objectives described in subsection (a)(2).

“(B) STATE REPORTS.—Each State educational agency receiving assistance under this part shall prepare and submit each year, beginning with the 2002–2003 school year, a report to the Secretary, describing the State educational agency’s progress in meeting the measurable objectives described in subsection (a)(2).

“(C) INFORMATION FROM OTHER REPORTS.—A State educational agency or local educational agency may submit information from the reports described in section 1111(h) for the purposes of this subsection, if such report is modified, as may be necessary, to contain the information required by this subsection, and may submit such information as a part of the reports required under section 1111(h).

“(2) ANNUAL REPORTS BY THE SECRETARY.—Each year, beginning with the 2002–2003 school year, the Secretary shall publicly report the annual progress of State educational agencies, local educational agencies, and schools, in meeting the measurable objectives described in subsection (a)(2).

“(c) NEW PARAPROFESSIONALS.—

“(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals hired after the date of enactment of the No Child Left Behind Act of 2001 and working in a program supported with funds under this part shall have—

“(A) completed at least 2 years of study at an institution of higher education;

“(B) obtained an associate’s (or higher) degree; or

“(C) met a rigorous standard of quality and can demonstrate, through a formal State or local academic assessment—

“(i) knowledge of, and the ability to assist in instructing, reading, writing, and mathematics; or

“(ii) knowledge of, and the ability to assist in instructing, reading readiness, writing readiness, and mathematics readiness, as appropriate.

“(2) CLARIFICATION.—The receipt of a secondary school diploma (or its recognized equivalent) shall be necessary but not sufficient to satisfy the requirements of paragraph (1)(C).

Deadline.

“(d) EXISTING PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals hired before the date of enactment of the No Child Left Behind Act of 2001, and working in a program supported with funds under this part shall, not later than 4 years after the date of enactment satisfy the requirements of subsection (c).

“(e) EXCEPTIONS FOR TRANSLATION AND PARENTAL INVOLVEMENT ACTIVITIES.—Subsections (c) and (d) shall not apply to a paraprofessional—

“(1) who is proficient in English and a language other than English and who provides services primarily to enhance the participation of children in programs under this part by acting as a translator; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) whose duties consist solely of conducting parental involvement activities consistent with section 1118.

“(f) GENERAL REQUIREMENT FOR ALL PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals working in a program supported with funds under this part, regardless of the paraprofessionals’ hiring date, have earned a secondary school diploma or its recognized equivalent.

“(g) DUTIES OF PARAPROFESSIONALS.—

“(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that a paraprofessional working in a program supported with funds under this part is not assigned a duty inconsistent with this subsection.

“(2) RESPONSIBILITIES PARAPROFESSIONALS MAY BE ASSIGNED.—A paraprofessional described in paragraph (1) may be assigned—

“(A) to provide one-on-one tutoring for eligible students, if the tutoring is scheduled at a time when a student would not otherwise receive instruction from a teacher;

“(B) to assist with classroom management, such as organizing instructional and other materials;

“(C) to provide assistance in a computer laboratory;

“(D) to conduct parental involvement activities;

“(E) to provide support in a library or media center;

“(F) to act as a translator; or

“(G) to provide instructional services to students in accordance with paragraph (3).

“(3) ADDITIONAL LIMITATIONS.—A paraprofessional described in paragraph (1)—

“(A) may not provide any instructional service to a student unless the paraprofessional is working under the direct supervision of a teacher consistent with section 1119; and

“(B) may assume limited duties that are assigned to similar personnel who are not working in a program supported with funds under this part, including duties beyond classroom instruction or that do not benefit participating children, so long as the amount of time spent on such duties is the same proportion of total work time as prevails with respect to similar personnel at the same school.

“(h) USE OF FUNDS.—A local educational agency receiving funds under this part may use such funds to support ongoing training and professional development to assist teachers and paraprofessionals in satisfying the requirements of this section.

“(i) VERIFICATION OF COMPLIANCE.—

“(1) IN GENERAL.—In verifying compliance with this section, each local educational agency, at a minimum, shall require that the principal of each school operating a program under section 1114 or 1115 attest annually in writing as to whether such school is in compliance with the requirements of this section.

“(2) AVAILABILITY OF INFORMATION.—Copies of attestations under paragraph (1)—

“(A) shall be maintained at each school operating a program under section 1114 or 1115 and at the main office of the local educational agency; and

“(B) shall be available to any member of the general public on request.

“(j) COMBINATIONS OF FUNDS.—Funds provided under this part that are used for professional development purposes may be combined with funds provided under title II of this Act, other Acts, and other sources.

“(k) SPECIAL RULE.—Except as provided in subsection (l), no State educational agency shall require a school or a local educational agency to expend a specific amount of funds for professional develop-

PUBLIC LAW 107-110—JAN. 8, 2002

ment activities under this part, except that this paragraph shall not apply with respect to requirements under section 1116(c)(3).

Deadline.

“(1) **MINIMUM EXPENDITURES.**—Each local educational agency that receives funds under this part shall use not less than 5 percent, or more than 10 percent, of such funds for each of fiscal years 2002 and 2003, and not less than 5 percent of the funds for each subsequent fiscal year, for professional development activities to ensure that teachers who are not highly qualified become highly qualified not later than the end of the 2005–2006 school year.

20 USC 6320.

“**SEC. 1120. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.**

“(a) **GENERAL REQUIREMENT.**—

“(1) **IN GENERAL.**—To the extent consistent with the number of eligible children identified under section 1115(b) in the school district served by a local educational agency who are enrolled in private elementary schools and secondary schools, a local educational agency shall, after timely and meaningful consultation with appropriate private school officials, provide such children, on an equitable basis, special educational services or other benefits under this part (such as dual enrollment, educational radio and television, computer equipment and materials, other technology, and mobile educational services and equipment) that address their needs, and shall ensure that teachers and families of the children participate, on an equitable basis, in services and activities developed pursuant to sections 1118 and 1119.

“(2) **SECULAR, NEUTRAL, NONIDEOLOGICAL.**—Such educational services or other benefits, including materials and equipment, shall be secular, neutral, and nonideological.

“(3) **EQUITY.**—Educational services and other benefits for such private school children shall be equitable in comparison to services and other benefits for public school children participating under this part, and shall be provided in a timely manner.

“(4) **EXPENDITURES.**—Expenditures for educational services and other benefits to eligible private school children shall be equal to the proportion of funds allocated to participating school attendance areas based on the number of children from low-income families who attend private schools, which the local educational agency may determine each year or every 2 years.

“(5) **PROVISION OF SERVICES.**—The local educational agency may provide services under this section directly or through contracts with public and private agencies, organizations, and institutions.

“(b) **CONSULTATION.**—

“(1) **IN GENERAL.**—To ensure timely and meaningful consultation, a local educational agency shall consult with appropriate private school officials during the design and development of such agency’s programs under this part, on issues such as—

“(A) how the children’s needs will be identified;

“(B) what services will be offered;

“(C) how, where, and by whom the services will be provided;

“(D) how the services will be academically assessed and how the results of that assessment will be used to improve those services;

“(E) the size and scope of the equitable services to be provided to the eligible private school children, and the proportion of funds that is allocated under subsection (a)(4) for such services;

“(F) the method or sources of data that are used under subsection (c) and section 1113(c)(1) to determine the num-

PUBLIC LAW 107-110—JAN. 8, 2002

ber of children from low-income families in participating school attendance areas who attend private schools;

“(G) how and when the agency will make decisions about the delivery of services to such children, including a thorough consideration and analysis of the views of the private school officials on the provision of services through a contract with potential third-party providers; and

“(H) how, if the agency disagrees with the views of the private school officials on the provision of services through a contract, the local educational agency will provide in writing to such private school officials an analysis of the reasons why the local educational agency has chosen not to use a contractor.

“(2) TIMING.—Such consultation shall include meetings of agency and private school officials and shall occur before the local educational agency makes any decision that affects the opportunities of eligible private school children to participate in programs under this part. Such meetings shall continue throughout implementation and assessment of services provided under this section.

“(3) DISCUSSION.—Such consultation shall include a discussion of service delivery mechanisms a local educational agency can use to provide equitable services to eligible private school children.

“(4) DOCUMENTATION.—Each local educational agency shall maintain in the agency’s records and provide to the State educational agency involved a written affirmation signed by officials of each participating private school that the consultation required by this section has occurred. If such officials do not provide such affirmation within a reasonable period of time, the local educational agency shall forward the documentation that such consultation has taken place to the State educational agency.

“(5) COMPLIANCE.—

“(A) IN GENERAL.—A private school official shall have the right to complain to the State educational agency that the local educational agency did not engage in consultation that was meaningful and timely, or did not give due consideration to the views of the private school official.

“(B) PROCEDURE.—If the private school official wishes to complain, the official shall provide the basis of the noncompliance with this section by the local educational agency to the State educational agency, and the local educational agency shall forward the appropriate documentation to the State educational agency.

“(c) ALLOCATION FOR EQUITABLE SERVICE TO PRIVATE SCHOOL STUDENTS.—

“(1) CALCULATION.—A local educational agency shall have the final authority, consistent with this section, to calculate the number of children, ages 5 through 17, who are from low-income families and attend private schools by—

“(A) using the same measure of low income used to count public school children;

“(B) using the results of a survey that, to the extent possible, protects the identity of families of private school students, and allowing such survey results to be extrapolated if complete actual data are unavailable;

“(C) applying the low-income percentage of each participating public school attendance area, determined pursuant to this section, to the number of private school children who reside in that school attendance area; or

“(D) using an equated measure of low income correlated with the measure of low income used to count public school children.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) COMPLAINT PROCESS.—Any dispute regarding low-income data for private school students shall be subject to the complaint process authorized in section 9505.

“(d) PUBLIC CONTROL OF FUNDS.—

“(1) IN GENERAL.—The control of funds provided under this part, and title to materials, equipment, and property purchased with such funds, shall be in a public agency, and a public agency shall administer such funds, materials, equipment, and property.

“(2) PROVISION OF SERVICES.—

“(A) PROVIDER.—The provision of services under this section shall be provided—

“(i) by employees of a public agency; or

“(ii) through contract by such public agency with an individual, association, agency, or organization.

“(B) REQUIREMENT.—In the provision of such services, such employee, individual, association, agency, or organization shall be independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency.

“(e) STANDARDS FOR A BYPASS.—If a local educational agency is prohibited by law from providing for the participation in programs on an equitable basis of eligible children enrolled in private elementary schools and secondary schools, or if the Secretary determines that a local educational agency has substantially failed or is unwilling, to provide for such participation, as required by this section, the Secretary shall—

“(1) waive the requirements of this section for such local educational agency;

“(2) arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section and sections 9503 and 9504; and

“(3) in making the determination under this subsection, consider one or more factors, including the quality, size, scope, and location of the program and the opportunity of eligible children to participate.

20 USC 6321.

“SEC. 1120A. FISCAL REQUIREMENTS.

“(a) MAINTENANCE OF EFFORT.—A local educational agency may receive funds under this part for any fiscal year only if the State educational agency involved finds that the local educational agency has maintained the agency’s fiscal effort in accordance with section 9521.

“(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NON-FEDERAL FUNDS.—

“(1) IN GENERAL.—A State educational agency or local educational agency shall use Federal funds received under this part only to supplement the funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs assisted under this part, and not to supplant such funds.

“(2) SPECIAL RULE.—No local educational agency shall be required to provide services under this part through a particular instructional method or in a particular instructional setting in order to demonstrate such agency’s compliance with paragraph (1).

“(c) COMPARABILITY OF SERVICES.—

“(1) IN GENERAL.—

“(A) COMPARABLE SERVICES.—Except as provided in paragraphs (4) and (5), a local educational agency may receive funds under this part only if State and local funds will be used in schools served under this part to provide services that, taken as a whole, are at least comparable

PUBLIC LAW 107-110—JAN. 8, 2002

to services in schools that are not receiving funds under this part.

“(B) SUBSTANTIALLY COMPARABLE SERVICES.—If the local educational agency is serving all of such agency’s schools under this part, such agency may receive funds under this part only if such agency will use State and local funds to provide services that, taken as a whole, are substantially comparable in each school.

“(C) BASIS.—A local educational agency may meet the requirements of subparagraphs (A) and (B) on a grade-span by grade-span basis or a school-by-school basis.

“(2) WRITTEN ASSURANCE.—

“(A) EQUIVALENCE.—A local educational agency shall be considered to have met the requirements of paragraph (1) if such agency has filed with the State educational agency a written assurance that such agency has established and implemented—

“(i) a local educational agency-wide salary schedule;

“(ii) a policy to ensure equivalence among schools in teachers, administrators, and other staff; and

“(iii) a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies.

“(B) DETERMINATIONS.—For the purpose of this subsection, in the determination of expenditures per pupil from State and local funds, or instructional salaries per pupil from State and local funds, staff salary differentials for years of employment shall not be included in such determinations.

“(C) EXCLUSIONS.—A local educational agency need not include unpredictable changes in student enrollment or personnel assignments that occur after the beginning of a school year in determining comparability of services under this subsection.

“(3) PROCEDURES AND RECORDS.—Each local educational agency assisted under this part shall—

“(A) develop procedures for compliance with this subsection; and

“(B) maintain records that are updated biennially documenting such agency’s compliance with this subsection.

“(4) INAPPLICABILITY.—This subsection shall not apply to a local educational agency that does not have more than one building for each grade span.

“(5) COMPLIANCE.—For the purpose of determining compliance with paragraph (1), a local educational agency may exclude State and local funds expended for—

“(A) language instruction educational programs; and

“(B) the excess costs of providing services to children with disabilities as determined by the local educational agency.

“(d) EXCLUSION OF FUNDS.—For the purpose of complying with subsections (b) and (c), a State educational agency or local educational agency may exclude supplemental State or local funds expended in any school attendance area or school for programs that meet the intent and purposes of this part.

“SEC. 1120B. COORDINATION REQUIREMENTS.

20 USC 6322.

“(a) IN GENERAL.—Each local educational agency receiving assistance under this part shall carry out the activities described in subsection (b) with Head Start agencies and, if feasible, other entities carrying out early childhood development programs such as the Early Reading First program.

“(b) ACTIVITIES.—The activities referred to in subsection (a) are activities that increase coordination between the local edu-

PUBLIC LAW 107-110—JAN. 8, 2002

ational agency and a Head Start agency and, if feasible, other entities carrying out early childhood development programs, such as the Early Reading First program, serving children who will attend the schools of the local educational agency, including—

“(1) developing and implementing a systematic procedure for receiving records regarding such children, transferred with parental consent from a Head Start program or, where applicable, another early childhood development program such as the Early Reading First program;

“(2) establishing channels of communication between school staff and their counterparts (including teachers, social workers, and health staff) in such Head Start agencies or other entities carrying out early childhood development programs such as the Early Reading First program, as appropriate, to facilitate coordination of programs;

“(3) conducting meetings involving parents, kindergarten or elementary school teachers, and Head Start teachers or, if appropriate, teachers from other early childhood development programs such as the Early Reading First program, to discuss the developmental and other needs of individual children;

“(4) organizing and participating in joint transition-related training of school staff, Head Start program staff, Early Reading First program staff, and, where appropriate, other early childhood development program staff; and

“(5) linking the educational services provided by such local educational agency with the services provided by local Head Start agencies and entities carrying out Early Reading First programs.

“(c) COORDINATION OF REGULATIONS.—The Secretary shall work with the Secretary of Health and Human Services to coordinate regulations promulgated under this part with regulations promulgated under the Head Start Act.

“Subpart 2—Allocations

20 USC 6331.

“SEC. 1121. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

“(a) RESERVATION OF FUNDS.—From the amount appropriated for payments to States for any fiscal year under section 1002(a) and 1125A(f), the Secretary shall reserve a total of 1 percent to provide assistance to—

“(1) the outlying areas in the amount determined in accordance with subsection (b); and

“(2) the Secretary of the Interior in the amount necessary to make payments pursuant to subsection (d).

“(b) ASSISTANCE TO OUTLYING AREAS.—

“(1) FUNDS RESERVED.—From the amount made available for any fiscal year under subsection (a), the Secretary shall award grants to local educational agencies in the outlying areas.

“(2) COMPETITIVE GRANTS.—Until each appropriate outlying area enters into an agreement for extension of United States educational assistance under the Compact of Free Association after the date of enactment of the No Child Left Behind Act of 2001, the Secretary shall carry out the competition described in paragraph (3), except that the amount reserved to carry out such competition shall not exceed \$5,000,000.

“(3) LIMITATION FOR COMPETITIVE GRANTS.—

“(A) COMPETITIVE GRANTS.—The Secretary shall use funds described in paragraph (2) to award grants to the outlying areas and freely associated States to carry out the purposes of this part.

“(B) AWARD BASIS.—The Secretary shall award grants under subparagraph (A) on a competitive basis, taking into consideration the recommendations of the Pacific Region Educational Laboratory in Honolulu, Hawaii.

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) USES.—Except as provided in subparagraph (D), grant funds awarded under this paragraph may be used only—

“(i) for programs described in this Act, including teacher training, curriculum development, instructional materials, or general school improvement and reform; and

“(ii) to provide direct educational services that assist all students with meeting challenging State academic content standards.

“(D) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the amount reserved for grants under this paragraph to pay the administrative costs of the Pacific Region Educational Laboratory under subparagraph (B).

“(4) SPECIAL RULE.—The provisions of Public Law 95-134, permitting the consolidation of grants by the outlying areas, shall not apply to funds provided to the freely associated States under this section.

“(c) DEFINITIONS.—For the purpose of subsections (a) and (b)—

“(1) the term ‘freely associated states’ means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau; and

“(2) the term ‘outlying area’ means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(d) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

“(1) IN GENERAL.—The amount allotted for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

“(A) Indian children on reservations served by elementary schools and secondary schools for Indian children operated or supported by the Department of the Interior; and

“(B) out-of-State Indian children in elementary schools and secondary schools in local educational agencies under special contracts with the Department of the Interior.

“(2) PAYMENTS.—From the amount allotted for payments to the Secretary of the Interior under subsection (a)(2), the Secretary of the Interior shall make payments to local educational agencies, on such terms as the Secretary determines will best carry out the purposes of this part, with respect to out-of-State Indian children described in paragraph (1). The amount of such payment may not exceed, for each such child, the greater of—

“(A) 40 percent of the average per-pupil expenditure in the State in which the agency is located; or

“(B) 48 percent of such expenditure in the United States.

“SEC. 1122. ALLOCATIONS TO STATES.

20 USC 6332.

“(a) ALLOCATION FORMULA.—Of the amount appropriated under section 1002(a) to carry out this part for each of fiscal years 2002-2007 (referred to in this subsection as the current fiscal year)—

“(1) an amount equal to the amount made available to carry out section 1124 for fiscal year 2001 shall be allocated in accordance with section 1124;

“(2) an amount equal to the amount made available to carry out section 1124A for fiscal year 2001 shall be allocated in accordance with section 1124A; and

“(3) an amount equal to 100 percent of the amount, if any, by which the amount made available to carry out sections 1124, 1124A, and 1125 for the current fiscal year for which

PUBLIC LAW 107-110—JAN. 8, 2002

the determination is made exceeds the amount available to carry out sections 1124 and 1124A for fiscal year 2001 shall be allocated in accordance with section 1125.

“(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

“(1) IN GENERAL.—If the sums available under this subpart for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under sections 1124, 1124A, and 1125 for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to subsections (c) and (d) of this section.

“(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under sections 1124, 1124A, and 1125 for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

“(c) HOLD-HARMLESS AMOUNTS.—

“(1) AMOUNTS FOR SECTIONS 1124, 1124A, AND 1125.—For each fiscal year, the amount made available to each local educational agency under each of sections 1124, 1124A, and 1125 shall be—

“(A) not less than 95 percent of the amount made available for the preceding fiscal year if the number of children counted for grants under section 1124 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, in the local educational agency;

“(B) not less than 90 percent of the amount made available for the preceding fiscal year if the percentage described in subparagraph (A) is between 15 percent and 30 percent; and

“(C) not less than 85 percent of the amount made available for the preceding fiscal year if the percentage described in subparagraph (A) is below 15 percent.

“(2) PAYMENTS.—If sufficient funds are appropriated, the amounts described in paragraph (1) shall be paid to all local educational agencies that received grants under section 1124A for the preceding fiscal year, regardless of whether the local educational agency meets the minimum eligibility criteria for that fiscal year described in section 1124A(a)(1)(A) except that a local educational agency that does not meet such minimum eligibility criteria for 4 consecutive years shall no longer be eligible to receive a hold harmless amount referred to in paragraph (1).

“(3) APPLICABILITY.—Notwithstanding any other provision of law, the Secretary shall not take into consideration the hold-harmless provisions of this subsection for any fiscal year for purposes of calculating State or local allocations for the fiscal year under any program administered by the Secretary other than a program authorized under this part.

“(4) POPULATION DATA.—For any fiscal year for which the Secretary calculates grants on the basis of population data for counties, the Secretary shall apply the hold-harmless percentages in paragraphs (1) and (2) to counties and, if the Secretary’s allocation for a county is not sufficient to meet the hold-harmless requirements of this subsection for every local educational agency within that county, the State educational agency shall reallocate funds proportionately from all other local educational agencies in the State that are receiving funds in excess of the hold-harmless amounts specified in this subsection.

“(d) RATABLE REDUCTIONS.—

“(1) IN GENERAL.—If the sums made available under this subpart for any fiscal year are insufficient to pay the full amounts that local educational agencies in all States are eligible

Applicability.

PUBLIC LAW 107-110—JAN. 8, 2002

to receive under subsection (c) for such year, the Secretary shall ratably reduce such amounts for such year.

“(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under subsection (c) for such fiscal year, amounts that were reduced under paragraph (1) shall be increased on the same basis as such amounts were reduced.

“(e) DEFINITION.—For the purpose of this section and sections 1124, 1124A, 1125, and 1125A, the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

20 USC 6333.

“(a) AMOUNT OF GRANTS.—

“(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—Except as provided in paragraph (4) and in section 1126, the grant that a local educational agency is eligible to receive under this section for a fiscal year is the amount determined by multiplying—

“(A) the number of children counted under subsection (c); and

“(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this subparagraph shall not be less than 32 percent, or more than 48 percent, of the average per-pupil expenditure in the United States.

“(2) CALCULATION OF GRANTS.—

“(A) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—The Secretary shall calculate grants under this section on the basis of the number of children counted under subsection (c) for local educational agencies, unless the Secretary and the Secretary of Commerce determine that some or all of those data are unreliable or that their use would be otherwise inappropriate, in which case—

“(i) the two Secretaries shall publicly disclose the reasons for their determination in detail; and

“(ii) paragraph (3) shall apply.

“(B) ALLOCATIONS TO LARGE AND SMALL LOCAL EDUCATIONAL AGENCIES.—

“(i) For any fiscal year to which this paragraph applies, the Secretary shall calculate grants under this section for each local educational agency.

“(ii) The amount of a grant under this section for each large local educational agency shall be the amount determined under clause (i).

“(iii) For small local educational agencies, the State educational agency may either—

“(I) distribute grants under this section in amounts determined by the Secretary under clause (i); or

“(II) use an alternative method approved by the Secretary to distribute the portion of the State’s total grants under this section that is based on those small agencies.

“(iv) An alternative method under clause (iii)(II) shall be based on population data that the State educational agency determines best reflect the current distribution of children in poor families among the State’s small local educational agencies that meet the eligibility criteria of subsection (b).

“(v) If a small local educational agency is dissatisfied with the determination of its grant by the State educational agency under clause (iii)(II), it may appeal that determination to the Secretary, who shall respond not later than 45 days after receipt of such appeal.

“(vi) As used in this subparagraph—

Public information.
Applicability.

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

“(I) the term ‘large local educational agency’ means a local educational agency serving an area with a total population of 20,000 or more; and

“(II) the term ‘small local educational agency’ means a local educational agency serving an area with a total population of less than 20,000.

“(3) ALLOCATIONS TO COUNTIES.—

“(A) CALCULATION.—For any fiscal year to which this paragraph applies, the Secretary shall calculate grants under this section on the basis of the number of children counted under subsection (c) for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in accordance with regulations issued by the Secretary.

“(B) DIRECT ALLOCATIONS.—In any State in which a large number of local educational agencies overlap county boundaries, or for which the State believes it has data that would better target funds than allocating them by county, the State educational agency may apply to the Secretary for authority to make the allocations under this subpart for a particular fiscal year directly to local educational agencies without regard to counties.

“(C) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—If the Secretary approves the State educational agency’s application under subparagraph (B), the State educational agency shall provide the Secretary an assurance that such allocations shall be made—

“(i) using precisely the same factors for determining a grant as are used under this subpart; or

“(ii) using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

“(D) APPEAL.—The State educational agency shall provide the Secretary an assurance that it will establish a procedure through which a local educational agency that is dissatisfied with its determinations under subparagraph (B) may appeal directly to the Secretary for a final determination.

“(4) PUERTO RICO.—

“(A) IN GENERAL.—For each fiscal year, the grant that the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be the amount determined by multiplying the number of children counted under subsection (c) for the Commonwealth of Puerto Rico by the product of—

“(i) subject to subparagraph (B), the percentage that the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

“(ii) 32 percent of the average per-pupil expenditure in the United States.

“(B) MINIMUM PERCENTAGE.—The percentage in subparagraph (A)(i) shall not be less than—

“(i) for fiscal year 2002, 77.5 percent;

“(ii) for fiscal year 2003, 80.0 percent;

“(iii) for fiscal year 2004, 82.5 percent;

“(iv) for fiscal year 2005, 85.0 percent;

“(v) for fiscal year 2006, 92.5 percent; and

“(vi) for fiscal year 2007 and succeeding fiscal years, 100.0 percent.

“(C) LIMITATION.—If the application of subparagraph (B) would result in any of the 50 States or the District of Columbia receiving less under this subpart than it received under this subpart for the preceding fiscal year,

PUBLIC LAW 107-110—JAN. 8, 2002

the percentage in subparagraph (A) shall be the greater of—

- “(i) the percentage in subparagraph (A)(i);
- “(ii) the percentage specified in subparagraph (B) for the preceding fiscal year; or
- “(iii) the percentage used for the preceding fiscal year.

“(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency is eligible for a basic grant under this section for any fiscal year only if the number of children counted under subsection (c) for that agency is both—

- “(1) 10 or more; and
- “(2) more than 2 percent of the total school-age population in the agency’s jurisdiction.

“(c) CHILDREN TO BE COUNTED.—

“(1) CATEGORIES OF CHILDREN.—The number of children to be counted for purposes of this section is the aggregate of—

“(A) the number of children aged 5 to 17, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2);

“(B) the number of children (determined under paragraph (4) for either the preceding year as described in that paragraph, or for the second preceding year, as the Secretary finds appropriate) aged 5 to 17, inclusive, in the school district of such agency in institutions for neglected and delinquent children (other than such institutions operated by the United States), but not counted pursuant to subpart 1 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds; and

“(C) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (4).

“(2) DETERMINATION OF NUMBER OF CHILDREN.—For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data, described in paragraph (3), available from the Department of Commerce. The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains two or more counties in their entirety, then each county will be treated as if such county were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which local educational agency shall distribute to schools in each county within such agency a share of the local educational agency’s total grant that is no less than the county’s share of the population counts used to calculate the local educational agency’s grant.

“(3) POPULATION UPDATES.—

“(A) IN GENERAL.—In fiscal year 2002 and each subsequent fiscal year, the Secretary shall use updated data on the number of children, aged 5 to 17, inclusive, from families below the poverty level for counties or local educational agencies, published by the Department of Commerce, unless the Secretary and the Secretary of Commerce determine that the use of the updated population data would be inappropriate or unreliable. If appropriate and reliable data are not available annually, the Secretary shall use data which are updated every 2 years.

“(B) INAPPROPRIATE OR UNRELIABLE DATA.—If the Secretary and the Secretary of Commerce determine that some

Public
information.

PUBLIC LAW 107-110—JAN. 8, 2002

or all of the data referred to in subparagraph (A) are inappropriate or unreliable, the Secretary and the Secretary of Commerce shall publicly disclose their reasons.

“(C) CRITERIA OF POVERTY.—In determining the families that are below the poverty level, the Secretary shall use the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, as the criteria have been updated by increases in the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics.

“(4) OTHER CHILDREN TO BE COUNTED.—

“(A) For the purpose of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under a State program funded under part A of title IV of the Social Security Act; and in making such determinations, the Secretary shall use the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a family of four in such form as those criteria have been updated by increases in the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics.

“(B) The Secretary shall determine the number of such children and the number of children aged 5 through 17 living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary’s determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination.

Deadline.

“(C) Except for the data on children living in institutions for neglected or delinquent children, the Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

“(D) For the purpose of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

“(5) ESTIMATE.—When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under paragraph (1)(A)) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information.

“(d) STATE MINIMUM.—Notwithstanding section 1122, the aggregate amount allotted for all local educational agencies within a State may not be less than the lesser of—

“(1) 0.25 percent of the total amount allocated to States under this section for fiscal year 2001, plus 0.35 percent of the total amount allocated to States under this section in excess of the amount allocated for fiscal year 2001; or

“(2) the average of—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) the amount calculated in paragraph (1), above; and

“(B) the number of children in such State counted under subsection (c) in the fiscal year multiplied by 150 percent of the national average per-pupil payment made with funds available under this section for that year.

“SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDUCATIONAL AGENCIES. 20 USC 6334.

“(a) ELIGIBILITY FOR AND AMOUNT OF GRANTS.—

“(1) IN GENERAL.—(A) Except as otherwise provided in this paragraph, each local educational agency which is eligible for a grant under section 1124 for any fiscal year is eligible for an additional grant under this section for that fiscal year if the number of children counted under section 1124(c) in the agency exceeds either—

“(i) 6,500; or

“(ii) 15 percent of the total number of children aged 5 through 17 in the agency.

“(B) Notwithstanding section 1122, no State shall receive less than the lesser of—

“(i) 0.25 percent of the total amount allocated to States under this section for fiscal year 2001, plus 0.35 percent of the total amount allocated to States under this section in excess of the amount allocated for fiscal year 2001; or

“(ii) the average of—

“(I) the amount calculated under clause (i); and

“(II) the greater of—

“(aa) \$340,000; or

“(bb) the number of children in such State counted for purposes of this section in that fiscal year multiplied by 150 percent of the national average per-pupil payment made with funds available under this section for that year.

“(2) DETERMINATION.—For each county or local educational agency eligible to receive an additional grant under this section for any fiscal year, the Secretary shall determine the product of—

“(A) the number of children counted under section 1124(c) for that fiscal year; and

“(B) the amount in section 1124(a)(1)(B) for each State except the Commonwealth of Puerto Rico, and the amount in section 1124(a)(4) for the Commonwealth of Puerto Rico.

“(3) AMOUNT.—The amount of the additional grant for which an eligible local educational agency or county is eligible under this section for any fiscal year shall be an amount which bears the same ratio to the amount available to carry out this section for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

“(4) LOCAL ALLOCATIONS.—(A) Grant amounts under this section shall be determined in accordance with section 1124(a)(2), (3), and (4).

“(B) For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, a State may reserve not more than 2 percent of its allocation under this section to make grants to local educational agencies that meet the criteria of paragraph (1)(A)(i) or (ii) and are in ineligible counties that do not meet these criteria.

“(b) SMALL STATES.—In any State for which on the date of enactment of the No Child Left Behind Act of 2001 the number of children counted under section 1124(c) is less than 0.25 percent of the number of those children counted for all States, the State

PUBLIC LAW 107-110—JAN. 8, 2002

educational agency shall allocate funds under this section among the local educational agencies in the State either—

“(1) in accordance with paragraphs (2) and (4) of subsection (a); or

“(2) based on their respective concentrations and numbers of children counted under section 1124(c), except that only those local educational agencies with concentrations or numbers of children counted under section 1124(c) that exceed the statewide average percentage of such children or the statewide average number of such children shall receive any funds on the basis of this paragraph.

20 USC 6335.

“SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES.

“(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—

“(1) **IN GENERAL.—**A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if—

“(A) the number of children in the local educational agency counted under section 1124(c), before application of the weighted child count described in subsection (c), is at least 10; and

“(B) if the number of children counted for grants under section 1124(c), before application of the weighted child count described in subsection (c), is at least 5 percent of the total number of children aged 5 to 17 years, inclusive, in the school district of the local educational agency.

“(2) **SPECIAL RULE.—**For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, funds made available as a result of applying this subsection shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

“(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES, THE DISTRICT OF COLUMBIA, AND THE COMMONWEALTH OF PUERTO RICO.—

“(1) **IN GENERAL.—**The amount of the grant that a local educational agency in a State (other than the Commonwealth of Puerto Rico) is eligible to receive under this section for any fiscal year shall be the product of—

“(A) the weighted child count determined under subsection (c); and

“(B) the amount determined under section 1124(a)(1)(B).

“(2) **PUERTO RICO.—**For each fiscal year, the amount of the grant the Commonwealth of Puerto Rico is eligible to receive under this section shall be equal to the number of children counted under subsection (c) for the Commonwealth of Puerto Rico, multiplied by the amount determined in section 1124(a)(4) for the Commonwealth of Puerto Rico.

“(c) WEIGHTED CHILD COUNT.—

“(1) WEIGHTS FOR ALLOCATIONS TO COUNTIES.—

“(A) **IN GENERAL.—**For each fiscal year for which the Secretary uses county population data to calculate grants, the weighted child count used to determine a county’s allocation under this section is the larger of the two amounts determined under subparagraphs (B) and (C).

“(B) **BY PERCENTAGE OF CHILDREN.—**The amount referred to in subparagraph (A) is determined by adding—

“(i) the number of children determined under section 1124(c) for that county who constitute not more than 15.00 percent, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(ii) the number of such children who constitute more than 15.00 percent, but not more than 19.00 percent, of such population, multiplied by 1.75;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) the number of such children who constitute more than 19.00 percent, but not more than 24.20 percent, of such population, multiplied by 2.5;

“(iv) the number of such children who constitute more than 24.20 percent, but not more than 29.20 percent, of such population, multiplied by 3.25; and

“(v) the number of such children who constitute more than 29.20 percent of such population, multiplied by 4.0.

“(C) BY NUMBER OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

“(i) the number of children determined under section 1124(c) who constitute not more than 2,311, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(ii) the number of such children between 2,312 and 7,913, inclusive, in such population, multiplied by 1.5;

“(iii) the number of such children between 7,914 and 23,917, inclusive, in such population, multiplied by 2.0;

“(iv) the number of such children between 23,918 and 93,810, inclusive, in such population, multiplied by 2.5; and

“(v) the number of such children in excess of 93,811 in such population, multiplied by 3.0.

“(D) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for the Commonwealth of Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.82.

“(2) WEIGHTS FOR ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

“(A) IN GENERAL.—For each fiscal year for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency’s grant under this section is the larger of the two amounts determined under subparagraphs (B) and (C).

“(B) BY PERCENTAGE OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

“(i) the number of children determined under section 1124(c) for that local educational agency who constitute not more than 15.58 percent, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(ii) the number of such children who constitute more than 15.58 percent, but not more than 22.11 percent, of such population, multiplied by 1.75;

“(iii) the number of such children who constitute more than 22.11 percent, but not more than 30.16 percent, of such population, multiplied by 2.5;

“(iv) the number of such children who constitute more than 30.16 percent, but not more than 38.24 percent, of such population, multiplied by 3.25; and

“(v) the number of such children who constitute more than 38.24 percent of such population, multiplied by 4.0.

“(C) BY NUMBER OF CHILDREN.—The amount referred to in subparagraph (A) is determined by adding—

“(i) the number of children determined under section 1124(c) who constitute not more than 691, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(ii) the number of such children between 692 and 2,262, inclusive, in such population, multiplied by 1.5;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) the number of such children between 2,263 and 7,851, inclusive, in such population, multiplied by 2.0;

“(iv) the number of such children between 7,852 and 35,514, inclusive, in such population, multiplied by 2.5; and

“(v) the number of such children in excess of 35,514 in such population, multiplied by 3.0.

“(D) PUERTO RICO.—Notwithstanding subparagraph (A), the weighting factor for the Commonwealth of Puerto Rico under this paragraph shall not be greater than the total number of children counted under section 1124(c) multiplied by 1.82.

“(d) CALCULATION OF GRANT AMOUNTS.—Grant amounts under this section shall be calculated in the same manner as grant amounts are calculated under section 1124(a)(2) and (3).

“(e) STATE MINIMUM.—Notwithstanding any other provision of this section or section 1122, from the total amount available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

“(1) 0.35 percent of the total amount available to carry out this section; or

“(2) the average of—

“(A) 0.35 percent of the total amount available to carry out this section; and

“(B) 150 percent of the national average grant under this section per child described in section 1124(c), without application of a weighting factor, multiplied by the State’s total number of children described in section 1124(c), without application of a weighting factor.

20 USC 6336.

“SEC. 1125AA. ADEQUACY OF FUNDING OF TARGETED GRANTS TO LOCAL EDUCATIONAL AGENCIES IN FISCAL YEARS AFTER FISCAL YEAR 2001.

“(a) FINDINGS.—Congress makes the following findings:

“(1) The current Basic Grant Formula for the distribution of funds under this part often does not provide funds for the economically disadvantaged students for which such funds are targeted.

“(2) Any school district in which more than 2 percent of the students live below the poverty level qualifies for funding under the Basic Grant Formula. As a result, 9 out of every 10 school districts in the country receive some form of aid under the Formula.

“(3) Fifty-eight percent of all schools receive at least some funding under this part, including many suburban schools with predominantly well-off students.

“(4) One out of every 5 schools with concentrations of poor students between 50 and 75 percent receive no funding at all under this part.

“(5) In passing the Improving America’s Schools Act in 1994, Congress declared that grants under this part would more sharply target high poverty schools by using the Targeted Grant Formula, but annual appropriation Acts have prevented the use of that Formula.

“(6) The advantage of the Targeted Grant Formula over other funding formulas under this part is that the Targeted Grant Formula provides increased grants per poor child as the percentage of economically disadvantaged children in a school district increases.

“(7) Studies have found that the poverty of a child’s family is much more likely to be associated with educational disadvantage if the family lives in an area with large concentrations of poor families.

PUBLIC LAW 107-110—JAN. 8, 2002

“(8) States with large populations of high poverty students would receive significantly more funding if more funds under this part were allocated through the Targeted Grant Formula.

“(9) Congress has an obligation to allocate funds under this part so that such funds will positively affect the largest number of economically disadvantaged students.

“(b) LIMITATION ON ALLOCATION OF TITLE I FUNDS CONTINGENT ON ADEQUATE FUNDING OF TARGETED GRANTS.—Pursuant to section 1122, the total amount allocated in any fiscal year after fiscal year 2001 for programs and activities under this part shall not exceed the amount allocated in fiscal year 2001 for such programs and activities unless the amount available for targeted grants to local educational agencies under section 1125 in the applicable fiscal year meets the requirements of section 1122(a).

“SEC. 1125A. EDUCATION FINANCE INCENTIVE GRANT PROGRAM.

20 USC 6337.

“(a) GRANTS.—From funds appropriated under subsection (f) the Secretary is authorized to make grants to States, from allotments under subsection (b), to carry out the programs and activities of this part.

“(b) DISTRIBUTION BASED UPON FISCAL EFFORT AND EQUITY.—

“(1) IN GENERAL.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), funds appropriated pursuant to subsection (f) shall be allotted to each State based upon the number of children counted under section 1124(c) in such State multiplied by the product of—

“(i) the amount in section 1124(a)(1)(B) for all States other than the Commonwealth of Puerto Rico, except that the amount determined under that subparagraph shall not be less than 34 percent or more than 46 percent of the average per pupil expenditure in the United States, and the amount in section 1124(a)(4) for the Commonwealth of Puerto Rico, except that the amount in section 1124(a)(4)(A)(ii) shall be 34 percent of the average per pupil expenditure in the United States; multiplied by

“(ii) such State’s effort factor described in paragraph (2); multiplied by

“(iii) 1.30 minus such State’s equity factor described in paragraph (3).

“(B) STATE MINIMUM.—Notwithstanding any other provision of this section or section 1122, from the total amount available for any fiscal year to carry out this section, each State shall be allotted at least the lesser of—

“(i) 0.35 percent of total appropriations; or

“(ii) the average of—

“(I) 0.35 percent of the total amount available to carry out this section; and

“(II) 150 percent of the national average grant under this section per child described in section 1124(c), without application of a weighting factor, multiplied by the State’s total number of children described in section 1124(c), without application of a weighting factor.

“(2) EFFORT FACTOR.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the effort factor for a State shall be determined in accordance with the succeeding sentence, except that such factor shall not be less than 0.95 nor greater than 1.05. The effort factor determined under this sentence shall be a fraction the numerator of which is the product of the 3-year average per-pupil expenditure in the State multiplied by the 3-year average per capita income in the United States and the denominator of which is the product of

PUBLIC LAW 107-110—JAN. 8, 2002

the 3-year average per capita income in such State multiplied by the 3-year average per-pupil expenditure in the United States.

“(B) COMMONWEALTH OF PUERTO RICO.—The effort factor for the Commonwealth of Puerto Rico shall be equal to the lowest effort factor calculated under subparagraph (A) for any State.

“(3) EQUITY FACTOR.—

“(A) DETERMINATION.—

“(i) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall determine the equity factor under this section for each State in accordance with clause (ii).

“(ii) COMPUTATION.—

“(I) IN GENERAL.—For each State, the Secretary shall compute a weighted coefficient of variation for the per-pupil expenditures of local educational agencies in accordance with subclauses (II), (III), and (IV).

“(II) VARIATION.—In computing coefficients of variation, the Secretary shall weigh the variation between per-pupil expenditures in each local educational agency and the average per-pupil expenditures in the State according to the number of pupils served by the local educational agency.

“(III) NUMBER OF PUPILS.—In determining the number of pupils under this paragraph served by each local educational agency and in each State, the Secretary shall multiply the number of children counted under section 1124(c) by a factor of 1.4.

“(IV) ENROLLMENT REQUIREMENT.—In computing coefficients of variation, the Secretary shall include only those local educational agencies with an enrollment of more than 200 students.

“(B) SPECIAL RULE.—The equity factor for a State that meets the disparity standard described in section 222.162 of title 34, Code of Federal Regulations (as such section was in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001) or a State with only one local educational agency shall be not greater than 0.10.

“(c) USE OF FUNDS; ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—All funds awarded to each State under this section shall be allocated to local educational agencies under the following provisions. Within local educational agencies, funds allocated under this section shall be distributed to schools on a basis consistent with section 1113, and may only be used to carry out activities under this part. A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if—

“(A) the number of children in the local educational agency counted under section 1124(c), before application of the weighted child count described in paragraph (3), is at least 10; and

“(B) if the number of children counted for grants under section 1124(c), before application of the weighted child count described in paragraph (3), is at least 5 percent of the total number of children aged 5 to 17 years, inclusive, in the school district of the local educational agency.

“For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, funds made available as a result of applying this subsection shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

PUBLIC LAW 107-110—JAN. 8, 2002

“(d) ALLOCATION OF FUNDS TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—Funds received by States under this section shall be allocated within States to eligible local educational agencies on the basis of weighted child counts calculated in accordance with paragraph (1), (2), or (3), as appropriate for each State.

“(1) STATES WITH AN EQUITY FACTOR LESS THAN .10.—In States with an equity factor less than .10, the weighted child counts referred to in subsection (d) shall be calculated as follows:

“(A) WEIGHTS FOR ALLOCATIONS TO COUNTIES.—

“(i) IN GENERAL.—For each fiscal year for which the Secretary uses county population data to calculate grants, the weighted child count used to determine a county’s allocation under this section is the larger of the two amounts determined under clauses (ii) and (iii).

“(ii) BY PERCENTAGE OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) for that county who constitute not more than 15.00 percent, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children who constitute more than 15.00 percent, but not more than 19.00 percent, of such population, multiplied by 1.75;

“(III) the number of such children who constitute more than 19.00 percent, but not more than 24.20 percent, of such population, multiplied by 2.5;

“(IV) the number of such children who constitute more than 24.20 percent, but not more than 29.20 percent, of such population, multiplied by 3.25; and

“(V) the number of such children who constitute more than 29.20 percent of such population, multiplied by 4.0.

“(iii) BY NUMBER OF CHILDREN.—The amount referred to in clause (i) is determined by adding

“(I) the number of children determined under section 1124(c) who constitute not more than 2,311, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children between 2,312 and 7,913, inclusive, in such population, multiplied by 1.5;

“(III) the number of such children between 7,914 and 23,917, inclusive, in such population, multiplied by 2.0;

“(IV) the number of such children between 23,918 and 93,810, inclusive, in such population, multiplied by 2.5; and

“(V) the number of such children in excess of 93,811 in such population, multiplied by 3.0.

“(B) WEIGHTS FOR ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

“(i) IN GENERAL.—For each fiscal year for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency’s grant under this section is the larger of the two amounts determined under clauses (ii) and (iii).

“(ii) BY PERCENTAGE OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

PUBLIC LAW 107-110—JAN. 8, 2002

“(I) the number of children determined under section 1124(c) for that local educational agency who constitute not more than 15.58 percent, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children who constitute more than 15.58 percent, but not more than 22.11 percent, of such population, multiplied by 1.75;

“(III) the number of such children who constitute more than 22.11 percent, but not more than 30.16 percent, of such population, multiplied by 2.5;

“(IV) the number of such children who constitute more than 30.16 percent, but not more than 38.24 percent, of such population, multiplied by 3.25; and

“(V) the number of such children who constitute more than 38.24 percent of such population, multiplied by 4.0.

“(iii) BY NUMBER OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) who constitute not more than 691, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children between 692 and 2,262, inclusive, in such population, multiplied by 1.5;

“(III) the number of such children between 2,263 and 7,851, inclusive, in such population, multiplied by 2.0;

“(IV) the number of such children between 7,852 and 35,514, inclusive, in such population, multiplied by 2.5; and

“(V) the number of such children in excess of 35,514 in such population, multiplied by 3.0.

“(2) STATES WITH AN EQUITY FACTOR GREATER THAN OR EQUAL TO .10 AND LESS THAN .20.—In States with an equity factor greater than or equal to .10 and less than .20, the weighted child counts referred to in subsection (d) shall be calculated as follows:

“(A) WEIGHTS FOR ALLOCATIONS TO COUNTIES.—

“(i) IN GENERAL.—For each fiscal year for which the Secretary uses county population data to calculate grants, the weighted child count used to determine a county’s allocation under this section is the larger of the two amounts determined under clauses (ii) and (iii).

“(ii) BY PERCENTAGE OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) for that county who constitute not more than 15.00 percent, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children who constitute more than 15.00 percent, but not more than 19.00 percent, of such population, multiplied by 1.5;

“(III) the number of such children who constitute more than 19.00 percent, but not more than 24.20 percent, of such population, multiplied by 3.0;

PUBLIC LAW 107-110—JAN. 8, 2002

“(IV) the number of such children who constitute more than 24.20 percent, but not more than 29.20 percent, of such population, multiplied by 4.5; and

“(V) the number of such children who constitute more than 29.20 percent of such population, multiplied by 6.0.

“(iii) BY NUMBER OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) who constitute not more than 2,311, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children between 2,312 and 7,913, inclusive, in such population, multiplied by 1.5;

“(III) the number of such children between 7,914 and 23,917, inclusive, in such population, multiplied by 2.25;

“(IV) the number of such children between 23,918 and 93,810, inclusive, in such population, multiplied by 3.375; and

“(V) the number of such children in excess of 93,811 in such population, multiplied by 4.5.

“(B) WEIGHTS FOR ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

“(i) IN GENERAL.—For each fiscal year for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency’s grant under this section is the larger of the two amounts determined under clauses (ii) and (iii).

“(ii) BY PERCENTAGE OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) for that local educational agency who constitute not more than 15.58 percent, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children who constitute more than 15.58 percent, but not more than 22.11 percent, of such population, multiplied by 1.5;

“(III) the number of such children who constitute more than 22.11 percent, but not more than 30.16 percent, of such population, multiplied by 3.0;

“(IV) the number of such children who constitute more than 30.16 percent, but not more than 38.24 percent, of such population, multiplied by 4.5; and

“(V) the number of such children who constitute more than 38.24 percent of such population, multiplied by 6.0.

“(iii) BY NUMBER OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) who constitute not more than 691, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children between 692 and 2,262, inclusive, in such population, multiplied by 1.5;

PUBLIC LAW 107-110—JAN. 8, 2002

“(III) the number of such children between 2,263 and 7,851, inclusive, in such population, multiplied by 2.25;

“(IV) the number of such children between 7,852 and 35,514, inclusive, in such population, multiplied by 3.375; and

“(V) the number of such children in excess of 35,514 in such population, multiplied by 4.5.

“(3) STATES WITH AN EQUITY FACTOR GREATER THAN OR EQUAL TO .20.—In States with an equity factor greater than or equal to .20, the weighted child counts referred to in subsection (d) shall be calculated as follows:

“(A) WEIGHTS FOR ALLOCATIONS TO COUNTIES.—

“(i) IN GENERAL.—For each fiscal year for which the Secretary uses county population data to calculate grants, the weighted child count used to determine a county’s allocation under this section is the larger of the two amounts determined under clauses (ii) and (iii).

“(ii) BY PERCENTAGE OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) for that county who constitute not more than 15.00 percent, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children who constitute more than 15.00 percent, but not more than 19.00 percent, of such population, multiplied by 2.0;

“(III) the number of such children who constitute more than 19.00 percent, but not more than 24.20 percent, of such population, multiplied by 4.0;

“(IV) the number of such children who constitute more than 24.20 percent, but not more than 29.20 percent, of such population, multiplied by 6.0; and

“(V) the number of such children who constitute more than 29.20 percent of such population, multiplied by 8.0.

“(iii) BY NUMBER OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) who constitute not more than 2,311, inclusive, of the county’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children between 2,312 and 7,913, inclusive, in such population, multiplied by 2.0;

“(III) the number of such children between 7,914 and 23,917, inclusive, in such population, multiplied by 3.0;

“(IV) the number of such children between 23,918 and 93,810, inclusive, in such population, multiplied by 4.5; and

“(V) the number of such children in excess of 93,811 in such population, multiplied by 6.0.

“(B) WEIGHTS FOR ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

“(i) IN GENERAL.—For each fiscal year for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency’s grant under this section is the larger

PUBLIC LAW 107-110—JAN. 8, 2002

of the two amounts determined under clauses (ii) and (iii).

“(ii) BY PERCENTAGE OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) for that local educational agency who constitute not more than 15.58 percent, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children who constitute more than 15.58 percent, but not more than 22.11 percent, of such population, multiplied by 2.0;

“(III) the number of such children who constitute more than 22.11 percent, but not more than 30.16 percent, of such population, multiplied by 4.0;

“(IV) the number of such children who constitute more than 30.16 percent, but not more than 38.24 percent, of such population, multiplied by 6.0; and

“(V) the number of such children who constitute more than 38.24 percent of such population, multiplied by 8.0.

“(iii) BY NUMBER OF CHILDREN.—The amount referred to in clause (i) is determined by adding—

“(I) the number of children determined under section 1124(c) who constitute not more than 691, inclusive, of the agency’s total population aged 5 to 17, inclusive, multiplied by 1.0;

“(II) the number of such children between 692 and 2,262, inclusive, in such population, multiplied by 2.0;

“(III) the number of such children between 2,263 and 7,851, inclusive, in such population, multiplied by 3.0;

“(IV) the number of such children between 7,852 and 35,514, inclusive, in such population, multiplied by 4.5; and

“(V) the number of such children in excess of 35,514 in such population, multiplied by 6.0.

“(e) MAINTENANCE OF EFFORT.—

“(1) IN GENERAL.—Except as provided in paragraph (2), a State is entitled to receive its full allotment of funds under this section for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

“(2) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of funds awarded to any State under this section in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 percent of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

“(3) WAIVERS.—The Secretary may waive, for 1 fiscal year only, the requirements of this subsection if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or

PUBLIC LAW 107-110—JAN. 8, 2002

a precipitous and unforeseen decline in the financial resources of the State.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2002 and for each of the 5 succeeding fiscal years.

“(g) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

“(1) IN GENERAL.—If the sums available under this section for any fiscal year are insufficient to pay the full amounts that all local educational agencies in States are eligible to receive under this section for such year, the Secretary shall ratably reduce the allocations to such local educational agencies, subject to paragraphs (2) and (3).

“(2) ADDITIONAL FUNDS.—If additional funds become available for making payments under this section for such fiscal year, allocations that were reduced under paragraph (1) shall be increased on the same basis as they were reduced.

“(3) HOLD-HARMLESS AMOUNTS.—For each fiscal year, if sufficient funds are available, the amount made available to each local educational agency under this section shall be

“(A) not less than 95 percent of the amount made available for the preceding fiscal year if the number of children counted for grants under section 1124 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, in the local educational agency;

“(B) not less than 90 percent of the amount made available for the preceding fiscal year if the percentage described in subparagraph (A) is between 15 percent and 30 percent; and

“(C) not less than 85 percent of the amount made available for the preceding fiscal year if the percentage described in subparagraph (A) is below 15 percent.

“(4) APPLICABILITY.—Notwithstanding any other provision of law, the Secretary shall not take into consideration the hold-harmless provisions of this subsection for any fiscal year for purposes of calculating State or local allocations for the fiscal year under any program administered by the Secretary other than a program authorized under this part.

20 USC 6338.

“SEC. 1126. SPECIAL ALLOCATION PROCEDURES.

“(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

“(1) IN GENERAL.—If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected children as described in section 1124(c)(1)(B), the State educational agency shall, if such agency assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency’s allocation under sections 1124, 1124A, 1125, and 1125A that is attributable to such children.

“(2) SPECIAL RULE.—If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency’s allocation.

“(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL AGENCIES.—The State educational agency may allocate the amounts of grants under sections 1124, 1124A, 1125, and 1125A among the affected local educational agencies—

“(1) if two or more local educational agencies serve, in whole or in part, the same geographical area;

“(2) if a local educational agency provides free public education for children who reside in the school district of another local educational agency; or

“(3) to reflect the merger, creation, or change of boundaries of one or more local educational agencies.

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) REALLOCATION.—If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 1124, 1124A, 1125, and 1125A is more than such local educational agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.

“SEC. 1127. CARRYOVER AND WAIVER.

20 USC 6339.

“(a) LIMITATION ON CARRYOVER.—Notwithstanding section 421(b) of the General Education Provisions Act or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

“(b) WAIVER.—A State educational agency may, once every 3 years, waive the percentage limitation in subsection (a) if—

“(1) the agency determines that the request of a local educational agency is reasonable and necessary; or

“(2) supplemental appropriations for this subpart become available.

“(c) EXCLUSION.—The percentage limitation under subsection (a) shall not apply to any local educational agency that receives less than \$50,000 under this subpart for any fiscal year.

“PART B—STUDENT READING SKILLS IMPROVEMENT GRANTS

“Subpart 1—Reading First

“SEC. 1201. PURPOSES.

20 USC 6361.

“The purposes of this subpart are as follows:

“(1) To provide assistance to State educational agencies and local educational agencies in establishing reading programs for students in kindergarten through grade 3 that are based on scientifically based reading research, to ensure that every student can read at grade level or above not later than the end of grade 3.

“(2) To provide assistance to State educational agencies and local educational agencies in preparing teachers, including special education teachers, through professional development and other support, so the teachers can identify specific reading barriers facing their students and so the teachers have the tools to effectively help their students learn to read.

“(3) To provide assistance to State educational agencies and local educational agencies in selecting or administering screening, diagnostic, and classroom-based instructional reading assessments.

“(4) To provide assistance to State educational agencies and local educational agencies in selecting or developing effective instructional materials (including classroom-based materials to assist teachers in implementing the essential components of reading instruction), programs, learning systems, and strategies to implement methods that have been proven to prevent or remediate reading failure within a State.

“(5) To strengthen coordination among schools, early literacy programs, and family literacy programs to improve reading achievement for all children.

“SEC. 1202. FORMULA GRANTS TO STATE EDUCATIONAL AGENCIES.

20 USC 6362.

“(a) IN GENERAL.—

“(1) AUTHORIZATION TO MAKE GRANTS.—In the case of each State educational agency that in accordance with section 1203 submits to the Secretary an application for a 6-year period,

PUBLIC LAW 107-110—JAN. 8, 2002

the Secretary, from amounts appropriated under section 1002(b)(1) and subject to the application's approval, shall make a grant to the State educational agency for the uses specified in subsections (c) and (d). For each fiscal year, the funds provided under the grant shall equal the allotment determined for the State educational agency under subsection (b).

“(2) DURATION OF GRANTS.—Subject to subsection (e)(3), a grant under this section shall be awarded for a period of not more than 6 years.

“(b) DETERMINATION OF AMOUNT OF ALLOTMENTS.—

“(1) RESERVATIONS FROM APPROPRIATIONS.—From the total amount made available to carry out this subpart for a fiscal year, the Secretary—

“(A) shall reserve one-half of 1 percent for allotments for the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be distributed among these outlying areas on the basis of their relative need, as determined by the Secretary in accordance with the purposes of this subpart;

“(B) shall reserve one-half of 1 percent for the Secretary of the Interior for programs under this subpart in schools operated or funded by the Bureau of Indian Affairs;

“(C) may reserve not more than 2½ percent or \$25,000,000, whichever is less, to carry out section 1205 (relating to external evaluation) and section 1206 (relating to national activities);

“(D) shall reserve \$5,000,000 to carry out sections 1207 and 1224 (relating to information dissemination); and

“(E) for any fiscal year, beginning with fiscal year 2004, for which the amount appropriated to carry out this subpart exceeds the amount appropriated for fiscal year 2003, shall reserve, to carry out section 1204, the lesser of—

“(i) \$90,000,000; or

“(ii) 10 percent of such excess amount.

“(2) STATE ALLOTMENTS.—In accordance with paragraph (3), the Secretary shall allot among each of the States the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1).

“(3) DETERMINATION OF STATE ALLOTMENT AMOUNTS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall allot the amount made available under paragraph (2) for a fiscal year among the States in proportion to the number of children, aged 5 to 17, who reside within the State and are from families with incomes below the poverty line for the most recent fiscal year for which satisfactory data are available, compared to the number of such individuals who reside in all such States for that fiscal year.

“(B) EXCEPTIONS.—

“(i) MINIMUM GRANT AMOUNT.—Subject to clause (ii), no State receiving an allotment under subparagraph (A) may receive less than one-fourth of 1 percent of the total amount allotted under such subparagraph.

“(ii) PUERTO RICO.—The percentage of the amount allotted under subparagraph (A) that is allotted to the Commonwealth of Puerto Rico for a fiscal year may not exceed the percentage that was received by the Commonwealth of Puerto Rico of the funds allocated to all States under subpart 2 of part A for the preceding fiscal year.

“(4) DISTRIBUTION OF SUBGRANTS.—The Secretary may make a grant to a State educational agency only if the State educational agency agrees to expend at least 80 percent of the amount of the funds provided under the grant for the

PUBLIC LAW 107-110—JAN. 8, 2002

purpose of making, in accordance with subsection (c), competitive subgrants to eligible local educational agencies.

“(5) REALLOTMENT.—If a State educational agency described in paragraph (2) does not apply for an allotment under this section for any fiscal year, or if the State educational agency’s application is not approved, the Secretary shall reallocate such amount to the remaining State educational agencies in accordance with paragraph (3).

“(6) DEFINITION OF STATE.—For purposes of this subsection, the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(c) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

“(1) AUTHORIZATION TO MAKE SUBGRANTS.—In accordance with paragraph (2), a State educational agency that receives a grant under this section shall make competitive subgrants to eligible local educational agencies.

“(2) ALLOCATION.—

“(A) MINIMUM SUBGRANT AMOUNT.—In making subgrants under paragraph (1), a State educational agency shall allocate to each eligible local educational agency that receives such a subgrant, at a minimum, an amount that bears the same relation to the funds made available under subsection (b)(4) as the amount the eligible local educational agency received under part A for the preceding fiscal year bears to the amount all the local educational agencies in the State received under part A for the preceding fiscal year.

“(B) PRIORITY.—In making subgrants under paragraph (1), a State educational agency shall give priority to eligible local educational agencies in which at least—

“(i) 15 percent of the children served by the eligible local educational agency are from families with incomes below the poverty line; or

“(ii) 6,500 children served by the eligible local educational agency are from families with incomes below the poverty line.

“(3) NOTICE.—A State educational agency receiving a grant under this section shall provide notice to all eligible local educational agencies in the State of the availability of competitive subgrants under this subsection and of the requirements for applying for the subgrants.

“(4) LOCAL APPLICATION.—To be eligible to receive a subgrant under this subsection, an eligible local educational agency shall submit an application to the State educational agency at such time, in such manner, and containing such information as the State educational agency may reasonably require.

“(5) STATE REQUIREMENT.—In distributing subgrant funds to eligible local educational agencies under this subsection, a State educational agency shall—

“(A) provide funds in sufficient size and scope to enable the eligible local educational agencies to improve reading instruction; and

“(B) provide the funds in amounts related to the number or percentage of students in kindergarten through grade 3 who are reading below grade level.

“(6) LIMITATION TO CERTAIN SCHOOLS.—In distributing subgrant funds under this subsection, an eligible local educational agency shall provide funds only to schools that both—

“(A) are among the schools served by that eligible local educational agency with the highest percentages or numbers of students in kindergarten through grade 3 reading below grade level, based on the most currently available data; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(B)(i) are identified for school improvement under section 1116(b); or

“(ii) have the highest percentages or numbers of children counted under section 1124(c).

“(7) LOCAL USES OF FUNDS.—

“(A) REQUIRED USES.—Subject to paragraph (8), an eligible local educational agency that receives a subgrant under this subsection shall use the funds provided under the subgrant to carry out the following activities:

“(i) Selecting and administering screening, diagnostic, and classroom-based instructional reading assessments.

“(ii) Selecting and implementing a learning system or program of reading instruction based on scientifically based reading research that—

“(I) includes the essential components of reading instruction; and

“(II) provides such instruction to the children in kindergarten through grade 3 in the schools served by the eligible local educational agency, including children who—

“(aa) may have reading difficulties;

“(bb) are at risk of being referred to special education based on these difficulties;

“(cc) have been evaluated under section 614 of the Individuals with Disabilities Education Act but, in accordance with section 614(b)(5) of that Act, have not been identified as being a child with a disability (as defined in section 602 of that Act);

“(dd) are being served under such Act primarily due to being identified as being a child with a specific learning disability (as defined in section 602 of that Act) related to reading;

“(ee) are deficient in the essential components of reading skills, as listed in subparagraphs (A) through (E) of section 1208(3); or

“(ff) are identified as having limited English proficiency.

“(iii) Procuring and implementing instructional materials, including education technology such as software and other digital curricula, that are based on scientifically based reading research.

“(iv) Providing professional development for teachers of kindergarten through grade 3, and special education teachers of kindergarten through grade 12, that—

“(I) will prepare these teachers in all of the essential components of reading instruction;

“(II) shall include—

“(aa) information on instructional materials, programs, strategies, and approaches based on scientifically based reading research, including early intervention, classroom reading materials, and remedial programs and approaches; and

“(bb) instruction in the use of screening, diagnostic, and classroom-based instructional reading assessments and other procedures that effectively identify students who may be at risk for reading failure or who are having difficulty reading;

“(III) shall be provided by eligible professional development providers; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(IV) will assist teachers in becoming highly qualified in reading instruction in accordance with the requirements of section 1119.

“(v) Collecting and summarizing data—

“(I) to document the effectiveness of activities carried out under this subpart in individual schools and in the local educational agency as a whole; and

“(II) to stimulate and accelerate improvement by identifying the schools that produce significant gains in reading achievement.

“(vi) Reporting data for all students and categories of students described in section 1111(b)(2)(C)(v)(II).

“(vii) Promoting reading and library programs that provide access to engaging reading material, including coordination with programs funded through grants received under subpart 4, where applicable.

“(B) ADDITIONAL USES.—Subject to paragraph (8), an eligible local educational agency that receives a subgrant under this subsection may use the funds provided under the subgrant to carry out the following activities:

“(i) Humanities-based family literacy programs (which may be referred to as ‘Prime Time Family Reading Time’) that bond families around the acts of reading and using public libraries.

“(ii) Providing training in the essential components of reading instruction to a parent or other individual who volunteers to be a student’s reading tutor, to enable such parent or individual to support instructional practices that are based on scientifically based reading research and are being used by the student’s teacher.

“(iii) Assisting parents, through the use of materials and reading programs, strategies, and approaches (including family literacy services) that are based on scientifically based reading research, to encourage reading and support their child’s reading development.

“(8) LOCAL PLANNING AND ADMINISTRATION.—An eligible local educational agency that receives a subgrant under this subsection may use not more than 3.5 percent of the funds provided under the subgrant for planning and administration.

“(d) STATE USES OF FUNDS.—

“(1) IN GENERAL.—A State educational agency that receives a grant under this section may expend not more than a total of 20 percent of the grant funds to carry out the activities described in paragraphs (3), (4), and (5).

“(2) PRIORITY.—A State educational agency shall give priority to carrying out the activities described in paragraphs (3), (4), and (5) for schools described in subsection (c)(6).

“(3) PROFESSIONAL INSERVICE AND PRESERVICE DEVELOPMENT AND REVIEW.—A State educational agency may expend not more than 65 percent of the amount of the funds made available under paragraph (1)—

“(A) to develop and implement a program of professional development for teachers, including special education teachers, of kindergarten through grade 3 that—

“(i) will prepare these teachers in all the essential components of reading instruction;

“(ii) shall include—

“(I) information on instructional materials, programs, strategies, and approaches based on scientifically based reading research, including early intervention and reading remediation materials, programs, and approaches; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(II) instruction in the use of screening, diagnostic, and classroom-based instructional reading assessments and other scientifically based procedures that effectively identify students who may be at risk for reading failure or who are having difficulty reading; and

“(iii) shall be provided by eligible professional development providers;

“(B) to strengthen and enhance preservice courses for students preparing, at all public institutions of higher education in the State, to teach kindergarten through grade 3 by—

“(i) reviewing such courses to determine whether the courses’ content is consistent with the findings of the most current scientifically based reading research, including findings on the essential components of reading instruction;

“(ii) following up such reviews with recommendations to ensure that such institutions offer courses that meet the highest standards; and

“(iii) preparing a report on the results of such reviews, submitting the report to the reading and literacy partnership for the State established under section 1203(d), and making the report available for public review by means of the Internet; and

“(C) to make recommendations on how the State licensure and certification standards in the area of reading might be improved.

“(4) TECHNICAL ASSISTANCE FOR LOCAL EDUCATIONAL AGENCIES AND SCHOOLS.—A State educational agency may expend not more than 25 percent of the amount of the funds made available under paragraph (1) for one or more of the following:

“(A) Assisting local educational agencies in accomplishing the tasks required to design and implement a program under this subpart, including—

“(i) selecting and implementing a program or programs of reading instruction based on scientifically based reading research;

“(ii) selecting screening, diagnostic, and classroom-based instructional reading assessments; and

“(iii) identifying eligible professional development providers to help prepare reading teachers to teach students using the programs and assessments described in clauses (i) and (ii).

“(B) Providing expanded opportunities to students in kindergarten through grade 3 who are served by eligible local educational agencies for receiving reading assistance from alternative providers that includes—

“(i) screening, diagnostic, and classroom-based instructional reading assessments; and

“(ii) as need is indicated by the assessments under clause (i), instruction based on scientifically based reading research that includes the essential components of reading instruction.

“(5) PLANNING, ADMINISTRATION, AND REPORTING.—

“(A) EXPENDITURE OF FUNDS.—A State educational agency may expend not more than 10 percent of the amount of funds made available under paragraph (1) for the activities described in this paragraph.

“(B) PLANNING AND ADMINISTRATION.—A State educational agency that receives a grant under this section may expend funds made available under subparagraph (A) for planning and administration relating to the State uses of funds authorized under this subpart, including the following:

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) Administering the distribution of competitive subgrants to eligible local educational agencies under subsection (c) and section 1204(d).

“(ii) Assessing and evaluating, on a regular basis, eligible local educational agency activities assisted under this subpart, with respect to whether they have been effective in increasing the number of children in grades 1, 2, and 3 served under this subpart who can read at or above grade level.

“(C) ANNUAL REPORTING.—

“(i) IN GENERAL.—A State educational agency that receives a grant under this section shall expend funds made available under subparagraph (A) to provide the Secretary annually with a report on the implementation of this subpart.

“(ii) INFORMATION INCLUDED.—Each report under this subparagraph shall include information on the following:

“(I) Evidence that the State educational agency is fulfilling its obligations under this subpart.

“(II) Specific identification of those schools and local educational agencies that report the largest gains in reading achievement.

“(III) The progress the State educational agency and local educational agencies within the State are making in reducing the number of students served under this subpart in grades 1, 2, and 3 who are reading below grade level, as demonstrated by such information as teacher reports and school evaluations of mastery of the essential components of reading instruction.

“(IV) Evidence on whether the State educational agency and local educational agencies within the State have significantly increased the number of students reading at grade level or above, significantly increased the percentages of students described in section 1111(b)(2)(C)(v)(II) who are reading at grade level or above, and successfully implemented this subpart.

“(iii) PRIVACY PROTECTION.—Data in the report shall be reported in a manner that protects the privacy of individuals.

“(iv) CONTRACT.—To the extent practicable, a State educational agency shall enter into a contract with an entity that conducts scientifically based reading research, under which contract the entity will assist the State educational agency in producing the reports required to be submitted under this subparagraph.

“(e) REVIEW.—

“(1) PROGRESS REPORT.—

“(A) SUBMISSION.—Not later than 60 days after the termination of the third year of the grant period, each State educational agency receiving a grant under this section shall submit a progress report to the Secretary.

Deadline.

“(B) INFORMATION INCLUDED.—The progress report shall include information on the progress the State educational agency and local educational agencies within the State are making in reducing the number of students served under this subpart in grades 1, 2, and 3 who are reading below grade level (as demonstrated by such information as teacher reports and school evaluations of mastery of the essential components of reading instruction). The report shall also include evidence from the State educational agency and local educational agencies within the State that the State educational agency and the local edu-

PUBLIC LAW 107-110—JAN. 8, 2002

cational agencies have significantly increased the number of students reading at grade level or above, significantly increased the percentages of students described in section 1111(b)(2)(C)(v)(II) who are reading at grade level or above, and successfully implemented this subpart.

“(2) PEER REVIEW.—The progress report described in paragraph (1) shall be reviewed by the peer review panel convened under section 1203(c)(2).

“(3) CONSEQUENCES OF INSUFFICIENT PROGRESS.—After submission of the progress report described in paragraph (1), if the Secretary determines that the State educational agency is not making significant progress in meeting the purposes of this subpart, the Secretary may withhold from the State educational agency, in whole or in part, further payments under this section in accordance with section 455 of the General Education Provisions Act or take such other action authorized by law as the Secretary determines necessary, including providing technical assistance upon request of the State educational agency.

“(f) FUNDS NOT USED FOR STATE LEVEL ACTIVITIES.—Any portion of funds described in subsection (d)(1) that a State educational agency does not expend in accordance with subsection (d)(1) shall be expended for the purpose of making subgrants in accordance with subsection (c).

20 USC 6363.

“SEC. 1203. STATE FORMULA GRANT APPLICATIONS.

“(a) APPLICATIONS.—

“(1) IN GENERAL.—A State educational agency that desires to receive a grant under section 1202 shall submit an application to the Secretary at such time and in such form as the Secretary may require. The application shall contain the information described in subsection (b).

“(2) SPECIAL APPLICATION PROVISIONS.—For those State educational agencies that have received a grant under part C of title II (as such part was in effect on the day before the date of enactment of the No Child Left Behind Act of 2001), the Secretary shall establish a modified set of requirements for an application under this section that takes into account the information already submitted and approved under that program and minimizes the duplication of effort on the part of such State educational agencies.

“(b) CONTENTS.—An application under this section shall contain the following:

“(1) An assurance that the Governor of the State, in consultation with the State educational agency, has established a reading and literacy partnership described in subsection (d), and a description of how such partnership—

“(A) coordinated the development of the application; and

“(B) will assist in the oversight and evaluation of the State educational agency’s activities under this subpart.

“(2) A description, if applicable, of the State’s strategy to expand, continue, or modify activities authorized under part C of title II (as such part was in effect on the day before the date of enactment of the No Child Left Behind Act of 2001).

“(3) An assurance that the State educational agency, and any local educational agencies receiving a subgrant from that State educational agency under section 1202, will, if requested, participate in the external evaluation under section 1205.

“(4) A State educational agency plan containing a description of the following:

“(A) How the State educational agency will assist local educational agencies in identifying screening, diagnostic, and classroom-based instructional reading assessments.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) How the State educational agency will assist local educational agencies in identifying instructional materials, programs, strategies, and approaches, based on scientifically based reading research, including early intervention and reading remediation materials, programs, and approaches.

“(C) How the State educational agency will ensure that professional development activities related to reading instruction and provided under section 1202 are—

“(i) coordinated with other Federal, State, and local level funds, and used effectively to improve instructional practices for reading; and

“(ii) based on scientifically based reading research.

“(D) How the activities assisted under section 1202 will address the needs of teachers and other instructional staff in implementing the essential components of reading instruction.

“(E) How subgrants made by the State educational agency under section 1202 will meet the requirements of section 1202, including how the State educational agency will ensure that eligible local educational agencies receiving subgrants under section 1202 will use practices based on scientifically based reading research.

“(F) How the State educational agency will, to the extent practicable, make grants to eligible local educational agencies in both rural and urban areas.

“(G) How the State educational agency will build on, and promote coordination among literacy programs in the State (including federally funded programs such as programs under the Adult Education and Family Literacy Act, the Individuals with Disabilities Education Act, and subpart 2), to increase the effectiveness of the programs in improving reading for adults and children and to avoid duplication of the efforts of the program.

“(H) How the State educational agency will assess and evaluate, on a regular basis, eligible local educational agency activities assisted under section 1202, with respect to whether the activities have been effective in achieving the purposes of section 1202.

“(I) Any other information that the Secretary may reasonably require.

“(c) APPROVAL OF APPLICATIONS.—

“(1) IN GENERAL.—The Secretary shall approve an application of a State educational agency under this section only if such application meets the requirements of this section.

“(2) PEER REVIEW.—

“(A) IN GENERAL.—The Secretary, in consultation with the National Institute for Literacy, shall convene a panel to evaluate applications under this section. At a minimum, the panel shall include—

“(i) three individuals selected by the Secretary;

“(ii) three individuals selected by the National Institute for Literacy;

“(iii) three individuals selected by the National Research Council of the National Academy of Sciences; and

“(iv) three individuals selected by the National Institute of Child Health and Human Development.

“(B) EXPERTS.—The panel shall include—

“(i) experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under this section;

“(ii) experts who provide professional development to individuals who teach reading to children and adults based on scientifically based reading research;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) experts who provide professional development to other instructional staff based on scientifically based reading research; and

“(iv) an individual who has expertise in screening, diagnostic, and classroom-based instructional reading assessments.

“(C) RECOMMENDATIONS.—The panel shall recommend grant applications from State educational agencies under this section to the Secretary for funding or for disapproval.

“(d) READING AND LITERACY PARTNERSHIPS.—

“(1) IN GENERAL.—For a State educational agency to receive a grant under section 1202, the Governor of the State, in consultation with the State educational agency, shall establish a reading and literacy partnership.

“(2) REQUIRED PARTICIPANTS.—The reading and literacy partnership shall include the following participants:

“(A) The Governor of the State.

“(B) The chief State school officer.

“(C) The chairman and the ranking member of each committee of the State legislature that is responsible for education policy.

“(D) A representative, selected jointly by the Governor and the chief State school officer, of at least one eligible local educational agency.

“(E) A representative, selected jointly by the Governor and the chief State school officer, of a community-based organization working with children to improve their reading skills, particularly a community-based organization using tutors and scientifically based reading research.

“(F) State directors of appropriate Federal or State programs with a strong reading component, selected jointly by the Governor and the chief State school officer.

“(G) A parent of a public or private school student or a parent who educates the parent’s child in the parent’s home, selected jointly by the Governor and the chief State school officer.

“(H) A teacher, who may be a special education teacher, who successfully teaches reading, and another instructional staff member, selected jointly by the Governor and the chief State school officer.

“(I) A family literacy service provider selected jointly by the Governor and the chief State school officer.

“(3) OPTIONAL PARTICIPANTS.—The reading and literacy partnership may include additional participants, who shall be selected jointly by the Governor and the chief State school officer, and who may include a representative of—

“(A) an institution of higher education operating a program of teacher preparation in the State that is based on scientifically based reading research;

“(B) a local educational agency;

“(C) a private nonprofit or for-profit eligible professional development provider providing instruction based on scientifically based reading research;

“(D) an adult education provider;

“(E) a volunteer organization that is involved in reading programs; or

“(F) a school library or a public library that offers reading or literacy programs for children or families.

“(4) PREEXISTING PARTNERSHIP.—If, before the date of enactment of the No Child Left Behind Act of 2001, a State educational agency established a consortium, partnership, or any other similar body that was considered a reading and literacy partnership for purposes of part C of title II of this Act (as such part was in effect on the day before the date of enactment of No Child Left Behind Act of 2001), that consor-

PUBLIC LAW 107-110—JAN. 8, 2002

tium, partnership, or body may be considered a reading and literacy partnership for purposes of this subsection consistent with the provisions of this subpart.

“SEC. 1204. TARGETED ASSISTANCE GRANTS.

20 USC 6364.

“(a) ELIGIBILITY CRITERIA FOR AWARDING TARGETED ASSISTANCE GRANTS TO STATES.—Beginning with fiscal year 2004, from funds appropriated under section 1202(b)(1)(E), the Secretary shall make grants, on a competitive basis, to those State educational agencies that—

Effective date.

“(1) for each of 2 consecutive years, demonstrate that an increasing percentage of third graders in each of the groups described in section 1111(b)(2)(C)(v)(II) in the schools served by the local educational agencies receiving funds under section 1202 are reaching the proficient level in reading; and

“(2) for each of the same such consecutive 2 years, demonstrate that schools receiving funds under section 1202 are improving the reading skills of students in grades 1, 2, and 3 based on screening, diagnostic, and classroom-based instructional reading assessments.

“(b) CONTINUATION OF PERFORMANCE AWARDS.—For any State educational agency that receives a competitive grant under this section, the Secretary shall make an award for each of the succeeding years that the State educational agency demonstrates it is continuing to meet the criteria described in subsection (a).

“(c) DISTRIBUTION OF TARGETED ASSISTANCE GRANTS.—

“(1) **IN GENERAL.**—The Secretary shall make a grant to each State educational agency with an application approved under this section in an amount that bears the same relation to the amount made available to carry out this section for a fiscal year as the number of children counted under section 1124(c) for the State bears to the number of such children so counted for all States with applications approved for that year.

“(2) **PEER REVIEW.**—The peer review panel convened under section 1203(c)(2) shall review the applications submitted under this subsection. The panel shall recommend such applications to the Secretary for funding or for disapproval.

“(3) **APPLICATION CONTENTS.**—A State educational agency that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall include the following:

“(A) Evidence that the State educational agency has carried out its obligations under section 1203.

“(B) Evidence that the State educational agency has met the criteria described in subsection (a).

“(C) The amount of funds requested by the State educational agency and a description of the criteria the State educational agency intends to use in distributing subgrants to eligible local educational agencies under this section to continue or expand activities under subsection (d)(5).

“(D) Evidence that the State educational agency has increased significantly the percentage of students reading at grade level or above.

“(E) Any additional evidence that demonstrates success in the implementation of this section.

“(d) SUBGRANTS TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—

“(1) **IN GENERAL.**—The Secretary may make a grant to a State educational agency under this section only if the State educational agency agrees to expend 100 percent of the amount of the funds provided under the grant for the purpose of making competitive subgrants in accordance with this subsection to eligible local educational agencies.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) NOTICE.—A State educational agency receiving a grant under this section shall provide notice to all local educational agencies in the State of the availability of competitive subgrants under this subsection and of the requirements for applying for the subgrants.

“(3) APPLICATION.—To be eligible to receive a subgrant under this subsection, an eligible local educational agency shall submit an application to the State educational agency at such time, in such manner, and containing such information as the State educational agency may reasonably require.

“(4) DISTRIBUTION.—

“(A) IN GENERAL.—A State educational agency shall distribute subgrants under this section through a competitive process based on relative need of eligible local educational agencies and the evidence described in this paragraph.

“(B) EVIDENCE USED IN ALL YEARS.—For all fiscal years, a State educational agency shall distribute subgrants under this section based on evidence that an eligible local educational agency—

“(i) satisfies the requirements of section 1202(c)(4);

“(ii) will carry out its obligations under this subpart;

“(iii) will work with other local educational agencies in the State that have not received a subgrant under this subsection to assist such nonreceiving agencies in increasing the reading achievement of students; and

“(iv) is meeting the criteria described in subsection (a).

“(5) LOCAL USES OF FUNDS.—An eligible local educational agency that receives a subgrant under this subsection—

“(A) shall use the funds provided under the subgrant to carry out the activities described in section 1202(c)(7)(A); and

“(B) may use such funds to carry out the activities described in section 1202(c)(7)(B).

20 USC 6365.

Contracts.

“SEC. 1205. EXTERNAL EVALUATION.

“(a) IN GENERAL.—From funds reserved under section 1202(b)(1)(C), the Secretary shall contract with an independent organization outside of the Department for a 5-year, rigorous, scientifically valid, quantitative evaluation of this subpart.

“(b) PROCESS.—The evaluation under subsection (a) shall be conducted by an organization that is capable of designing and carrying out an independent evaluation that identifies the effects of specific activities carried out by State educational agencies and local educational agencies under this subpart on improving reading instruction. Such evaluation shall take into account factors influencing student performance that are not controlled by teachers or education administrators.

“(c) ANALYSIS.—The evaluation under subsection (a) shall include the following:

“(1) An analysis of the relationship between each of the essential components of reading instruction and overall reading proficiency.

“(2) An analysis of whether assessment tools used by State educational agencies and local educational agencies measure the essential components of reading.

“(3) An analysis of how State reading standards correlate with the essential components of reading instruction.

“(4) An analysis of whether the receipt of a targeted assistance grant under section 1204 results in an increase in the number of children who read proficiently.

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) A measurement of the extent to which specific instructional materials improve reading proficiency.

“(6) A measurement of the extent to which specific screening, diagnostic, and classroom-based instructional reading assessments assist teachers in identifying specific reading deficiencies.

“(7) A measurement of the extent to which professional development programs implemented by State educational agencies using funds received under this subpart improve reading instruction.

“(8) A measurement of how well students preparing to enter the teaching profession are prepared to teach the essential components of reading instruction.

“(9) An analysis of changes in students’ interest in reading and time spent reading outside of school.

“(10) Any other analysis or measurement pertinent to this subpart that is determined to be appropriate by the Secretary.

“(d) PROGRAM IMPROVEMENT.—The findings of the evaluation conducted under this section shall be provided to State educational agencies and local educational agencies on a periodic basis for use in program improvement.

“SEC. 1206. NATIONAL ACTIVITIES.

20 USC 6366.

“From funds reserved under section 1202(b)(1)(C), the Secretary—

“(1) may provide technical assistance in achieving the purposes of this subpart to State educational agencies, local educational agencies, and schools requesting such assistance;

“(2) shall, at a minimum, evaluate the impact of services provided to children under this subpart with respect to their referral to, and eligibility for, special education services under the Individuals with Disabilities Education Act (based on their difficulties learning to read); and

“(3) shall carry out the external evaluation as described in section 1205.

“SEC. 1207. INFORMATION DISSEMINATION.

20 USC 6367.

“(a) IN GENERAL.—From funds reserved under section 1202(b)(1)(D), the National Institute for Literacy, in collaboration with the Secretary of Education, the Secretary of Health and Human Services, and the Director of the National Institute for Child Health and Human Development shall—

“(1) disseminate information on scientifically based reading research pertaining to children, youth, and adults;

“(2) identify and disseminate information about schools, local educational agencies, and State educational agencies that have effectively developed and implemented classroom reading programs that meet the requirements of this subpart, including those State educational agencies, local educational agencies, and schools that have been identified as effective through the evaluation and peer review provisions of this subpart; and

“(3) support the continued identification and dissemination of information on reading programs that contain the essential components of reading instruction as supported by scientifically based reading research, that can lead to improved reading outcomes for children, youth, and adults.

“(b) DISSEMINATION AND COORDINATION.—At a minimum, the National Institute for Literacy shall disseminate the information described in subsection (a) to—

“(1) recipients of Federal financial assistance under this title, title III, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Education and Family Literacy Act; and

“(2) each Bureau funded school (as defined in section 1141 of the Education Amendments of 1978).

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) USE OF EXISTING NETWORKS.—In carrying out this section, the National Institute for Literacy shall, to the extent practicable, use existing information and dissemination networks developed and maintained through other public and private entities including through the Department and the National Center for Family Literacy.

“(d) NATIONAL INSTITUTE FOR LITERACY.—For purposes of funds reserved under section 1202(b)(1)(D) to carry out this section, the National Institute for Literacy shall administer such funds in accordance with section 242(b) of Public Law 105-220 (relating to the establishment and administration of the National Institute for Literacy).

20 USC 6368.

“SEC. 1208. DEFINITIONS.

“In this subpart:

“(1) ELIGIBLE LOCAL EDUCATIONAL AGENCY.—The term ‘eligible local educational agency’ means a local educational agency that—

“(A) is among the local educational agencies in the State with the highest numbers or percentages of students in kindergarten through grade 3 reading below grade level, based on the most currently available data; and

“(B) has—

“(i) jurisdiction over a geographic area that includes an area designated as an empowerment zone, or an enterprise community, under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986;

“(ii) jurisdiction over a significant number or percentage of schools that are identified for school improvement under section 1116(b); or

“(iii) the highest numbers or percentages of children who are counted under section 1124(c), in comparison to other local educational agencies in the State.

“(2) ELIGIBLE PROFESSIONAL DEVELOPMENT PROVIDER.—The term ‘eligible professional development provider’ means a provider of professional development in reading instruction to teachers, including special education teachers, that is based on scientifically based reading research.

“(3) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term ‘essential components of reading instruction’ means explicit and systematic instruction in—

“(A) phonemic awareness;

“(B) phonics;

“(C) vocabulary development;

“(D) reading fluency, including oral reading skills; and

“(E) reading comprehension strategies.

“(4) INSTRUCTIONAL STAFF.—The term ‘instructional staff’—

“(A) means individuals who have responsibility for teaching children to read; and

“(B) includes principals, teachers, supervisors of instruction, librarians, library school media specialists, teachers of academic subjects other than reading, and other individuals who have responsibility for assisting children to learn to read.

“(5) READING.—The term ‘reading’ means a complex system of deriving meaning from print that requires all of the following:

“(A) The skills and knowledge to understand how phonemes, or speech sounds, are connected to print.

“(B) The ability to decode unfamiliar words.

“(C) The ability to read fluently.

“(D) Sufficient background information and vocabulary to foster reading comprehension.

“(E) The development of appropriate active strategies to construct meaning from print.

PUBLIC LAW 107-110—JAN. 8, 2002

“(F) The development and maintenance of a motivation to read.

“(6) SCIENTIFICALLY BASED READING RESEARCH.—The term ‘scientifically based reading research’ means research that—

“(A) applies rigorous, systematic, and objective procedures to obtain valid knowledge relevant to reading development, reading instruction, and reading difficulties; and

“(B) includes research that—

“(i) employs systematic, empirical methods that draw on observation or experiment;

“(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

“(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

“(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

“(7) SCREENING, DIAGNOSTIC, AND CLASSROOM-BASED INSTRUCTIONAL READING ASSESSMENTS.—

“(A) IN GENERAL.—The term ‘screening, diagnostic, and classroom-based instructional reading assessments’ means—

“(i) screening reading assessments;

“(ii) diagnostic reading assessments; and

“(iii) classroom-based instructional reading assessments.

“(B) SCREENING READING ASSESSMENT.—The term ‘screening reading assessment’ means an assessment that is—

“(i) valid, reliable, and based on scientifically based reading research; and

“(ii) a brief procedure designed as a first step in identifying children who may be at high risk for delayed development or academic failure and in need of further diagnosis of their need for special services or additional reading instruction.

“(C) DIAGNOSTIC READING ASSESSMENT.—The term ‘diagnostic reading assessment’ means an assessment that is—

“(i) valid, reliable, and based on scientifically based reading research; and

“(ii) used for the purpose of—

“(I) identifying a child’s specific areas of strengths and weaknesses so that the child has learned to read by the end of grade 3;

“(II) determining any difficulties that a child may have in learning to read and the potential cause of such difficulties; and

“(III) helping to determine possible reading intervention strategies and related special needs.

“(D) CLASSROOM-BASED INSTRUCTIONAL READING ASSESSMENT.—The term ‘classroom-based instructional reading assessment’ means an assessment that—

“(i) evaluates children’s learning based on systematic observations by teachers of children performing academic tasks that are part of their daily classroom experience; and

“(ii) is used to improve instruction in reading, including classroom instruction.

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 2—Early Reading First

20 USC 6371.

“SEC. 1221. PURPOSES; DEFINITIONS.

“(a) PURPOSES.—The purposes of this subpart are as follows:

“(1) To support local efforts to enhance the early language, literacy, and prereading development of preschool age children, particularly those from low-income families, through strategies and professional development that are based on scientifically based reading research.

“(2) To provide preschool age children with cognitive learning opportunities in high-quality language and literature-rich environments, so that the children can attain the fundamental knowledge and skills necessary for optimal reading development in kindergarten and beyond.

“(3) To demonstrate language and literacy activities based on scientifically based reading research that supports the age-appropriate development of—

“(A) recognition, leading to automatic recognition, of letters of the alphabet;

“(B) knowledge of letter sounds, the blending of sounds, and the use of increasingly complex vocabulary;

“(C) an understanding that written language is composed of phonemes and letters each representing one or more speech sounds that in combination make up syllables, words, and sentences;

“(D) spoken language, including vocabulary and oral comprehension abilities; and

“(E) knowledge of the purposes and conventions of print.

“(4) To use screening assessments to effectively identify preschool age children who may be at risk for reading failure.

“(5) To integrate such scientific reading research-based instructional materials and literacy activities with existing programs of preschools, child care agencies and programs, Head Start centers, and family literacy services.

“(b) DEFINITIONS.—For purposes of this subpart:

“(1) ELIGIBLE APPLICANT.—The term ‘eligible applicant’ means—

“(A) one or more local educational agencies that are eligible to receive a subgrant under subpart 1;

“(B) one or more public or private organizations or agencies, acting on behalf of one or more programs that serve preschool age children (such as a program at a Head Start center, a child care program, or a family literacy program), which organizations or agencies shall be located in a community served by a local educational agency described in subparagraph (A); or

“(C) one or more local educational agencies described in subparagraph (A) in collaboration with one or more organizations or agencies described in subparagraph (B).

“(2) SCIENTIFICALLY BASED READING RESEARCH.—The term ‘scientifically based reading research’ has the same meaning given to that term in section 1208.

“(3) SCREENING READING ASSESSMENT.—The term ‘screening reading assessment’ has the same meaning given to that term in section 1208.

20 USC 6372.

“SEC. 1222. LOCAL EARLY READING FIRST GRANTS.

“(a) PROGRAM AUTHORIZED.—From amounts appropriated under section 1002(b)(2), the Secretary shall award grants, on a competitive basis, for periods of not more than 6 years, to eligible applicants to enable the eligible applicants to carry out the authorized activities described in subsection (d).

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) APPLICATIONS.—An eligible applicant that desires to receive a grant under this section shall submit an application to the Secretary, which shall include a description of—

“(1) the programs to be served by the proposed project, including demographic and socioeconomic information on the preschool age children enrolled in the programs;

“(2) how the proposed project will enhance the school readiness of preschool age children in high-quality oral language and literature-rich environments;

“(3) how the proposed project will prepare and provide ongoing assistance to staff in the programs, through professional development and other support, to provide high-quality language, literacy, and prereading activities using scientifically based reading research, for preschool age children;

“(4) how the proposed project will provide services and use instructional materials that are based on scientifically based reading research on early language acquisition, prereading activities, and the development of spoken vocabulary skills;

“(5) how the proposed project will help staff in the programs to meet more effectively the diverse needs of preschool age children in the community, including such children with limited English proficiency, disabilities, or other special needs;

“(6) how the proposed project will integrate such instructional materials and literacy activities with existing preschool programs and family literacy services;

“(7) how the proposed project will help children, particularly children experiencing difficulty with spoken language, prereading, and early reading skills, to make the transition from preschool to formal classroom instruction in school;

“(8) if the eligible applicant has received a subgrant under subpart 1, how the activities conducted under this subpart will be coordinated with the eligible applicant’s activities under subpart 1 at the kindergarten through grade 3 level;

“(9) how the proposed project will evaluate the success of the activities supported under this subpart in enhancing the early language, literacy, and prereading development of preschool age children served by the project; and

“(10) such other information as the Secretary may require.

“(c) APPROVAL OF LOCAL APPLICATIONS.—The Secretary shall select applicants for funding under this subpart based on the quality of the applications and the recommendations of a peer review panel convened under section 1203(c)(2), that includes, at a minimum, three individuals, selected from the entities described in clauses (ii), (iii), and (iv) of section 1203(c)(2)(A), who are experts in early reading development and early childhood development.

“(d) AUTHORIZED ACTIVITIES.—An eligible applicant that receives a grant under this subpart shall use the funds provided under the grant to carry out the following activities:

“(1) Providing preschool age children with high-quality oral language and literature-rich environments in which to acquire language and prereading skills.

“(2) Providing professional development that is based on scientifically based reading research knowledge of early language and reading development for the staff of the eligible applicant and that will assist in developing the preschool age children’s—

“(A) recognition, leading to automatic recognition, of letters of the alphabet, knowledge of letters, sounds, blending of letter sounds, and increasingly complex vocabulary;

“(B) understanding that written language is composed of phonemes and letters each representing one or more speech sounds that in combination make up syllables, words, and sentences;

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) spoken language, including vocabulary and oral comprehension abilities; and

“(D) knowledge of the purposes and conventions of print.

“(3) Identifying and providing activities and instructional materials that are based on scientifically based reading research for use in developing the skills and abilities described in paragraph (2).

“(4) Acquiring, providing training for, and implementing screening reading assessments or other appropriate measures that are based on scientifically based reading research to determine whether preschool age children are developing the skills described in this subsection.

“(5) Integrating such instructional materials, activities, tools, and measures into the programs offered by the eligible applicant.

“(e) AWARD AMOUNTS.—The Secretary may establish a maximum award amount, or ranges of award amounts, for grants under this subpart.

20 USC 6373.

“SEC. 1223. FEDERAL ADMINISTRATION.

“The Secretary shall consult with the Secretary of Health and Human Services to coordinate the activities under this subpart with preschool age programs administered by the Department of Health and Human Services.

20 USC 6374.

“SEC. 1224. INFORMATION DISSEMINATION.

“From the funds the National Institute for Literacy receives under section 1202(b)(1)(D), the National Institute for Literacy, in consultation with the Secretary, shall disseminate information regarding projects assisted under this subpart that have proven effective.

20 USC 6375.

“SEC. 1225. REPORTING REQUIREMENTS.

“Each eligible applicant receiving a grant under this subpart shall report annually to the Secretary regarding the eligible applicant’s progress in addressing the purposes of this subpart. Such report shall include, at a minimum, a description of—

“(1) the research-based instruction, materials, and activities being used in the programs funded under the grant;

“(2) the types of programs funded under the grant and the ages of children served by such programs;

“(3) the qualifications of the program staff who provide early literacy instruction under such programs and the type of ongoing professional development provided to such staff; and

“(4) the results of the evaluation described in section 1222(b)(9).

20 USC 6376.

“SEC. 1226. EVALUATION.

Effective date.
Termination
date.

“(a) IN GENERAL.—From the total amount made available under section 1002(b)(2) for the period beginning October 1, 2002, and ending September 30, 2006, the Secretary shall reserve not more than \$3,000,000 to conduct an independent evaluation of the effectiveness of this subpart.

Deadlines.

“(b) REPORTS.—

“(1) INTERIM REPORT.—Not later than October 1, 2004, the Secretary shall submit an interim report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

“(2) FINAL REPORT.—Not later than September 30, 2006, the Secretary shall submit a final report to the committees described in paragraph (1).

“(c) CONTENTS.—The reports submitted under subsection (b) shall include information on the following:

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) How the grant recipients under this subpart are improving the prereading skills of preschool children.

“(2) The effectiveness of the professional development program assisted under this subpart.

“(3) How early childhood teachers are being prepared with scientifically based reading research on early reading development.

“(4) What activities and instructional practices are most effective.

“(5) How prereading instructional materials and literacy activities based on scientifically based reading research are being integrated into preschools, child care agencies and programs, programs carried out under the Head Start Act, and family literacy programs.

“(6) Any recommendations on strengthening or modifying this subpart.

“Subpart 3—William F. Goodling Even Start Family Literacy Programs

“SEC. 1231. STATEMENT OF PURPOSE.

20 USC 6381.

“It is the purpose of this subpart to help break the cycle of poverty and illiteracy by—

“(1) improving the educational opportunities of the Nation’s low-income families by integrating early childhood education, adult literacy or adult basic education, and parenting education into a unified family literacy program, to be referred to as ‘Even Start’; and

“(2) establishing a program that shall—

“(A) be implemented through cooperative projects that build on high-quality existing community resources to create a new range of services;

“(B) promote the academic achievement of children and adults;

“(C) assist children and adults from low-income families to achieve to challenging State content standards and challenging State student achievement standards; and

“(D) use instructional programs based on scientifically based reading research and addressing the prevention of reading difficulties for children and adults, to the extent such research is available.

“SEC. 1232. PROGRAM AUTHORIZED.

20 USC 6381a.

“(a) RESERVATION FOR MIGRANT PROGRAMS, OUTLYING AREAS, AND INDIAN TRIBES.—

“(1) IN GENERAL.—For each fiscal year, the Secretary shall reserve 5 percent of the amount appropriated under section 1002(b)(3) (or, if such appropriated amount exceeds \$200,000,000, 6 percent of such amount) for programs, under such terms and conditions as the Secretary shall establish, that are consistent with the purpose of this subpart, and according to their relative needs, for—

“(A) children of migratory workers;

“(B) the outlying areas; and

“(C) Indian tribes and tribal organizations.

“(2) SPECIAL RULE.—After December 21, 2000, the Secretary shall award a grant, on a competitive basis, of sufficient size and for a period of sufficient duration to demonstrate the effectiveness of a family literacy program in a prison that houses women and their preschool age children and that has the capability of developing a program of high quality.

“(3) COORDINATION OF PROGRAMS FOR AMERICAN INDIANS.—The Secretary shall ensure that programs under paragraph (1)(C) are coordinated with family literacy programs operated by the Bureau of Indian Affairs in order to avoid duplication

PUBLIC LAW 107-110—JAN. 8, 2002

and to encourage the dissemination of information on high-quality family literacy programs serving American Indians.

“(b) RESERVATION FOR FEDERAL ACTIVITIES.—

“(1) EVALUATION, TECHNICAL ASSISTANCE, PROGRAM IMPROVEMENT, AND REPLICATION ACTIVITIES.—Subject to paragraph (2), from amounts appropriated under section 1002(b)(3), the Secretary may reserve not more than 3 percent of such amounts for purposes of—

“(A) carrying out the evaluation required by section 1239; and

“(B) providing, through grants or contracts with eligible organizations, technical assistance, program improvement, and replication activities.

“(2) RESEARCH.—In any fiscal year, if the amount appropriated under section 1002(b)(3) for such year—

“(A) is equal to or less than the amount appropriated for the preceding fiscal year, the Secretary may reserve from such amount only the amount necessary to continue multi-year activities carried out pursuant to section 1241(b) that began during or prior to the fiscal year preceding the fiscal year for which the determination is made; or

“(B) exceeds the amount appropriated for the preceding fiscal year, then the Secretary shall reserve from such excess amount \$2,000,000 or 50 percent, whichever is less, to carry out section 1241(b).

“(c) RESERVATION FOR GRANTS.—

“(1) GRANTS AUTHORIZED.—

“(A) IN GENERAL.—For any fiscal year for which at least one State educational agency applies and submits an application that meets the requirements and goals of this subsection and for which the amount appropriated under section 1002(b)(3) exceeds the amount appropriated under that section for the preceding fiscal year, the Secretary shall reserve, from the amount of the excess remaining after the application of subsection (b)(2), the amount of the remainder or \$1,000,000, whichever is less, to award grants, on a competitive basis, to State educational agencies to enable them to plan and implement statewide family literacy initiatives to coordinate and, where appropriate, integrate existing Federal, State, and local literacy resources consistent with the purposes of this subpart.

“(B) COORDINATION AND INTEGRATION.—The coordination and integration described in subparagraph (A) shall include coordination and integration of funds available under the Adult Education and Family Literacy Act, the Head Start Act, this subpart, part A of this title, and part A of title IV of the Social Security Act.

“(C) RESTRICTION.—No State educational agency may receive more than one grant under this subsection.

“(2) CONSORTIA.—

“(A) ESTABLISHMENT.—To receive a grant under this subsection, a State educational agency shall establish a consortium of State-level programs under the following provisions of laws:

“(i) This title (other than part D).

“(ii) The Head Start Act.

“(iii) The Adult Education and Family Literacy Act.

“(iv) All other State-funded preschool programs and programs providing literacy services to adults.

“(B) PLAN.—To receive a grant under this subsection, the consortium established by a State educational agency shall create a plan to use a portion of the State educational agency’s resources, derived from the programs referred to

PUBLIC LAW 107-110—JAN. 8, 2002

in subparagraph (A), to strengthen and expand family literacy services in the State.

“(C) COORDINATION WITH SUBPART 1.—The consortium shall coordinate its activities under this paragraph with the activities of the reading and literacy partnership for the State educational agency established under section 1203(d), if the State educational agency receives a grant under section 1202.

“(3) READING INSTRUCTION.—Statewide family literacy initiatives implemented under this subsection shall base reading instruction on scientifically based reading research.

“(4) TECHNICAL ASSISTANCE.—The Secretary shall provide, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to State educational agencies receiving a grant under this subsection.

“(5) MATCHING REQUIREMENT.—The Secretary shall not make a grant to a State educational agency under this subsection unless the State educational agency agrees that, with respect to the costs to be incurred by the eligible consortium in carrying out the activities for which the grant was awarded, the State educational agency will make available non-Federal contributions in an amount equal to not less than the Federal funds provided under the grant.

“(d) STATE EDUCATIONAL AGENCY ALLOCATION.—

“(1) IN GENERAL.—From amounts appropriated under section 1002(b)(3) and not reserved under subsection (a), (b), or (c), the Secretary shall make grants to State educational agencies from allocations under paragraph (2).

“(2) ALLOCATIONS.—Except as provided in paragraph (3), from the total amount available under paragraph (1) for allocation to State educational agencies in any fiscal year, each State educational agency shall be eligible to receive a grant under paragraph (1) in an amount that bears the same ratio to the total amount as the amount allocated under part A to that State educational agency bears to the total amount allocated under that part to all State educational agencies.

“(3) MINIMUM.—No State educational agency shall receive a grant under paragraph (1) in any fiscal year in an amount that is less than \$250,000, or one-half of 1 percent of the amount appropriated under section 1002(b)(3) and not reserved under subsections (a), (b), and (c) for such year, whichever is greater.

“(e) DEFINITIONS.—For the purpose of this subpart—

“(1) the term ‘eligible entity’ means a partnership composed of—

“(A) a local educational agency; and

“(B) a nonprofit community-based organization, a public agency other than a local educational agency, an institution of higher education, or a public or private nonprofit organization other than a local educational agency, of demonstrated quality;

“(2) the term ‘eligible organization’ means any public or private nonprofit organization with a record of providing effective services to family literacy providers, such as the National Center for Family Literacy, Parents as Teachers, Inc., the Home Instruction Program for Preschool Youngsters, and the Home and School Institute, Inc.;

“(3) the terms ‘Indian tribe’ and ‘tribal organization’ have the meanings given those terms in section 4 of the Indian Self-Determination and Education Assistance Act;

“(4) the term ‘scientifically based reading research’ has the meaning given that term in section 1208; and

“(5) the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6381b.

“SEC. 1233. STATE EDUCATIONAL AGENCY PROGRAMS.

“(a) STATE EDUCATIONAL AGENCY LEVEL ACTIVITIES.—Each State educational agency that receives a grant under section 1232(d)(1) may use not more than a total of 6 percent of the grant funds for the costs of—

“(1) administration, which amount shall not exceed half of the total;

“(2) providing, through one or more subgrants or contracts, technical assistance for program improvement and replication, to eligible entities that receive subgrants under subsection (b); and

“(3) carrying out sections 1240 and 1234(c).

“(b) SUBGRANTS FOR LOCAL PROGRAMS.—

“(1) IN GENERAL.—Each State educational agency shall use the grant funds received under section 1232(d)(1) and not reserved under subsection (a) to award subgrants to eligible entities to carry out Even Start programs.

“(2) MINIMUM SUBGRANT AMOUNTS.—

“(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), no State educational agency shall award a subgrant under paragraph (1) in an amount less than \$75,000.

“(B) SUBGRANTEES IN NINTH AND SUCCEEDING YEARS.—No State educational agency shall award a subgrant under paragraph (1) in an amount less than \$52,500 to an eligible entity for a fiscal year to carry out an Even Start program that is receiving assistance under this subpart or its predecessor authority for the ninth (or any subsequent) fiscal year.

“(C) EXCEPTION FOR SINGLE SUBGRANT.—A State educational agency may award one subgrant in each fiscal year of sufficient size, scope, and quality to be effective in an amount less than \$75,000 if, after awarding subgrants under paragraph (1) for that fiscal year in accordance with subparagraphs (A) and (B), less than \$75,000 is available to the State educational agency to award those subgrants.

20 USC 6381c.

“SEC. 1234. USES OF FUNDS.

“(a) IN GENERAL.—In carrying out an Even Start program under this subpart, a recipient of funds under this subpart shall use those funds to pay the Federal share of the cost of providing intensive family literacy services that involve parents and children, from birth through age 7, in a cooperative effort to help parents become full partners in the education of their children and to assist children in reaching their full potential as learners.

“(b) FEDERAL SHARE LIMITATION.—

“(1) IN GENERAL.—

“(A) FEDERAL SHARE.—Except as provided in paragraph (2), the Federal share under this subpart may not exceed—

“(i) 90 percent of the total cost of the program in the first year that the program receives assistance under this subpart or its predecessor authority;

“(ii) 80 percent in the second year;

“(iii) 70 percent in the third year;

“(iv) 60 percent in the fourth year;

“(v) 50 percent in the fifth, sixth, seventh, and eighth such years; and

“(vi) 35 percent in any subsequent year.

“(B) REMAINING COST.—The remaining cost of a program assisted under this subpart may be provided in cash or in kind, fairly evaluated, and may be obtained from any source, including other Federal funds under this Act.

“(2) WAIVER.—The State educational agency may waive, in whole or in part, the Federal share described in paragraph (1) for an eligible entity if the entity—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) demonstrates that it otherwise would not be able to participate in the program assisted under this subpart; and

“(B) negotiates an agreement with the State educational agency with respect to the amount of the remaining cost to which the waiver will be applicable.

“(3) PROHIBITION.—Federal funds provided under this subpart may not be used for the indirect costs of a program assisted under this subpart, except that the Secretary may waive this paragraph if an eligible recipient of funds reserved under section 1232(a)(1)(C) demonstrates to the Secretary’s satisfaction that the recipient otherwise would not be able to participate in the program assisted under this subpart.

“(c) USE OF FUNDS FOR FAMILY LITERACY SERVICES.—

“(1) IN GENERAL.—A State educational agency may use a portion of funds reserved under section 1233(a), to assist eligible entities receiving a subgrant under section 1233(b) in improving the quality of family literacy services provided under Even Start programs under this subpart, except that in no case may a State educational agency’s use of funds for this purpose for a fiscal year result in a decrease from the level of activities and services provided to program participants in the preceding year.

“(2) PRIORITY.—In carrying out paragraph (1), a State educational agency shall give priority to programs that were of low quality, as evaluated based on the indicators of program quality developed by the State educational agency under section 1240.

“(3) TECHNICAL ASSISTANCE TO HELP LOCAL PROGRAMS RAISE ADDITIONAL FUNDS.—In carrying out paragraph (1), a State educational agency may use the funds referred to in that paragraph to provide technical assistance to help local programs of demonstrated effectiveness to access and leverage additional funds for the purpose of expanding services and reducing waiting lists, including requesting and applying for non-Federal resources.

“(4) TECHNICAL ASSISTANCE AND TRAINING.—Assistance under paragraph (1) shall be in the form of technical assistance and training, provided by a State educational agency through a grant, contract, or cooperative agreement with an entity that has experience in offering high-quality training and technical assistance to family literacy providers.

“SEC. 1235. PROGRAM ELEMENTS.

20 USC 6381d.

“Each program assisted under this subpart shall—

“(1) include the identification and recruitment of families most in need of services provided under this subpart, as indicated by a low level of income, a low level of adult literacy or English language proficiency of the eligible parent or parents, and other need-related indicators;

“(2) include screening and preparation of parents, including teenage parents, and children to enable those parents and children to participate fully in the activities and services provided under this subpart, including testing, referral to necessary counselling, other developmental and support services, and related services;

“(3) be designed to accommodate the participants’ work schedule and other responsibilities, including the provision of support services, when those services are unavailable from other sources, necessary for participation in the activities assisted under this subpart, such as—

“(A) scheduling and locating of services to allow joint participation by parents and children;

“(B) child care for the period that parents are involved in the program provided under this subpart; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) transportation for the purpose of enabling parents and their children to participate in programs authorized by this subpart;

“(4) include high-quality, intensive instructional programs that promote adult literacy and empower parents to support the educational growth of their children, developmentally appropriate early childhood educational services, and preparation of children for success in regular school programs;

“(5) with respect to the qualifications of staff the cost of whose salaries are paid, in whole or in part, with Federal funds provided under this subpart, ensure that—

Deadline.

“(A) not later than December 21, 2004—

“(i) a majority of the individuals providing academic instruction—

“(I) shall have obtained an associate’s, bachelor’s, or graduate degree in a field related to early childhood education, elementary school or secondary school education, or adult education; and

“(II) if applicable, shall meet qualifications established by the State for early childhood education, elementary school or secondary school education, or adult education provided as part of an Even Start program or another family literacy program;

“(ii) the individual responsible for administration of family literacy services under this subpart has received training in the operation of a family literacy program; and

“(iii) paraprofessionals who provide support for academic instruction have a secondary school diploma or its recognized equivalent; and

“(B) all new personnel hired to provide academic instruction—

“(i) have obtained an associate’s, bachelor’s, or graduate degree in a field related to early childhood education, elementary school or secondary school education, or adult education; and

“(ii) if applicable, meet qualifications established by the State for early childhood education, elementary school or secondary school education, or adult education provided as part of an Even Start program or another family literacy program;

“(6) include special training of staff, including child-care staff, to develop the skills necessary to work with parents and young children in the full range of instructional services offered through this subpart;

“(7) provide and monitor integrated instructional services to participating parents and children through home-based programs;

“(8) operate on a year-round basis, including the provision of some program services, including instructional and enrichment services, during the summer months;

“(9) be coordinated with—

“(A) other programs assisted under this Act;

“(B) any relevant programs under the Adult Education and Family Literacy Act, the Individuals with Disabilities Education Act, and title I of the Workforce Investment Act of 1998; and

“(C) the Head Start program, volunteer literacy programs, and other relevant programs;

“(10) use instructional programs based on scientifically based reading research for children and adults, to the extent that research is available;

PUBLIC LAW 107-110—JAN. 8, 2002

“(11) encourage participating families to attend regularly and to remain in the program a sufficient time to meet their program goals;

“(12) include reading-readiness activities for preschool children based on scientifically based reading research, to the extent available, to ensure that children enter school ready to learn to read;

“(13) if applicable, promote the continuity of family literacy to ensure that individuals retain and improve their educational outcomes;

“(14) ensure that the programs will serve those families most in need of the activities and services provided by this subpart; and

“(15) provide for an independent evaluation of the program, to be used for program improvement.

“SEC. 1236. ELIGIBLE PARTICIPANTS.

20 USC 6381e.

“(a) IN GENERAL.—Except as provided in subsection (b), eligible participants in an Even Start program are—

“(1) a parent or parents—

“(A) who are eligible for participation in adult education and literacy activities under the Adult Education and Family Literacy Act; or

“(B) who are within the State’s compulsory school attendance age range, so long as a local educational agency provides (or ensures the availability of) the basic education component required under this subpart, or who are attending secondary school; and

“(2) the child or children, from birth through age 7, of any individual described in paragraph (1).

“(b) ELIGIBILITY FOR CERTAIN OTHER PARTICIPANTS.—

“(1) IN GENERAL.—Family members of eligible participants described in subsection (a) may participate in activities and services provided under this subpart, when appropriate to serve the purpose of this subpart.

“(2) SPECIAL RULE.—Any family participating in a program assisted under this subpart that becomes ineligible to participate as a result of one or more members of the family becoming ineligible to participate may continue to participate in the program until all members of the family become ineligible to participate, which—

“(A) in the case of a family in which ineligibility was due to the child or children of the family attaining the age of 8, shall be in 2 years or when the parent or parents become ineligible due to educational advancement, whichever occurs first; and

“(B) in the case of a family in which ineligibility was due to the educational advancement of the parent or parents of the family, shall be when all children in the family attain the age of 8.

“(3) CHILDREN 8 YEARS OF AGE OR OLDER.—If an Even Start program assisted under this subpart collaborates with a program under part A, and funds received under the part A program contribute to paying the cost of providing programs under this subpart to children 8 years of age or older, the Even Start program may, notwithstanding subsection (a)(2), permit the participation of children 8 years of age or older if the focus of the program continues to remain on families with young children.

“SEC. 1237. APPLICATIONS.

20 USC 6381f.

“(a) SUBMISSION.—To be eligible to receive a subgrant under this subpart, an eligible entity shall submit an application to the State educational agency in such form and containing or accom-

PUBLIC LAW 107-110—JAN. 8, 2002

panied by such information as the State educational agency shall require.

“(b) **REQUIRED DOCUMENTATION.**—Each application shall include documentation, satisfactory to the State educational agency, that the eligible entity has the qualified personnel needed—

“(1) to develop, administer, and implement an Even Start program under this subpart; and

“(2) to provide access to the special training necessary to prepare staff for the program, which may be offered by an eligible organization.

“(c) **PLAN.**—

“(1) **IN GENERAL.**—The application shall also include a plan of operation and continuous improvement for the program, that includes—

“(A) a description of the program objectives, strategies to meet those objectives, and how those strategies and objectives are consistent with the program indicators established by the State;

“(B) a description of the activities and services that will be provided under the program, including a description of how the program will incorporate the program elements required by section 1235;

“(C) a description of the population to be served and an estimate of the number of participants to be served;

“(D) as appropriate, a description of the applicant’s collaborative efforts with institutions of higher education, community-based organizations, the State educational agency, private elementary schools, or other eligible organizations in carrying out the program for which assistance is sought;

“(E) a statement of the methods that will be used—

“(i) to ensure that the programs will serve families most in need of the activities and services provided by this subpart;

“(ii) to provide services under this subpart to individuals with special needs, such as individuals with limited English proficiency and individuals with disabilities; and

“(iii) to encourage participants to remain in the program for a time sufficient to meet the program’s purpose;

“(F) a description of how the plan is integrated with other programs under this Act or other Acts, as appropriate; and

“(G) a description of how the plan provides for rigorous and objective evaluation of progress toward the program objectives described in subparagraph (A) and for continuing use of evaluation data for program improvement.

“(2) **DURATION OF THE PLAN.**—Each plan submitted under paragraph (1) shall—

“(A) remain in effect for the duration of the eligible entity’s participation under this subpart; and

“(B) be periodically reviewed and revised by the eligible entity as necessary.

“(d) **CONSOLIDATED APPLICATION.**—The plan described in subsection (c)(1) may be submitted as part of a consolidated application under section 9305.

20 USC 6381g.

“SEC. 1238. AWARD OF SUBGRANTS.

“(a) **SELECTION PROCESS.**—

“(1) **IN GENERAL.**—The State educational agency shall establish a review panel in accordance with paragraph (3) that will approve applications that—

“(A) are most likely to be successful in—

“(i) meeting the purpose of this subpart; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) effectively implementing the program elements required under section 1235;

“(B) demonstrate that the area to be served by the program has a high percentage or a large number of children and families who are in need of those services as indicated by high levels of poverty, illiteracy, unemployment, limited English proficiency, or other need-related indicators, such as a high percentage of children to be served by the program who reside in a school attendance area served by a local educational agency eligible for participation in programs under part A, a high number or percentage of parents who have been victims of domestic violence, or a high number or percentage of parents who are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

“(C) provide services for at least a 3-year age range, which may begin at birth;

“(D) demonstrate the greatest possible cooperation and coordination between a variety of relevant service providers in all phases of the program;

“(E) include cost-effective budgets, given the scope of the application;

“(F) demonstrate the applicant’s ability to provide the non-Federal share required by section 1234(b);

“(G) are representative of urban and rural regions of the State; and

“(H) show the greatest promise for providing models that may be adopted by other family literacy projects and other local educational agencies.

“(2) PRIORITY FOR SUBGRANTS.—The State educational agency shall give priority for subgrants under this subsection to applications that—

“(A) target services primarily to families described in paragraph (1)(B); or

“(B) are located in areas designated as empowerment zones or enterprise communities.

“(3) REVIEW PANEL.—A review panel shall consist of at least three members, including one early childhood professional, one adult education professional, and one individual with expertise in family literacy programs, and may include other individuals, such as one or more of the following:

“(A) A representative of a parent-child education organization.

“(B) A representative of a community-based literacy organization.

“(C) A member of a local board of education.

“(D) A representative of business and industry with a commitment to education.

“(E) An individual who has been involved in the implementation of programs under this title in the State.

“(b) DURATION.—

“(1) IN GENERAL.—Subgrants under this subpart may be awarded for a period not to exceed 4 years.

“(2) STARTUP PERIOD.—The State educational agency may provide subgrant funds to an eligible recipient, at the recipient’s request, for a 3- to 6-month start-up period during the first year of the 4-year grant period, which may include staff recruitment and training, and the coordination of services, before requiring full implementation of the program.

“(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this subpart after the first year, the State educational agency shall review the progress of each eligible entity in meeting the objectives of the program referred to in section 1237(c)(1)(A) and shall evaluate the program based

PUBLIC LAW 107-110—JAN. 8, 2002

on the indicators of program quality developed by the State under section 1240.

“(4) INSUFFICIENT PROGRESS.—The State educational agency may refuse to award subgrant funds to an eligible entity if the agency finds that the eligible entity has not sufficiently improved the performance of the program, as evaluated based on the indicators of program quality developed by the State under section 1240, after—

“(A) providing technical assistance to the eligible entity; and

“(B) affording the eligible entity notice and an opportunity for a hearing.

“(5) GRANT RENEWAL.—(A) An eligible entity that has previously received a subgrant under this subpart may reapply under this subpart for additional subgrants.

“(B) The Federal share of any subgrant renewed under subparagraph (A) shall be limited in accordance with section 1234(b).

20 USC 6381h.

“SEC. 1239. EVALUATION.

“From funds reserved under section 1232(b)(1), the Secretary shall provide for an independent evaluation of programs assisted under this subpart—

“(1) to determine the performance and effectiveness of programs assisted under this subpart;

“(2) to identify effective Even Start programs assisted under this subpart that can be duplicated and used in providing technical assistance to Federal, State, and local programs; and

“(3) to provide State educational agencies and eligible entities receiving a subgrant under this subpart, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to ensure that local evaluations undertaken under section 1235(15) provide accurate information on the effectiveness of programs assisted under this subpart.

20 USC 6381i.

“SEC. 1240. INDICATORS OF PROGRAM QUALITY.

“Each State educational agency receiving funds under this subpart shall develop, based on the best available research and evaluation data, indicators of program quality for programs assisted under this subpart. The indicators shall be used to monitor, evaluate, and improve those programs within the State. The indicators shall include the following:

“(1) With respect to eligible participants in a program who are adults—

“(A) achievement in the areas of reading, writing, English-language acquisition, problem solving, and numeracy;

“(B) receipt of a secondary school diploma or a general equivalency diploma (GED);

“(C) entry into a postsecondary school, job retraining program, or employment or career advancement, including the military; and

“(D) such other indicators as the State may develop.

“(2) With respect to eligible participants in a program who are children—

“(A) improvement in ability to read on grade level or reading readiness;

“(B) school attendance;

“(C) grade retention and promotion; and

“(D) such other indicators as the State may develop.

20 USC 6381j.

“SEC. 1241. RESEARCH.

“(a) IN GENERAL.—The Secretary shall carry out, through grant or contract, research into the components of successful family literacy services, in order to—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) improve the quality of existing programs assisted under this subpart or other family literacy programs carried out under this Act or the Adult Education and Family Literacy Act; and

“(2) develop models for new programs to be carried out under this Act or the Adult Education and Family Literacy Act.

“(b) SCIENTIFICALLY BASED RESEARCH ON FAMILY LITERACY.—

“(1) IN GENERAL.—From amounts reserved under section 1232(b)(2), the National Institute for Literacy, in consultation with the Secretary, shall carry out research that—

“(A) is scientifically based reading research; and

“(B) determines—

“(i) the most effective ways of improving the literacy skills of adults with reading difficulties; and

“(ii) how family literacy services can best provide parents with the knowledge and skills the parents need to support their children’s literacy development.

“(2) USE OF EXPERT ENTITY.—The National Institute for Literacy, in consultation with the Secretary, shall carry out the research under paragraph (1) through an entity, including a Federal agency, that has expertise in carrying out longitudinal studies of the development of literacy skills in children and has developed effective interventions to help children with reading difficulties.

“(c) DISSEMINATION.—The National Institute for Literacy shall disseminate, pursuant to section 1207, the results of the research described in subsections (a) and (b) to State educational agencies and recipients of subgrants under this subpart.

“SEC. 1242. CONSTRUCTION.

20 USC 6381k.

“Nothing in this subpart shall be construed to prohibit a recipient of funds under this subpart from serving students participating in Even Start simultaneously with students with similar educational needs, in the same educational settings where appropriate.

“Subpart 4—Improving Literacy Through School Libraries

“SEC. 1251. IMPROVING LITERACY THROUGH SCHOOL LIBRARIES.

20 USC 6383.

“(a) PURPOSES.—The purpose of this subpart is to improve literacy skills and academic achievement of students by providing students with increased access to up-to-date school library materials, a well-equipped, technologically advanced school library media center, and well-trained, professionally certified school library media specialists.

“(b) RESERVATION.—From the funds appropriated under section 1002(b)(4) for a fiscal year, the Secretary shall reserve—

“(1) one-half of 1 percent to award assistance under this section to the Bureau of Indian Affairs to carry out activities consistent with the purpose of this subpart; and

“(2) one-half of 1 percent to award assistance under this section to the outlying areas according to their respective needs for assistance under this subpart.

“(c) GRANTS.—

“(1) COMPETITIVE GRANTS TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—If the amount of funds appropriated under section 1002(b)(4) for a fiscal year is less than \$100,000,000, then the Secretary shall award grants, on a competitive basis, to eligible local educational agencies under subsection (e).

“(2) FORMULA GRANTS TO STATES.—If the amount of funds appropriated under section 1002(b)(4) for a fiscal year equals or exceeds \$100,000,000, then the Secretary shall award grants to State educational agencies from allotments under subsection (d).

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) DEFINITION OF ELIGIBLE LOCAL EDUCATIONAL AGENCY.—In this section the term ‘eligible local educational agency’ means—

“(A) in the case of a local educational agency receiving assistance made available under paragraph (1), a local educational agency in which 20 percent of the students served by the local educational agency are from families with incomes below the poverty line; and

“(B) in the case of a local educational agency receiving assistance from State allocations made available under paragraph (2), a local educational agency in which—

“(i) 15 percent of the students who are served by the local educational agency are from such families; or

“(ii) the percentage of students from such families who are served by the local educational agency is greater than the statewide percentage of children from such families.

“(d) STATE GRANTS.—

“(1) ALLOTMENTS.—From funds made available under subsection (c)(2) and not reserved under subsections (b) and (j) for a fiscal year, the Secretary shall allot to each State educational agency having an application approved under subsection (f)(1) an amount that bears the same relation to the funds as the amount the State educational agency received under part A for the preceding fiscal year bears to the amount all such State educational agencies received under part A for the preceding fiscal year, to increase literacy and reading skills by improving school libraries.

“(2) COMPETITIVE GRANTS TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—Each State educational agency receiving an allotment under paragraph (1) for a fiscal year—

“(A) may reserve not more than 3 percent of the allotted funds to provide technical assistance, disseminate information about school library media programs that are effective and based on scientifically based research, and pay administrative costs related to activities under this section; and

“(B) shall use the allotted funds that remain after making the reservation under subparagraph (A) to award grants, for a period of 1 year, on a competitive basis, to eligible local educational agencies in the State that have an application approved under subsection (f)(2) for activities described in subsection (g).

“(3) REALLOTMENT.—If a State educational agency does not apply for an allotment under this section for any fiscal year, or if the State educational agency’s application is not approved, the Secretary shall reallocate the amount of the State educational agency’s allotment to the remaining State educational agencies in accordance with paragraph (1).

“(e) DIRECT COMPETITIVE GRANTS TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—

“(1) IN GENERAL.—From amounts made available under subsection (c)(1) and not reserved under subsections (b) and (j) for a fiscal year, the Secretary shall award grants, on a competitive basis, to eligible local educational agencies that have applications approved under subsection (f)(2) for activities described in subsection (g).

“(2) DURATION.—The Secretary shall award grants under this subsection for a period of 1 year.

“(3) DISTRIBUTION.—The Secretary shall ensure that grants under this subsection are equitably distributed among the different geographic regions of the United States, and among local educational agencies serving urban and rural areas.

“(f) APPLICATIONS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) STATE EDUCATIONAL AGENCY.—Each State educational agency desiring assistance under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary shall require. The application shall contain a description of—

“(A) how the State educational agency will assist eligible local educational agencies in meeting the requirements of this section and in using scientifically based research to implement effective school library media programs; and

“(B) the standards and techniques the State educational agency will use to evaluate the quality and impact of activities carried out under this section by eligible local educational agencies to determine the need for technical assistance and whether to continue to provide additional funding to the agencies under this section.

“(2) ELIGIBLE LOCAL EDUCATIONAL AGENCY.—Each eligible local educational agency desiring assistance under this section shall submit to the Secretary or State educational agency, as appropriate, an application at such time, in such manner, and containing such information as the Secretary or State educational agency, respectively, shall require. The application shall contain a description of—

“(A) a needs assessment relating to the need for school library media improvement, based on the age and condition of school library media resources, including book collections, access of school library media centers to advanced technology, and the availability of well-trained, professionally certified school library media specialists, in schools served by the eligible local educational agency;

“(B) the manner in which the eligible local educational agency will use the funds made available through the grant to carry out the activities described in subsection (g);

“(C) how the eligible local educational agency will extensively involve school library media specialists, teachers, administrators, and parents in the activities assisted under this section, and the manner in which the eligible local educational agency will carry out the activities described in subsection (g) using programs and materials that are grounded in scientifically based research;

“(D) the manner in which the eligible local educational agency will effectively coordinate the funds and activities provided under this section with Federal, State, and local funds and activities under this subpart and other literacy, library, technology, and professional development funds and activities; and

“(E) the manner in which the eligible local educational agency will collect and analyze data on the quality and impact of activities carried out under this section by schools served by the eligible local educational agency.

“(g) LOCAL ACTIVITIES.—Funds under this section may be used to—

“(1) acquire up-to-date school library media resources, including books;

“(2) acquire and use advanced technology, incorporated into the curricula of the school, to develop and enhance the information literacy, information retrieval, and critical thinking skills of students;

“(3) facilitate Internet links and other resource-sharing networks among schools and school library media centers, and public and academic libraries, where possible;

“(4) provide professional development described in section 1222(d)(2) for school library media specialists, and activities that foster increased collaboration between school library media specialists, teachers, and administrators; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) provide students with access to school libraries during nonschool hours, including the hours before and after school, during weekends, and during summer vacation periods.

“(h) ACCOUNTABILITY AND REPORTING.—

“(1) LOCAL REPORTS.—Each eligible local educational agency that receives funds under this section for a fiscal year shall report to the Secretary or State educational agency, as appropriate, on how the funding was used and the extent to which the availability of, the access to, and the use of, up-to-date school library media resources in the elementary schools and secondary schools served by the eligible local educational agency was increased.

“(2) STATE REPORT.—Each State educational agency that receives funds under this section shall compile the reports received under paragraph (1) and submit the compiled reports to the Secretary.

“(i) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds expended to carry out activities relating to library, technology, or professional development activities.

“(j) NATIONAL ACTIVITIES.—

“(1) EVALUATIONS.—From the funds appropriated under section 1002(b)(4) for each fiscal year, the Secretary shall reserve not more than 1 percent for annual, independent, national evaluations of the activities assisted under this section and their impact on improving the reading skills of students. The evaluations shall be conducted not later than 3 years after the date of enactment of the No Child Left Behind Act of 2001, and biennially thereafter.

“(2) REPORT TO CONGRESS.—The Secretary shall transmit the State reports received under subsection (h)(2) and the evaluations conducted under paragraph (1) to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives.

“PART C—EDUCATION OF MIGRATORY CHILDREN

20 USC 6391.

“SEC. 1301. PROGRAM PURPOSE.

“It is the purpose of this part to assist States to—

“(1) support high-quality and comprehensive educational programs for migratory children to help reduce the educational disruptions and other problems that result from repeated moves;

“(2) ensure that migratory children who move among the States are not penalized in any manner by disparities among the States in curriculum, graduation requirements, and State academic content and student academic achievement standards;

“(3) ensure that migratory children are provided with appropriate educational services (including supportive services) that address their special needs in a coordinated and efficient manner;

“(4) ensure that migratory children receive full and appropriate opportunities to meet the same challenging State academic content and student academic achievement standards that all children are expected to meet;

“(5) design programs to help migratory children overcome educational disruption, cultural and language barriers, social isolation, various health-related problems, and other factors that inhibit the ability of such children to do well in school, and to prepare such children to make a successful transition to postsecondary education or employment; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(6) ensure that migratory children benefit from State and local systemic reforms.

“SEC. 1302. PROGRAM AUTHORIZED.

20 USC 6392.

“In order to carry out the purpose of this part, the Secretary shall make grants to State educational agencies, or combinations of such agencies, to establish or improve, directly or through local operating agencies, programs of education for migratory children in accordance with this part.

“SEC. 1303. STATE ALLOCATIONS.

20 USC 6393.

“(a) STATE ALLOCATIONS.—

“(1) FISCAL YEAR 2002.—For fiscal year 2002, each State (other than the Commonwealth of Puerto Rico) is entitled to receive under this part an amount equal to—

“(A) the sum of the estimated number of migratory children aged 3 through 21 who reside in the State full time and the full-time equivalent of the estimated number of migratory children aged 3 through 21 who reside in the State part time, as determined in accordance with subsection (e); multiplied by

“(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent, nor more than 48 percent, of the average per-pupil expenditure in the United States.

“(2) SUBSEQUENT YEARS.—

“(A) BASE AMOUNT.—

“(i) IN GENERAL.—Except as provided in subsection (b) and clause (ii), each State (other than the Commonwealth of Puerto Rico) is entitled to receive under this part, for fiscal year 2003 and succeeding fiscal years, an amount equal to—

“(I) the amount that such State received under this part for fiscal year 2002; plus

“(II) the amount allocated to the State under subparagraph (B).

“(ii) NONPARTICIPATING STATES.—In the case of a State (other than the Commonwealth of Puerto Rico) that did not receive any funds for fiscal year 2002 under this part, the State shall receive, for fiscal year 2003 and succeeding fiscal years, an amount equal to—

“(I) the amount that such State would have received under this part for fiscal year 2002 if its application under section 1304 for the year had been approved; plus

“(II) the amount allocated to the State under subparagraph (B).

“(B) ALLOCATION OF ADDITIONAL AMOUNT.—For fiscal year 2003 and succeeding fiscal years, the amount (if any) by which the funds appropriated to carry out this part for the year exceed such funds for fiscal year 2002 shall be allocated to a State (other than the Commonwealth of Puerto Rico) so that the State receives an amount equal to—

“(i) the sum of—

“(I) the number of identified eligible migratory children, aged 3 through 21, residing in the State during the previous year; and

“(II) the number of identified eligible migratory children, aged 3 through 21, who received services under this part in summer or intersession programs provided by the State during such year; multiplied by

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this clause may not be less than 32 percent, or more than 48 percent, of the average per-pupil expenditure in the United States.

“(b) ALLOCATION TO PUERTO RICO.—

“(1) IN GENERAL.—For each fiscal year, the grant which the Commonwealth of Puerto Rico shall be eligible to receive under this part shall be the amount determined by multiplying the number of children who would be counted under subsection (a)(1)(A) if such subsection applied to the Commonwealth of Puerto Rico by the product of—

“(A) the percentage which the average per-pupil expenditure in the Commonwealth of Puerto Rico is of the lowest average per-pupil expenditure of any of the 50 States; and

“(B) 32 percent of the average per-pupil expenditure in the United States.

“(2) MINIMUM PERCENTAGE.—The percentage in paragraph (1)(A) shall not be less than—

“(A) for fiscal year 2002, 77.5 percent;

“(B) for fiscal year 2003, 80.0 percent;

“(C) for fiscal year 2004, 82.5 percent; and

“(D) for fiscal year 2005 and succeeding fiscal years, 85.0 percent.

“(3) LIMITATION.—If the application of paragraph (2) for any fiscal year would result in any of the 50 States or the District of Columbia receiving less under this part than it received under this part for the preceding fiscal year, then the percentage described in paragraph (1)(A) that is used for the Commonwealth of Puerto Rico for the fiscal year for which the determination is made shall be the greater of the percentage in paragraph (1)(A) for such fiscal year or the percentage used for the preceding fiscal year.

“(c) RATABLE REDUCTIONS; REALLOCATIONS.—

“(1) IN GENERAL.—(A) If, after the Secretary reserves funds under section 1308(c), the amount appropriated to carry out this part for any fiscal year is insufficient to pay in full the amounts for which all States are eligible, the Secretary shall ratably reduce each such amount.

“(B) If additional funds become available for making such payments for any fiscal year, the Secretary shall allocate such funds to States in amounts that the Secretary determines will best carry out the purpose of this part.

“(2) SPECIAL RULE.—(A) The Secretary shall further reduce the amount of any grant to a State under this part for any fiscal year if the Secretary determines, based on available information on the numbers and needs of migratory children in the State and the program proposed by the State to address such needs, that such amount exceeds the amount required under section 1304.

“(B) The Secretary shall reallocate such excess funds to other States whose grants under this part would otherwise be insufficient to provide an appropriate level of services to migratory children, in such amounts as the Secretary determines are appropriate.

“(d) CONSORTIUM ARRANGEMENTS.—

“(1) IN GENERAL.—In the case of a State that receives a grant of \$1,000,000 or less under this section, the Secretary shall consult with the State educational agency to determine whether consortium arrangements with another State or other appropriate entity would result in delivery of services in a more effective and efficient manner.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) PROPOSALS.—Any State, regardless of the amount of such State’s allocation, may submit a consortium arrangement to the Secretary for approval.

“(3) APPROVAL.—The Secretary shall approve a consortium arrangement under paragraph (1) or (2) if the proposal demonstrates that the arrangement will—

“(A) reduce administrative costs or program function costs for State programs; and

“(B) make more funds available for direct services to add substantially to the welfare or educational attainment of children to be served under this part.

“(e) DETERMINING NUMBERS OF ELIGIBLE CHILDREN.—In order to determine the estimated number of migratory children residing in each State for purposes of this section, the Secretary shall—

“(1) use such information as the Secretary finds most accurately reflects the actual number of migratory children;

“(2) develop and implement a procedure for more accurately reflecting cost factors for different types of summer and intersession program designs;

“(3) adjust the full-time equivalent number of migratory children who reside in each State to take into account—

“(A) the special needs of those children participating in special programs provided under this part that operate during the summer and intersession periods; and

“(B) the additional costs of operating such programs;

and

“(4) conduct an analysis of the options for adjusting the formula so as to better direct services to the child whose education has been interrupted.

“SEC. 1304. STATE APPLICATIONS; SERVICES.

20 USC 6394.

“(a) APPLICATION REQUIRED.—Any State desiring to receive a grant under this part for any fiscal year shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

“(b) PROGRAM INFORMATION.—Each such application shall include—

“(1) a description of how, in planning, implementing, and evaluating programs and projects assisted under this part, the State and its local operating agencies will ensure that the special educational needs of migratory children, including preschool migratory children, are identified and addressed through—

“(A) the full range of services that are available for migratory children from appropriate local, State, and Federal educational programs;

“(B) joint planning among local, State, and Federal educational programs serving migrant children, including language instruction educational programs under part A or B of title III;

“(C) the integration of services available under this part with services provided by those other programs; and

“(D) measurable program goals and outcomes;

“(2) a description of the steps the State is taking to provide all migratory students with the opportunity to meet the same challenging State academic content standards and challenging State student academic achievement standards that all children are expected to meet;

“(3) a description of how the State will use funds received under this part to promote interstate and intrastate coordination of services for migratory children, including how, consistent with procedures the Secretary may require, the State will provide for educational continuity through the timely transfer of pertinent school records, including information on health,

PUBLIC LAW 107-110—JAN. 8, 2002

when children move from one school to another, whether or not such move occurs during the regular school year;

“(4) a description of the State’s priorities for the use of funds received under this part, and how such priorities relate to the State’s assessment of needs for services in the State;

“(5) a description of how the State will determine the amount of any subgrants the State will award to local operating agencies, taking into account the numbers and needs of migratory children, the requirements of subsection (d), and the availability of funds from other Federal, State, and local programs;

“(6) such budgetary and other information as the Secretary may require; and

“(7) a description of how the State will encourage programs and projects assisted under this part to offer family literacy services if the program or project serves a substantial number of migratory children who have parents who do not have a high school diploma or its recognized equivalent or who have low levels of literacy.

“(c) ASSURANCES.—Each such application shall also include assurances, satisfactory to the Secretary, that—

“(1) funds received under this part will be used only—

“(A) for programs and projects, including the acquisition of equipment, in accordance with section 1306; and

“(B) to coordinate such programs and projects with similar programs and projects within the State and in other States, as well as with other Federal programs that can benefit migratory children and their families;

“(2) such programs and projects will be carried out in a manner consistent with the objectives of section 1114, subsections (b) and (d) of section 1115, subsections (b) and (c) of section 1120A, and part I;

“(3) in the planning and operation of programs and projects at both the State and local agency operating level, there is consultation with parent advisory councils for programs of 1 school year in duration, and that all such programs and projects are carried out—

“(A) in a manner that provides for the same parental involvement as is required for programs and projects under section 1118, unless extraordinary circumstances make such provision impractical; and

“(B) in a format and language understandable to the parents;

“(4) in planning and carrying out such programs and projects, there has been, and will be, adequate provision for addressing the unmet education needs of preschool migratory children;

“(5) the effectiveness of such programs and projects will be determined, where feasible, using the same approaches and standards that will be used to assess the performance of students, schools, and local educational agencies under part A;

“(6) to the extent feasible, such programs and projects will provide for—

“(A) advocacy and outreach activities for migratory children and their families, including informing such children and families of, or helping such children and families gain access to, other education, health, nutrition, and social services;

“(B) professional development programs, including mentoring, for teachers and other program personnel;

“(C) family literacy programs, including such programs that use models developed under Even Start;

“(D) the integration of information technology into educational and related programs; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(E) programs to facilitate the transition of secondary school students to postsecondary education or employment; and

“(7) the State will assist the Secretary in determining the number of migratory children under paragraphs (1)(A) and (2)(B)(i) of section 1303(a), through such procedures as the Secretary may require.

“(d) PRIORITY FOR SERVICES.—In providing services with funds received under this part, each recipient of such funds shall give priority to migratory children who are failing, or most at risk of failing, to meet the State’s challenging State academic content standards and challenging State student academic achievement standards, and whose education has been interrupted during the regular school year.

“(e) CONTINUATION OF SERVICES.—Notwithstanding any other provision of this part—

“(1) a child who ceases to be a migratory child during a school term shall be eligible for services until the end of such term;

“(2) a child who is no longer a migratory child may continue to receive services for 1 additional school year, but only if comparable services are not available through other programs; and

“(3) secondary school students who were eligible for services in secondary school may continue to be served through credit accrual programs until graduation.

“SEC. 1305. SECRETARIAL APPROVAL; PEER REVIEW.

20 USC 6395.

“(a) SECRETARIAL APPROVAL.—The Secretary shall approve each State application that meets the requirements of this part.

“(b) PEER REVIEW.—The Secretary may review any such application with the assistance and advice of State officials and other individuals with relevant expertise.

“SEC. 1306. COMPREHENSIVE NEEDS ASSESSMENT AND SERVICE-DELIVERY PLAN; AUTHORIZED ACTIVITIES.

20 USC 6396.

“(a) COMPREHENSIVE PLAN.—

“(1) IN GENERAL.—Each State that receives assistance under this part shall ensure that the State and its local operating agencies identify and address the special educational needs of migratory children in accordance with a comprehensive State plan that—

“(A) is integrated with other programs under this Act or other Acts, as appropriate;

“(B) may be submitted as a part of a consolidated application under section 9302, if—

“(i) the special needs of migratory children are specifically addressed in the comprehensive State plan;

“(ii) the comprehensive State plan is developed in collaboration with parents of migratory children; and

“(iii) the comprehensive State plan is not used to supplant State efforts regarding, or administrative funding for, this part;

“(C) provides that migratory children will have an opportunity to meet the same challenging State academic content standards and challenging State student academic achievement standards that all children are expected to meet;

“(D) specifies measurable program goals and outcomes;

“(E) encompasses the full range of services that are available for migratory children from appropriate local, State, and Federal educational programs;

“(F) is the product of joint planning among such local, State, and Federal programs, including programs under

PUBLIC LAW 107-110—JAN. 8, 2002

part A, early childhood programs, and language instruction educational programs under part A or B of title III; and

“(G) provides for the integration of services available under this part with services provided by such other programs.

“(2) DURATION OF THE PLAN.—Each such comprehensive State plan shall—

“(A) remain in effect for the duration of the State’s participation under this part; and

“(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State’s strategies and programs under this part.

“(b) AUTHORIZED ACTIVITIES.—

“(1) FLEXIBILITY.—In implementing the comprehensive plan described in subsection (a), each State educational agency, where applicable through its local educational agencies, shall have the flexibility to determine the activities to be provided with funds made available under this part, except that such funds first shall be used to meet the identified needs of migratory children that result from their migratory lifestyle, and to permit these children to participate effectively in school.

“(2) UNADDRESSED NEEDS.—Funds provided under this part shall be used to address the needs of migratory children that are not addressed by services available from other Federal or non-Federal programs, except that migratory children who are eligible to receive services under part A may receive those services through funds provided under that part, or through funds under this part that remain after the agency addresses the needs described in paragraph (1).

“(3) CONSTRUCTION.—Nothing in this part shall be construed to prohibit a local educational agency from serving migratory children simultaneously with students with similar educational needs in the same educational settings, where appropriate.

“(4) SPECIAL RULE.—Notwithstanding section 1114, a school that receives funds under this part shall continue to address the identified needs described in paragraph (1), and shall meet the special educational needs of migratory children before using funds under this part for schoolwide programs under section 1114.

20 USC 6397.

“SEC. 1307. BYPASS.

“The Secretary may use all or part of any State’s allocation under this part to make arrangements with any public or private nonprofit agency to carry out the purpose of this part in such State if the Secretary determines that—

“(1) the State is unable or unwilling to conduct educational programs for migratory children;

“(2) such arrangements would result in more efficient and economic administration of such programs; or

“(3) such arrangements would add substantially to the welfare or educational attainment of such children.

20 USC 6398.

“SEC. 1308. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

“(a) IMPROVEMENT OF COORDINATION.—

“(1) IN GENERAL.—The Secretary, in consultation with the States, may make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, and other public and private nonprofit entities to improve the interstate and intrastate coordination among such agencies’ educational programs, including the establishment or improvement of programs for credit accrual and exchange, available to migratory students.

“(2) DURATION.—Grants under this subsection may be awarded for not more than 5 years.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) STUDENT RECORDS.—

“(1) ASSISTANCE.—The Secretary shall assist States in developing effective methods for the electronic transfer of student records and in determining the number of migratory children in each State.

“(2) INFORMATION SYSTEM.—

“(A) IN GENERAL.—The Secretary, in consultation with the States, shall ensure the linkage of migrant student record systems for the purpose of electronically exchanging, among the States, health and educational information regarding all migratory students. The Secretary shall ensure such linkage occurs in a cost-effective manner, utilizing systems used by the States prior to, or developed after, the date of enactment of the No Child Left Behind Act of 2001, and shall determine the minimum data elements that each State receiving funds under this part shall collect and maintain. Such elements may include—

“(i) immunization records and other health information;

“(ii) elementary and secondary academic history (including partial credit), credit accrual, and results from State assessments required under section 1111(b);

“(iii) other academic information essential to ensuring that migratory children achieve to high standards; and

“(iv) eligibility for services under the Individuals with Disabilities Education Act.

“(B) NOTICE AND COMMENT.—After consulting with the States under subparagraph (A), the Secretary shall publish a notice in the Federal Register seeking public comment on the proposed data elements that each State receiving funds under this part shall be required to collect for purposes of electronic transfer of migratory student information and the requirements that States shall meet for immediate electronic access to such information. Such publication shall occur not later than 120 days after the date of enactment of the No Child Left Behind Act of 2001.

Federal Register, publication.

Deadline.

“(3) NO COST FOR CERTAIN TRANSFERS.—A State educational agency or local educational agency receiving assistance under this part shall make student records available to another State educational agency or local educational agency that requests the records at no cost to the requesting agency, if the request is made in order to meet the needs of a migratory child.

“(4) REPORT TO CONGRESS.—

“(A) IN GENERAL.—Not later than April 30, 2003, the Secretary shall report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives the Secretary’s findings and recommendations regarding the maintenance and transfer of health and educational information for migratory students by the States.

Deadline.

“(B) REQUIRED CONTENTS.—The Secretary shall include in such report—

“(i) a review of the progress of States in developing and linking electronic records transfer systems;

“(ii) recommendations for the development and linkage of such systems; and

“(iii) recommendations for measures that may be taken to ensure the continuity of services provided for migratory students.

“(c) AVAILABILITY OF FUNDS.—For the purpose of carrying out this section in any fiscal year, the Secretary shall reserve not more than \$10,000,000 of the amount appropriated to carry out this part for such year.

PUBLIC LAW 107-110—JAN. 8, 2002

“(d) INCENTIVE GRANTS.—From the amounts made available to carry out this section for any fiscal year, the Secretary may reserve not more than \$3,000,000 to award grants of not more than \$250,000 on a competitive basis to State educational agencies that propose a consortium arrangement with another State or other appropriate entity that the Secretary determines, pursuant to criteria that the Secretary shall establish, will improve the delivery of services to migratory children whose education is interrupted.

“(e) DATA COLLECTION.—The Secretary shall direct the National Center for Education Statistics to collect data on migratory children.

20 USC 6399.

“SEC. 1309. DEFINITIONS.

“As used in this part:

“(1) LOCAL OPERATING AGENCY.—The term ‘local operating agency’ means—

“(A) a local educational agency to which a State educational agency makes a subgrant under this part;

“(B) a public or nonprofit private agency with which a State educational agency or the Secretary makes an arrangement to carry out a project under this part; or

“(C) a State educational agency, if the State educational agency operates the State’s migrant education program or projects directly.

“(2) MIGRATORY CHILD.—The term ‘migratory child’ means a child who is, or whose parent or spouse is, a migratory agricultural worker, including a migratory dairy worker, or a migratory fisher, and who, in the preceding 36 months, in order to obtain, or accompany such parent or spouse, in order to obtain, temporary or seasonal employment in agricultural or fishing work—

“(A) has moved from one school district to another;

“(B) in a State that is comprised of a single school district, has moved from one administrative area to another within such district; or

“(C) resides in a school district of more than 15,000 square miles, and migrates a distance of 20 miles or more to a temporary residence to engage in a fishing activity.

“PART D—PREVENTION AND INTERVENTION PROGRAMS FOR CHILDREN AND YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT-RISK

20 USC 6421.

“SEC. 1401. PURPOSE AND PROGRAM AUTHORIZATION.

“(a) PURPOSE.—It is the purpose of this part—

“(1) to improve educational services for children and youth in local and State institutions for neglected or delinquent children and youth so that such children and youth have the opportunity to meet the same challenging State academic content standards and challenging State student academic achievement standards that all children in the State are expected to meet;

“(2) to provide such children and youth with the services needed to make a successful transition from institutionalization to further schooling or employment; and

“(3) to prevent at-risk youth from dropping out of school, and to provide dropouts, and children and youth returning from correctional facilities or institutions for neglected or delinquent children and youth, with a support system to ensure their continued education.

“(b) PROGRAM AUTHORIZED.—In order to carry out the purpose of this part and from amounts appropriated under section 1002(d), the Secretary shall make grants to State educational agencies to enable such agencies to award subgrants to State agencies and

PUBLIC LAW 107-110—JAN. 8, 2002

local educational agencies to establish or improve programs of education for neglected, delinquent, or at-risk children and youth.

“SEC. 1402. PAYMENTS FOR PROGRAMS UNDER THIS PART.

20 USC 6422.

“(a) AGENCY SUBGRANTS.—Based on the allocation amount computed under section 1412, the Secretary shall allocate to each State educational agency an amount necessary to make subgrants to State agencies under subpart 1.

“(b) LOCAL SUBGRANTS.—Each State shall retain, for the purpose of carrying out subpart 2, funds generated throughout the State under part A of this title based on children and youth residing in local correctional facilities, or attending community day programs for delinquent children and youth.

“Subpart 1—State Agency Programs**“SEC. 1411. ELIGIBILITY.**

20 USC 6431.

“A State agency is eligible for assistance under this subpart if such State agency is responsible for providing free public education for children and youth—

“(1) in institutions for neglected or delinquent children and youth;

“(2) attending community day programs for neglected or delinquent children and youth; or

“(3) in adult correctional institutions.

“SEC. 1412. ALLOCATION OF FUNDS.

20 USC 6432.

“(a) SUBGRANTS TO STATE AGENCIES.—

“(1) IN GENERAL.—Each State agency described in section 1411 (other than an agency in the Commonwealth of Puerto Rico) is eligible to receive a subgrant under this subpart, for each fiscal year, in an amount equal to the product of—

“(A) the number of neglected or delinquent children and youth described in section 1411 who—

“(i) are enrolled for at least 15 hours per week in education programs in adult correctional institutions; and

“(ii) are enrolled for at least 20 hours per week—

“(I) in education programs in institutions for neglected or delinquent children and youth; or

“(II) in community day programs for neglected or delinquent children and youth; and

“(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this subparagraph shall not be less than 32 percent, nor more than 48 percent, of the average per-pupil expenditure in the United States.

“(2) SPECIAL RULE.—The number of neglected or delinquent children and youth determined under paragraph (1) shall—

“(A) be determined by the State agency by a deadline set by the Secretary, except that no State agency shall be required to determine the number of such children and youth on a specific date set by the Secretary; and

“(B) be adjusted, as the Secretary determines is appropriate, to reflect the relative length of such agency’s annual programs.

“(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—

“(1) IN GENERAL.—For each fiscal year, the amount of the subgrant which a State agency in the Commonwealth of Puerto Rico shall be eligible to receive under this subpart shall be the amount determined by multiplying the number of children counted under subsection (a)(1)(A) for the Commonwealth of Puerto Rico by the product of—

“(A) the percentage which the average per-pupil expenditure in the Commonwealth of Puerto Rico is of

PUBLIC LAW 107-110—JAN. 8, 2002

the lowest average per-pupil expenditure of any of the 50 States; and

“(B) 32 percent of the average per-pupil expenditure in the United States.

“(2) MINIMUM PERCENTAGE.—The percentage in paragraph (1)(A) shall not be less than—

“(A) for fiscal year 2002, 77.5 percent;

“(B) for fiscal year 2003, 80.0 percent;

“(C) for fiscal year 2004, 82.5 percent; and

“(D) for fiscal year 2005 and succeeding fiscal years, 85.0 percent.

“(3) LIMITATION.—If the application of paragraph (2) would result in any of the 50 States or the District of Columbia receiving less under this subpart than it received under this subpart for the preceding fiscal year, then the percentage described in paragraph (1)(A) that is used for the Commonwealth of Puerto Rico for the fiscal year for which the determination is made shall be the greater of—

“(A) the percentage in paragraph (1)(A) for such fiscal year; or

“(B) the percentage used for the preceding fiscal year.

“(c) RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated for any fiscal year for subgrants under subsections (a) and (b) is insufficient to pay the full amount for which all State agencies are eligible under such subsections, the Secretary shall ratably reduce each such amount.

20 USC 6433.

“SEC. 1413. STATE REALLOCATION OF FUNDS.

“If a State educational agency determines that a State agency does not need the full amount of the subgrant for which such State agency is eligible under this subpart for any fiscal year, the State educational agency may reallocate the amount that will not be needed to other eligible State agencies that need additional funds to carry out the purpose of this part, in such amounts as the State educational agency shall determine.

20 USC 6434.

“SEC. 1414. STATE PLAN AND STATE AGENCY APPLICATIONS.

“(a) STATE PLAN.—

“(1) IN GENERAL.—Each State educational agency that desires to receive a grant under this subpart shall submit, for approval by the Secretary, a plan—

“(A) for meeting the educational needs of neglected, delinquent, and at-risk children and youth;

“(B) for assisting in the transition of children and youth from correctional facilities to locally operated programs; and

“(C) that is integrated with other programs under this Act or other Acts, as appropriate.

“(2) CONTENTS.—Each such State plan shall—

“(A) describe the program goals, objectives, and performance measures established by the State that will be used to assess the effectiveness of the program in improving the academic, vocational, and technical skills of children in the program;

“(B) provide that, to the extent feasible, such children will have the same opportunities to achieve as such children would have if such children were in the schools of local educational agencies in the State; and

“(C) contain an assurance that the State educational agency will—

“(i) ensure that programs assisted under this subpart will be carried out in accordance with the State plan described in this subsection;

“(ii) carry out the evaluation requirements of section 1431;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) ensure that the State agencies receiving subgrants under this subpart comply with all applicable statutory and regulatory requirements; and

“(iv) provide such other information as the Secretary may reasonably require.

“(3) DURATION OF THE PLAN.—Each such State plan shall—

“(A) remain in effect for the duration of the State’s participation under this part; and

“(B) be periodically reviewed and revised by the State, as necessary, to reflect changes in the State’s strategies and programs under this part.

“(b) SECRETARIAL APPROVAL AND PEER REVIEW.—

“(1) SECRETARIAL APPROVAL.—The Secretary shall approve each State plan that meets the requirements of this subpart.

“(2) PEER REVIEW.—The Secretary may review any State plan with the assistance and advice of individuals with relevant expertise.

“(c) STATE AGENCY APPLICATIONS.—Any State agency that desires to receive funds to carry out a program under this subpart shall submit an application to the State educational agency that—

“(1) describes the procedures to be used, consistent with the State plan under section 1111, to assess the educational needs of the children to be served under this subpart;

“(2) provide an assurance that in making services available to children and youth in adult correctional institutions, priority will be given to such children and youth who are likely to complete incarceration within a 2-year period;

“(3) describes the program, including a budget for the first year of the program, with annual updates to be provided to the State educational agency;

“(4) describes how the program will meet the goals and objectives of the State plan;

“(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 1416 are of high quality;

“(6) describes how the State agency will carry out the evaluation requirements of section 9601 and how the results of the most recent evaluation will be used to plan and improve the program;

“(7) includes data showing that the State agency has maintained the fiscal effort required of a local educational agency, in accordance with section 9521;

“(8) describes how the programs will be coordinated with other appropriate State and Federal programs, such as programs under title I of Public Law 105-220, vocational and technical education programs, State and local dropout prevention programs, and special education programs;

“(9) describes how the State agency will encourage correctional facilities receiving funds under this subpart to coordinate with local educational agencies or alternative education programs attended by incarcerated children and youth prior to their incarceration to ensure that student assessments and appropriate academic records are shared jointly between the correctional facility and the local educational agency or alternative education program;

“(10) describes how appropriate professional development will be provided to teachers and other staff;

“(11) designates an individual in each affected correctional facility or institution for neglected or delinquent children and youth to be responsible for issues relating to the transition of children and youth from such facility or institution to locally operated programs;

PUBLIC LAW 107-110—JAN. 8, 2002

“(12) describes how the State agency will endeavor to coordinate with businesses for training and mentoring for participating children and youth;

“(13) provides an assurance that the State agency will assist in locating alternative programs through which students can continue their education if the students are not returning to school after leaving the correctional facility or institution for neglected or delinquent children and youth;

“(14) provides assurances that the State agency will work with parents to secure parents’ assistance in improving the educational achievement of their children and youth, and preventing their children’s and youth’s further involvement in delinquent activities;

“(15) provides an assurance that the State agency will work with children and youth with disabilities in order to meet an existing individualized education program and an assurance that the agency will notify the child’s or youth’s local school if the child or youth—

“(A) is identified as in need of special education services while the child or youth is in the correctional facility or institution for neglected or delinquent children and youth; and

“(B) intends to return to the local school;

“(16) provides an assurance that the State agency will work with children and youth who dropped out of school before entering the correctional facility or institution for neglected or delinquent children and youth to encourage the children and youth to reenter school once the term of the incarceration is completed or provide the child or youth with the skills necessary to gain employment, continue the education of the child or youth, or achieve a secondary school diploma or its recognized equivalent if the child or youth does not intend to return to school;

“(17) provides an assurance that teachers and other qualified staff are trained to work with children and youth with disabilities and other students with special needs taking into consideration the unique needs of such students;

“(18) describes any additional services to be provided to children and youth, such as career counseling, distance learning, and assistance in securing student loans and grants; and

“(19) provides an assurance that the program under this subpart will be coordinated with any programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601 et seq.) or other comparable programs, if applicable.

20 USC 6435.

“SEC. 1415. USE OF FUNDS.

“(a) USES.—

“(1) IN GENERAL.—A State agency shall use funds received under this subpart only for programs and projects that—

“(A) are consistent with the State plan under section 1414(a); and

“(B) concentrate on providing participants with the knowledge and skills needed to make a successful transition to secondary school completion, vocational or technical training, further education, or employment.

“(2) PROGRAMS AND PROJECTS.—Such programs and projects—

“(A) may include the acquisition of equipment;

“(B) shall be designed to support educational services that—

“(i) except for institution-wide projects under section 1416, are provided to children and youth identified by the State agency as failing, or most at-risk of failing,

PUBLIC LAW 107-110—JAN. 8, 2002

to meet the State's challenging academic content standards and student academic achievement standards;

“(ii) supplement and improve the quality of the educational services provided to such children and youth by the State agency; and

“(iii) afford such children and youth an opportunity to meet challenging State academic achievement standards;

“(C) shall be carried out in a manner consistent with section 1120A and part I (as applied to programs and projects under this part); and

“(D) may include the costs of meeting the evaluation requirements of section 9601.

“(b) SUPPLEMENT, NOT SUPPLANT.—A program under this subpart that supplements the number of hours of instruction students receive from State and local sources shall be considered to comply with the supplement, not supplant requirement of section 1120A (as applied to this part) without regard to the subject areas in which instruction is given during those hours.

“SEC. 1416. INSTITUTION-WIDE PROJECTS.

20 USC 6436.

“A State agency that provides free public education for children and youth in an institution for neglected or delinquent children and youth (other than an adult correctional institution) or attending a community-day program for such children and youth may use funds received under this subpart to serve all children in, and upgrade the entire educational effort of, that institution or program if the State agency has developed, and the State educational agency has approved, a comprehensive plan for that institution or program that—

“(1) provides for a comprehensive assessment of the educational needs of all children and youth in the institution or program serving juveniles;

“(2) provides for a comprehensive assessment of the educational needs of youth aged 20 and younger in adult facilities who are expected to complete incarceration within a 2-year period;

“(3) describes the steps the State agency has taken, or will take, to provide all children and youth under age 21 with the opportunity to meet challenging State academic content standards and student academic achievement standards in order to improve the likelihood that the children and youth will complete secondary school, attain a secondary diploma or its recognized equivalent, or find employment after leaving the institution;

“(4) describes the instructional program, pupil services, and procedures that will be used to meet the needs described in paragraph (1), including, to the extent feasible, the provision of mentors for the children and youth described in paragraph (1);

“(5) specifically describes how such funds will be used;

“(6) describes the measures and procedures that will be used to assess student progress;

“(7) describes how the agency has planned, and will implement and evaluate, the institution-wide or program-wide project in consultation with personnel providing direct instructional services and support services in institutions or community-day programs for neglected or delinquent children and youth, and with personnel from the State educational agency; and

“(8) includes an assurance that the State agency has provided for appropriate training for teachers and other instructional and administrative personnel to enable such teachers and personnel to carry out the project effectively.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6437.

“SEC. 1417. THREE-YEAR PROGRAMS OR PROJECTS.

“If a State agency operates a program or project under this subpart in which individual children or youth are likely to participate for more than 1 year, the State educational agency may approve the State agency’s application for a subgrant under this subpart for a period of not more than 3 years.

20 USC 6438.

“SEC. 1418. TRANSITION SERVICES.

“(a) TRANSITION SERVICES.—Each State agency shall reserve not less than 15 percent and not more than 30 percent of the amount such agency receives under this subpart for any fiscal year to support—

“(1) projects that facilitate the transition of children and youth from State-operated institutions to schools served by local educational agencies; or

“(2) the successful reentry of youth offenders, who are age 20 or younger and have received a secondary school diploma or its recognized equivalent, into postsecondary education, or vocational and technical training programs, through strategies designed to expose the youth to, and prepare the youth for, postsecondary education, or vocational and technical training programs, such as—

“(A) preplacement programs that allow adjudicated or incarcerated youth to audit or attend courses on college, university, or community college campuses, or through programs provided in institutional settings;

“(B) worksite schools, in which institutions of higher education and private or public employers partner to create programs to help students make a successful transition to postsecondary education and employment; and

“(C) essential support services to ensure the success of the youth, such as—

“(i) personal, vocational and technical, and academic, counseling;

“(ii) placement services designed to place the youth in a university, college, or junior college program;

“(iii) information concerning, and assistance in obtaining, available student financial aid;

“(iv) counseling services; and

“(v) job placement services.

“(b) CONDUCT OF PROJECTS.—A project supported under this section may be conducted directly by the State agency, or through a contract or other arrangement with one or more local educational agencies, other public agencies, or private nonprofit organizations.

“(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a school that receives funds under subsection (a) from serving neglected and delinquent children and youth simultaneously with students with similar educational needs, in the same educational settings where appropriate.

20 USC 6439.

“SEC. 1419. EVALUATION; TECHNICAL ASSISTANCE; ANNUAL MODEL PROGRAM.

“The Secretary may reserve not more than 2.5 percent of the amount made available to carry out this subpart for a fiscal year—

“(1) to develop a uniform model to evaluate the effectiveness of programs assisted under this subpart; and

“(2) to provide technical assistance to and support the capacity building of State agency programs assisted under this subpart.

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 2—Local Agency Programs**“SEC. 1421. PURPOSE.**

20 USC 6451.

“The purpose of this subpart is to support the operation of local educational agency programs that involve collaboration with locally operated correctional facilities—

“(1) to carry out high quality education programs to prepare children and youth for secondary school completion, training, employment, or further education;

“(2) to provide activities to facilitate the transition of such children and youth from the correctional program to further education or employment; and

“(3) to operate programs in local schools for children and youth returning from correctional facilities, and programs which may serve at-risk children and youth.

“SEC. 1422. PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

20 USC 6452.

“(a) LOCAL SUBGRANTS.—With funds made available under section 1402(b), the State educational agency shall award subgrants to local educational agencies with high numbers or percentages of children and youth residing in locally operated (including county operated) correctional facilities for children and youth (including facilities involved in community day programs).

“(b) SPECIAL RULE.—A local educational agency that serves a school operated by a correctional facility is not required to operate a program of support for children and youth returning from such school to a school that is not operated by a correctional agency but served by such local educational agency, if more than 30 percent of the children and youth attending the school operated by the correctional facility will reside outside the boundaries served by the local educational agency after leaving such facility.

“(c) NOTIFICATION.—A State educational agency shall notify local educational agencies within the State of the eligibility of such agencies to receive a subgrant under this subpart.

“(d) TRANSITIONAL AND ACADEMIC SERVICES.—Transitional and supportive programs operated in local educational agencies under this subpart shall be designed primarily to meet the transitional and academic needs of students returning to local educational agencies or alternative education programs from correctional facilities. Services to students at-risk of dropping out of school shall not have a negative impact on meeting the transitional and academic needs of the students returning from correctional facilities.

“SEC. 1423. LOCAL EDUCATIONAL AGENCY APPLICATIONS.

20 USC 6453.

“Each local educational agency desiring assistance under this subpart shall submit an application to the State educational agency that contains such information as the State educational agency may require. Each such application shall include—

“(1) a description of the program to be assisted;

“(2) a description of formal agreements, regarding the program to be assisted, between—

“(A) the local educational agency; and

“(B) correctional facilities and alternative school programs serving children and youth involved with the juvenile justice system;

“(3) as appropriate, a description of how participating schools will coordinate with facilities working with delinquent children and youth to ensure that such children and youth are participating in an education program comparable to one operating in the local school such youth would attend;

“(4) a description of the program operated by participating schools for children and youth returning from correctional facilities and, as appropriate, the types of services that such schools

PUBLIC LAW 107-110—JAN. 8, 2002

will provide such children and youth and other at-risk children and youth;

“(5) a description of the characteristics (including learning difficulties, substance abuse problems, and other special needs) of the children and youth who will be returning from correctional facilities and, as appropriate, other at-risk children and youth expected to be served by the program, and a description of how the school will coordinate existing educational programs to meet the unique educational needs of such children and youth;

“(6) as appropriate, a description of how schools will coordinate with existing social, health, and other services to meet the needs of students returning from correctional facilities, at-risk children or youth, and other participating children or youth, including prenatal health care and nutrition services related to the health of the parent and the child or youth, parenting and child development classes, child care, targeted reentry and outreach programs, referrals to community resources, and scheduling flexibility;

“(7) as appropriate, a description of any partnerships with local businesses to develop training, curriculum-based youth entrepreneurship education, and mentoring services for participating students;

“(8) as appropriate, a description of how the program will involve parents in efforts to improve the educational achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities;

“(9) a description of how the program under this subpart will be coordinated with other Federal, State, and local programs, such as programs under title I of Public Law 105-220 and vocational and technical education programs serving at-risk children and youth;

“(10) a description of how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable;

“(11) as appropriate, a description of how schools will work with probation officers to assist in meeting the needs of children and youth returning from correctional facilities;

“(12) a description of the efforts participating schools will make to ensure correctional facilities working with children and youth are aware of a child’s or youth’s existing individualized education program; and

“(13) as appropriate, a description of the steps participating schools will take to find alternative placements for children and youth interested in continuing their education but unable to participate in a regular public school program.

20 USC 6454.

“SEC. 1424. USES OF FUNDS.

“Funds provided to local educational agencies under this subpart may be used, as appropriate, for—

“(1) programs that serve children and youth returning to local schools from correctional facilities, to assist in the transition of such children and youth to the school environment and help them remain in school in order to complete their education;

“(2) dropout prevention programs which serve at-risk children and youth, including pregnant and parenting teens, children and youth who have come in contact with the juvenile justice system, children and youth at least 1 year behind their expected grade level, migrant youth, immigrant youth, students with limited English proficiency, and gang members;

“(3) the coordination of health and social services for such individuals if there is a likelihood that the provision of such

PUBLIC LAW 107-110—JAN. 8, 2002

services, including day care, drug and alcohol counseling, and mental health services, will improve the likelihood such individuals will complete their education;

“(4) special programs to meet the unique academic needs of participating children and youth, including vocational and technical education, special education, career counseling, curriculum-based youth entrepreneurship education, and assistance in securing student loans or grants for postsecondary education; and

“(5) programs providing mentoring and peer mediation.

“SEC. 1425. PROGRAM REQUIREMENTS FOR CORRECTIONAL FACILITIES RECEIVING FUNDS UNDER THIS SECTION.

20 USC 6455.

“Each correctional facility entering into an agreement with a local educational agency under section 1423(2) to provide services to children and youth under this subpart shall—

“(1) where feasible, ensure that educational programs in the correctional facility are coordinated with the student’s home school, particularly with respect to a student with an individualized education program under part B of the Individuals with Disabilities Education Act;

“(2) if the child or youth is identified as in need of special education services while in the correctional facility, notify the local school of the child or youth of such need;

“(3) where feasible, provide transition assistance to help the child or youth stay in school, including coordination of services for the family, counseling, assistance in accessing drug and alcohol abuse prevention programs, tutoring, and family counseling;

“(4) provide support programs that encourage children and youth who have dropped out of school to reenter school once their term at the correctional facility has been completed, or provide such children and youth with the skills necessary to gain employment or seek a secondary school diploma or its recognized equivalent;

“(5) work to ensure that the correctional facility is staffed with teachers and other qualified staff who are trained to work with children and youth with disabilities taking into consideration the unique needs of such children and youth;

“(6) ensure that educational programs in the correctional facility are related to assisting students to meet high academic achievement standards;

“(7) to the extent possible, use technology to assist in coordinating educational programs between the correctional facility and the community school;

“(8) where feasible, involve parents in efforts to improve the educational achievement of their children and prevent the further involvement of such children in delinquent activities;

“(9) coordinate funds received under this subpart with other local, State, and Federal funds available to provide services to participating children and youth, such as funds made available under title I of Public Law 105-220, and vocational and technical education funds;

“(10) coordinate programs operated under this subpart with activities funded under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable; and

“(11) if appropriate, work with local businesses to develop training, curriculum-based youth entrepreneurship education, and mentoring programs for children and youth.

“SEC. 1426. ACCOUNTABILITY.

20 USC 6456.

“The State educational agency may—

“(1) reduce or terminate funding for projects under this subpart if a local educational agency does not show progress

PUBLIC LAW 107-110—JAN. 8, 2002

in reducing dropout rates for male students and for female students over a 3-year period; and

“(2) require correctional facilities or institutions for neglected or delinquent children and youth to demonstrate, after receiving assistance under this subpart for 3 years, that there has been an increase in the number of children and youth returning to school, obtaining a secondary school diploma or its recognized equivalent, or obtaining employment after such children and youth are released.

“Subpart 3—General Provisions

20 USC 6471.

“SEC. 1431. PROGRAM EVALUATIONS.

“(a) SCOPE OF EVALUATION.—Each State agency or local educational agency that conducts a program under subpart 1 or 2 shall evaluate the program, disaggregating data on participation by gender, race, ethnicity, and age, not less than once every 3 years, to determine the program’s impact on the ability of participants—

“(1) to maintain and improve educational achievement;

“(2) to accrue school credits that meet State requirements for grade promotion and secondary school graduation;

“(3) to make the transition to a regular program or other education program operated by a local educational agency;

“(4) to complete secondary school (or secondary school equivalency requirements) and obtain employment after leaving the correctional facility or institution for neglected or delinquent children and youth; and

“(5) as appropriate, to participate in postsecondary education and job training programs.

“(b) EXCEPTION.—The disaggregation required under subsection (a) shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

“(c) EVALUATION MEASURES.—In conducting each evaluation under subsection (a), a State agency or local educational agency shall use multiple and appropriate measures of student progress.

“(d) EVALUATION RESULTS.—Each State agency and local educational agency shall—

“(1) submit evaluation results to the State educational agency and the Secretary; and

“(2) use the results of evaluations under this section to plan and improve subsequent programs for participating children and youth.

20 USC 6472.

“SEC. 1432. DEFINITIONS.

“In this part:

“(1) ADULT CORRECTIONAL INSTITUTION.—The term ‘adult correctional institution’ means a facility in which persons (including persons under 21 years of age) are confined as a result of a conviction for a criminal offense.

“(2) AT-RISK.—The term ‘at-risk’, when used with respect to a child, youth, or student, means a school aged individual who is at-risk of academic failure, has a drug or alcohol problem, is pregnant or is a parent, has come into contact with the juvenile justice system in the past, is at least 1 year behind the expected grade level for the age of the individual, has limited English proficiency, is a gang member, has dropped out of school in the past, or has a high absenteeism rate at school.

“(3) COMMUNITY DAY PROGRAM.—The term ‘community day program’ means a regular program of instruction provided by a State agency at a community day school operated specifically for neglected or delinquent children and youth.

PUBLIC LAW 107-110—JAN. 8, 2002

“(4) INSTITUTION FOR NEGLECTED OR DELINQUENT CHILDREN AND YOUTH.—The term ‘institution for neglected or delinquent children and youth’ means—

“(A) a public or private residential facility, other than a foster home, that is operated for the care of children who have been committed to the institution or voluntarily placed in the institution under applicable State law, due to abandonment, neglect, or death of their parents or guardians; or

“(B) a public or private residential facility for the care of children who have been adjudicated to be delinquent or in need of supervision.

“PART E—NATIONAL ASSESSMENT OF TITLE I**“SEC. 1501. EVALUATIONS.**

20 USC 6491.

“(a) NATIONAL ASSESSMENT OF TITLE I.—

“(1) IN GENERAL.—The Secretary shall conduct a national assessment of the programs assisted under this title and the impact of this title on States, local educational agencies, schools, and students.

“(2) ISSUES TO BE EXAMINED.—In conducting the assessment under this subsection, the Secretary shall examine, at a minimum, the following:

“(A) The implementation of programs assisted under this title and the impact of such implementation on increasing student academic achievement (particularly in schools with high concentrations of children living in poverty), relative to the goal of all students reaching the proficient level of achievement based on State academic assessments, challenging State academic content standards, and challenging State student academic achievement standards under section 1111.

“(B) The types of programs and services that have demonstrated the greatest likelihood of helping students reach the proficient and advanced levels of achievement based on State student academic achievement standards and State academic content standards.

“(C) The implementation of State academic standards, assessments, and accountability systems developed under this title, including—

“(i) the time and cost required for the development of academic assessments for students in grades 3 through 8;

“(ii) how well such State assessments meet the requirements for assessments described in this title; and

“(iii) the impact of such standards, assessments, and accountability systems on educational programs and instruction at the local level.

“(D) Each State’s definition of adequate yearly progress, including—

“(i) the impact of applying this definition to schools, local educational agencies, and the State;

“(ii) the number of schools and local educational agencies not meeting this definition; and

“(iii) the changes in the identification of schools in need of improvement as a result of such definition.

“(E) How schools, local educational agencies, and States have—

“(i) publicized and disseminated the local educational agency report cards required under section 1111(h)(2) to teachers, school staff, students, parents, and the community;

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) used funds made available under this title to provide preschool and family literacy services and the impact of these services on students’ school readiness;

“(iii) implemented the provisions of section 1118 and afforded parents meaningful opportunities to be involved in the education of their children;

“(iv) used Federal, State, and local educational agency funds and resources to support schools and provide technical assistance to improve the achievement of students in low-performing schools, including the impact of the technical assistance on such achievement; and

Deadline.

“(v) used State educational agency and local educational agency funds and resources to help schools in which 50 percent or more of the students are from families with incomes below the poverty line meet the requirement described in section 1119 of having all teachers highly qualified not later than the end of the 2005–2006 school year.

“(F) The implementation of schoolwide programs and targeted assistance programs under this title and the impact of such programs on improving student academic achievement, including the extent to which schools meet the requirements of such programs.

“(G) The extent to which varying models of comprehensive school reform are funded and implemented under this title, and the effect of the implementation of such models on improving achievement of disadvantaged students.

“(H) The costs as compared to the benefits of the activities assisted under this title.

“(I) The extent to which actions authorized under section 1116 are implemented by State educational agencies and local educational agencies to improve the academic achievement of students in low-performing schools, and the effectiveness of the implementation of such actions, including the following:

“(i) The number of schools identified for school improvement and how many years the schools remain in this status.

“(ii) The types of support provided by the State educational agencies and local educational agencies to schools and local educational agencies respectively identified as in need of improvement, and the impact of such support on student achievement.

“(iii) The number of parents who take advantage of the public school choice provisions of this title, the costs (including transportation costs) associated with implementing these provisions, the implementation of these provisions, and the impact of these provisions (including the impact of attending another school) on student achievement.

“(iv) The number of parents who choose to take advantage of the supplemental educational services option, the criteria used by the States to determine the quality of providers, the kinds of services that are available and utilized, the costs associated with implementing this option, and the impact of receiving supplemental educational services on student achievement.

“(v) The implementation and impact of actions that are taken with regard to schools and local educational agencies identified for corrective action and restructuring.

PUBLIC LAW 107-110—JAN. 8, 2002

“(J) The extent to which State and local fiscal accounting requirements under this title affect the flexibility of schoolwide programs.

“(K) The implementation and impact of the professional development activities assisted under this title and title II on instruction, student academic achievement, and teacher qualifications.

“(L) The extent to which the assistance made available under this title, including funds under section 1002, is targeted to disadvantaged students, schools, and local educational agencies with the greatest need.

“(M) The effectiveness of Federal administration assistance made available under this title, including monitoring and technical assistance.

“(N) The academic achievement of the groups of students described in section 1111(b)(2)(C)(v)(II).

“(O) Such other issues as the Secretary considers appropriate.

“(3) SOURCES OF INFORMATION.—In conducting the assessment under this subsection, the Secretary shall use information from a variety of sources, including the National Assessment of Educational Progress (carried out under section 411 of the National Education Statistics Act of 1994), State evaluations, and other research studies.

“(4) COORDINATION.—In carrying out this subsection, the Secretary shall—

“(A) coordinate the national assessment under this subsection with the longitudinal study described in subsection (c); and

“(B) ensure that the independent review panel described in subsection (d) participates in conducting the national assessment under this subsection, including planning for and reviewing the assessment.

“(5) DEVELOPMENTALLY APPROPRIATE MEASURES.—In conducting the national assessment under this subsection, the Secretary shall use developmentally appropriate measures to assess student academic achievement.

“(6) REPORTS.—

“(A) INTERIM REPORT.—Not later than 3 years after the date of enactment of the No Child Left Behind Act of 2001, the Secretary shall transmit to the President, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate an interim report on the national assessment conducted under this subsection.

Deadline.

“(B) FINAL REPORT.—Not later than 5 years after the date of enactment of the No Child Left Behind Act of 2001, the Secretary shall transmit to the President, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate a final report on the national assessment conducted under this subsection.

Deadline.

“(b) STUDIES AND DATA COLLECTION.—

“(1) IN GENERAL.—In addition to other activities described in this section, the Secretary may, directly or through awarding grants to or entering into contracts with appropriate entities—

“(A) assess the implementation and effectiveness of programs under this title;

“(B) collect the data necessary to comply with the Government Performance and Results Act of 1993; and

“(C) provide guidance and technical assistance to State educational agencies and local educational agencies in developing and maintaining management information sys-

PUBLIC LAW 107-110—JAN. 8, 2002

tems through which such agencies may develop program performance indicators to improve services and performance.

“(2) MINIMUM INFORMATION.—In carrying out this subsection, the Secretary shall collect, at a minimum, trend information on the effect of each program authorized under this title, which shall complement the data collected and reported under subsections (a) and (c).

“(c) NATIONAL LONGITUDINAL STUDY.—

“(1) IN GENERAL.—The Secretary shall conduct a longitudinal study of schools receiving assistance under part A.

“(2) ISSUES TO BE EXAMINED.—In carrying out this subsection, the Secretary shall ensure that the study referred to in paragraph (1) provides Congress and educators with each of the following:

“(A) An accurate description and analysis of the short- and long-term effect of the assistance made available under this title on academic achievement.

“(B) Information that can be used to improve the effectiveness of the assistance made available under this title in enabling students to meet challenging academic achievement standards.

“(C) An analysis of educational practices or model programs that are effective in improving the achievement of disadvantaged children.

“(D) An analysis of the costs as compared to the benefits of the assistance made available under this title in improving the achievement of disadvantaged children.

“(E) An analysis of the effects of the availability of school choice options under section 1116 on the academic achievement of disadvantaged students, on schools in school improvement, and on schools from which students have transferred under such options.

“(F) Such other information as the Secretary considers appropriate.

“(3) SCOPE.—In conducting the study referred to in paragraph (1), the Secretary shall ensure that the study—

“(A) bases its analysis on a nationally representative sample of schools participating in programs under this title;

“(B) to the extent practicable, includes in its analysis students who transfer to different schools during the course of the study; and

“(C) analyzes varying models or strategies for delivering school services, including—

“(i) schoolwide and targeted services; and

“(ii) comprehensive school reform models.

“(d) INDEPENDENT REVIEW PANEL.—

“(1) IN GENERAL.—The Secretary shall establish an independent review panel (in this subsection referred to as the ‘Review Panel’) to advise the Secretary on methodological and other issues that arise in carrying out subsections (a) and (c).

“(2) APPOINTMENT OF MEMBERS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall appoint members of the Review Panel from among qualified individuals who are—

“(i) specialists in statistics, evaluation, research, and assessment;

“(ii) education practitioners, including teachers, principals, and local and State superintendents;

“(iii) parents and members of local school boards or other organizations involved with the implementation and operation of programs under this title; and

Establishment.

PUBLIC LAW 107-110—JAN. 8, 2002

“(iv) other individuals with technical expertise who will contribute to the overall rigor and quality of the program evaluation.

“(B) LIMITATIONS.—In appointing members of the Review Panel, the Secretary shall ensure that—

“(i) in order to ensure diversity, the Review Panel includes individuals appointed under subparagraph (A)(i) who represent disciplines or programs outside the field of education; and

“(ii) the total number of the individuals appointed under subparagraph (A)(ii) or (A)(iv) does not exceed one-fourth of the total number of the individuals appointed under this paragraph.

“(3) FUNCTIONS.—The Review Panel shall consult with and advise the Secretary—

“(A) to ensure that the assessment conducted under subsection (a) and the study conducted under subsection (c)—

“(i) adhere to the highest possible standards of quality with respect to research design, statistical analysis, and the dissemination of findings; and

“(ii) use valid and reliable measures to document program implementation and impacts; and

“(B) to ensure—

“(i) that the final report described in subsection (a)(6)(B) is reviewed not later than 120 days after its completion by not less than two independent experts in program evaluation (who may be from among the members of the Review Panel appointed under paragraph (2));

“(ii) that such experts evaluate and comment on the degree to which the report complies with subsection (a); and

“(iii) that the comments of such experts are transmitted with the report under subsection (a)(6)(B).

“SEC. 1502. DEMONSTRATIONS OF INNOVATIVE PRACTICES.

20 USC 6492.

“(a) IN GENERAL.—From the funds appropriated for any fiscal year under section 1002(e)(1), the Secretary may award grants to State educational agencies, local educational agencies, other public agencies, nonprofit organizations, public or private partnerships involving business and industry organizations, and consortia of such entities to carry out demonstration projects that show the most promise of enabling children served under this title to meet challenging State academic content standards and challenging State student academic achievement standards.

“(b) EVALUATION.—The Secretary shall evaluate the demonstration projects supported under this title, using rigorous methodological designs and techniques, including control groups and random assignment, to the extent feasible, to produce reliable evidence of effectiveness.

“(c) PARTNERSHIPS.—From funds appropriated under section 1002(e)(1) for any fiscal year, the Secretary may, directly or through grants or contracts, work in partnership with State educational agencies, local educational agencies, other public agencies, and nonprofit organizations to disseminate and use the highest quality research and knowledge about effective practices to improve the quality of teaching and learning in schools assisted under this title.

“SEC. 1503. ASSESSMENT EVALUATION.

20 USC 6493.

“(a) IN GENERAL.—The Secretary shall conduct an independent study of assessments used for State accountability purposes and for making decisions about the promotion and graduation of students. Such research shall be conducted over a period not to exceed

PUBLIC LAW 107-110—JAN. 8, 2002

5 years and shall address the components described in subsection (d).

“(b) CONTRACT AUTHORIZED.—The Secretary is authorized to award a contract, through a peer review process, to an organization or entity capable of conducting rigorous, independent research. The Assistant Secretary of Educational Research and Improvement shall appoint peer reviewers to evaluate the applications for this contract.

“(c) STUDY.—The study shall—

“(1) synthesize and analyze existing research that meets standards of quality and scientific rigor; and

“(2) evaluate academic assessment and accountability systems in State educational agencies, local educational agencies, and schools; and

“(3) make recommendations to the Department and to the Committee on Education and the Workforce of the United States House of Representatives and the Committee on Health, Education, Labor, and Pensions of the United States Senate, based on the findings of the study.

“(d) COMPONENTS OF THE RESEARCH PROGRAM.—The study described in subsection (a) shall examine—

“(1) the effect of the assessment and accountability systems described in section (c) on students, teachers, parents, families, schools, school districts, and States, including correlations between such systems and—

“(A) student academic achievement, progress to the State-defined level of proficiency, and progress toward closing achievement gaps, based on independent measures;

“(B) changes in course offerings, teaching practices, course content, and instructional material;

“(C) changes in turnover rates among teachers, principals, and pupil-services personnel;

“(D) changes in dropout, grade-retention, and graduation rates for students; and

“(E) such other effects as may be appropriate;

“(2) the effect of the academic assessments on students with disabilities;

“(3) the effect of the academic assessments on low, middle, and high socioeconomic status students, limited and nonlimited English proficient students, racial and ethnic minority students, and nonracial or nonethnic minority students;

“(4) guidelines for assessing the validity, reliability, and consistency of those systems using nationally recognized professional and technical standards;

“(5) the relationship between accountability systems and the inclusion or exclusion of students from the assessment system; and

“(6) such other factors as the Secretary finds appropriate.

“(e) REPORTING.—Not later than 3 years after the contract described in subsection (b) is awarded, the organization or entity conducting the study shall submit an interim report to the Committee on Education and the Workforce of the United States House of Representatives and the Committee on Health, Education, Labor and Pensions of the United States Senate, and to the President and the States, and shall make the report widely available to the public. The organization or entity shall submit a final report to the same recipients as soon as possible after the completion of the study. Additional reports may be periodically prepared and released as necessary.

“(f) RESERVATION OF FUNDS.—The Secretary may reserve up to 15 percent of the funds authorized to be appropriated for this part to carry out the study, except such reservation of funds shall not exceed \$1,500,000.

Deadline.
Public
information.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 1504. CLOSE UP FELLOWSHIP PROGRAM.

20 USC 6494.

“(a) PROGRAM FOR MIDDLE SCHOOL AND SECONDARY SCHOOL STUDENTS.—**“(1) ESTABLISHMENT.—**

“(A) GENERAL AUTHORITY.—In accordance with this subsection, the Secretary may make grants to the Close Up Foundation of Washington, District of Columbia, a non-partisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing civic responsibility and understanding of the Federal Government among middle school and secondary school students.

“(B) USE OF FUNDS.—Grants under this subsection shall be used only to provide financial assistance to economically disadvantaged students who participate in the programs described in subparagraph (A).

“(C) NAME OF FELLOWSHIPS.—Financial assistance received by students pursuant to this subsection shall be known as Close Up fellowships.

“(2) APPLICATIONS.—

“(A) APPLICATION REQUIRED.—No grant under this subsection may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(B) CONTENTS OF APPLICATION.—Each application submitted under this paragraph shall contain assurances that—

“(i) Close Up fellowships provided under this subsection shall be made to economically disadvantaged middle school and secondary school students;

“(ii) every effort shall be made to ensure the participation of students from rural, small town, and urban areas;

“(iii) in awarding the fellowships to economically disadvantaged students, special consideration shall be given to the participation of those students with special educational needs, including students with disabilities, ethnic minority students, and students with migrant parents; and

“(iv) the funds received under this subsection shall be properly disbursed.

“(b) PROGRAM FOR MIDDLE SCHOOL AND SECONDARY SCHOOL TEACHERS.—**“(1) ESTABLISHMENT.—**

“(A) GENERAL AUTHORITY.—In accordance with this subsection, the Secretary may make grants to the Close Up Foundation of Washington, District of Columbia, a non-partisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of professional development for middle school and secondary school teachers and its programs to increase civic responsibility and understanding of the Federal Government among the teachers' students.

“(B) USE OF FUNDS.—Grants under this subsection shall be used only to provide financial assistance to teachers who participate in the programs described in subparagraph (A).

“(C) NAME OF FELLOWSHIPS.—Financial assistance received by teachers pursuant to this subsection shall be known as Close Up fellowships.

“(2) APPLICATIONS.—

“(A) APPLICATION REQUIRED.—No grant under this subsection may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) CONTENTS OF APPLICATION.—Each application submitted under this paragraph shall contain assurances that—

“(i) Close Up fellowships provided under this subsection shall be made only to a teacher who has worked with at least one student from such teacher’s school who participates in a program described in subsection (a)(1)(A);

“(ii) no teacher shall receive more than one such fellowship in any fiscal year; and

“(iii) the funds received under this subsection shall be properly disbursed.

“(c) PROGRAMS FOR NEW AMERICANS.—

“(1) ESTABLISHMENT.—

“(A) GENERAL AUTHORITY.—In accordance with this subsection, the Secretary may make grants to the Close Up Foundation of Washington, District of Columbia, a non-partisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its programs of increasing civic responsibility and understanding of the Federal Government among economically disadvantaged middle school and secondary school recent immigrant students.

“(B) DEFINITION.—In this subsection, the term ‘recent immigrant student’ means a student who is a member of a family that immigrated to the United States within 5 years of the student’s participation in such a program.

“(C) USE OF FUNDS.—Grants under this subsection shall be used only to provide financial assistance to economically disadvantaged recent immigrant students and their teachers who participate in the programs described in subparagraph (A).

“(D) NAME OF FELLOWSHIPS.—Financial assistance received by students and teachers pursuant to this subsection shall be known as Close Up Fellowships for New Americans.

“(2) APPLICATIONS.—

“(A) APPLICATION REQUIRED.—No grant under this subsection may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(B) CONTENTS OF APPLICATION.—Each application submitted under this paragraph shall contain assurances that—

“(i) Close Up Fellowships for New Americans shall be made to economically disadvantaged middle school and secondary school recent immigrant students;

“(ii) every effort shall be made to ensure the participation of recent immigrant students from rural, small town, and urban areas;

“(iii) in awarding the fellowships to economically disadvantaged recent immigrant students, special consideration shall be given to the participation of those students with special educational needs, including students with disabilities, students with migrant parents, and ethnic minority students;

“(iv) fully describe the activities to be carried out with the proceeds of the grant made under paragraph (1); and

“(v) the funds received under this subsection shall be properly disbursed.

“(d) GENERAL PROVISIONS.—

“(1) ADMINISTRATIVE PROVISIONS.—

“(A) ACCOUNTABILITY.—In consultation with the Secretary, the Close Up Foundation shall devise and imple-

PUBLIC LAW 107-110—JAN. 8, 2002

ment procedures to measure the efficacy of the programs authorized in subsections (a), (b), and (c) in attaining objectives that include the following:

“(i) Providing young people with an increased understanding of the Federal Government.

“(ii) Heightening a sense of civic responsibility among young people.

“(iii) Enhancing the skills of educators in teaching young people about civic responsibility, the Federal Government, and attaining citizenship competencies.

“(B) GENERAL RULE.—Payments under this section may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayments or overpayments.

“(C) AUDIT RULE.—The Comptroller General of the United States or any of the Comptroller General’s duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grant under this section.

“(2) CONTINUATION OF AWARDS.—Notwithstanding any other provision of this Act, any person or entity that was awarded a grant under part G of title X before the date of enactment of the No Child Left Behind Act of 2001 shall continue to receive funds in accordance with the terms of such award until the date on which the award period terminates under such terms.

“PART F—COMPREHENSIVE SCHOOL REFORM

“SEC. 1601. PURPOSE.

20 USC 6511.

“The purpose of this part is to provide financial incentives for schools to develop comprehensive school reforms, based upon scientifically based research and effective practices that include an emphasis on basic academics and parental involvement so that all children can meet challenging State academic content and academic achievement standards.

“SEC. 1602. PROGRAM AUTHORIZATION.

20 USC 6512.

“(a) PROGRAM AUTHORIZED.—

“(1) IN GENERAL.—The Secretary is authorized to award grants to State educational agencies, from allotments under paragraph (2), to enable the State educational agencies to award subgrants to local educational agencies to carry out the purpose described in section 1601.

“(2) ALLOTMENTS.—

“(A) RESERVATIONS.—Of the amount appropriated under section 1002(f), the Secretary may reserve—

“(i) not more than 1 percent for each fiscal year to provide assistance to schools supported by the Bureau of Indian Affairs and in the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands according to their respective needs for assistance under this part;

“(ii) not more than 1 percent for each fiscal year to conduct national evaluation activities described in section 1607; and

“(iii) not more than 3 percent of the amount appropriated in fiscal year 2002 to carry out this part, for quality initiatives described in section 1608.

“(B) IN GENERAL.—Of the amount appropriated under section 1002(f) that remains after making the reservation under subparagraph (A) for a fiscal year, the Secretary shall allot to each State for the fiscal year an amount

PUBLIC LAW 107-110—JAN. 8, 2002

that bears the same ratio to the remainder for that fiscal year as the amount made available under section 1124 to the State for the preceding fiscal year bears to the total amount made available under section 1124 to all States for that year.

“(C) REALLOTMENT.—If a State does not apply for funds under this section, the Secretary shall reallot such funds to other States that do apply in proportion to the amount allotted to such other States under subparagraph (B).

20 USC 6513.

“SEC. 1603. STATE APPLICATIONS.

“(a) IN GENERAL.—Each State educational agency that desires to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(b) CONTENTS.—Each such application shall describe—

“(1) the process and selection criteria by which the State educational agency, using expert review, will select local educational agencies to receive subgrants under this part;

“(2) how the State educational agency will ensure that funds under this part are limited to comprehensive school reform programs that—

“(A) include each of the components described in section 1606(a);

“(B) have the capacity to improve the academic achievement of all students in core academic subjects within participating schools; and

“(C) are supported by technical assistance providers that have a successful track record, financial stability, and the capacity to deliver high quality materials, professional development for school personnel, and on-site support during the full implementation period of the reforms;

“(3) how the State educational agency will disseminate materials and information on comprehensive school reforms that are based on scientifically based research and effective practices;

“(4) how the State educational agency will evaluate annually the implementation of such reforms and measure the extent to which the reforms have resulted in increased student academic achievement; and

“(5) how the State educational agency will provide technical assistance to the local educational agency or consortia of local educational agencies, and to participating schools, in evaluating, developing, and implementing comprehensive school reform.

20 USC 6514.

“SEC. 1604. STATE USE OF FUNDS.

“(a) IN GENERAL.—Except as provided in subsection (e), a State educational agency that receives a grant under this part shall use the grant funds to award subgrants, on a competitive basis, to local educational agencies or consortia of local educational agencies in the State that receive funds under part A, to support comprehensive school reforms in schools that are eligible for funds under part A.

“(b) SUBGRANT REQUIREMENTS.—A subgrant to a local educational agency or consortium shall be—

“(1) of sufficient size and scope to support the initial costs of comprehensive school reforms selected or designed by each school identified in the application of the local educational agency or consortium;

“(2) in an amount not less than \$50,000—

“(A) for each participating school; or

“(B) for each participating consortium of small schools (which for purposes of this subparagraph means a consor-

PUBLIC LAW 107-110—JAN. 8, 2002

tium of small schools serving a total of not more than 500 students); and

“(3) renewable for two additional 1-year subgrant periods after the initial 1-year subgrant is made if the school is or the schools are making substantial progress in the implementation of reforms.

“(c) PRIORITY.—A State educational agency, in awarding subgrants under this part, shall give priority to local educational agencies or consortia that—

“(1) plan to use the funds in schools identified as being in need of improvement or corrective action under section 1116(c); and

“(2) demonstrate a commitment to assist schools with budget allocation, professional development, and other strategies necessary to ensure the comprehensive school reforms are properly implemented and are sustained in the future.

“(d) GRANT CONSIDERATION.—In awarding subgrants under this part, the State educational agency shall take into consideration the equitable distribution of subgrants to different geographic regions within the State, including urban and rural areas, and to schools serving elementary and secondary students.

“(e) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant under this part may reserve not more than 5 percent of the grant funds for administrative, evaluation, and technical assistance expenses.

“(f) SUPPLEMENT.—Funds made available under this part shall be used to supplement, and not supplant, any other Federal, State, or local funds that would otherwise be available to carry out the activities assisted under this part.

“(g) REPORTING.—Each State educational agency that receives a grant under this part shall provide to the Secretary such information as the Secretary may require, including the names of local educational agencies and schools receiving assistance under this part, the amount of the assistance, a description of the comprehensive school reforms selected and used, and a copy of the State’s annual evaluation of the implementation of comprehensive school reforms supported under this part and the student achievement results.

“SEC. 1605. LOCAL APPLICATIONS.

20 USC 6515.

“(a) IN GENERAL.—Each local educational agency or consortium of local educational agencies desiring a subgrant under this part shall submit an application to the State educational agency at such time, in such manner, and containing such information as the State educational agency may reasonably require.

“(b) CONTENTS.—Each such application shall—

“(1) identify the schools that are eligible for assistance under part A and plan to implement a comprehensive school reform program, including the projected costs of such a program;

“(2) describe the comprehensive school reforms based on scientifically based research and effective practices that such schools will implement;

“(3) describe how the local educational agency or consortium will provide technical assistance and support for the effective implementation of the comprehensive school reforms based on scientifically based research and effective practices selected by such schools; and

“(4) describe how the local educational agency or consortium will evaluate the implementation of such comprehensive school reforms and measure the results achieved in improving student academic achievement.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6516.

“SEC. 1606. LOCAL USE OF FUNDS.

“(a) USES OF FUNDS.—A local educational agency or consortium that receives a subgrant under this part shall provide the subgrant funds to schools that are eligible for assistance under part A and served by the agency, to enable the schools to implement a comprehensive school reform program that—

“(1) employs proven strategies and proven methods for student learning, teaching, and school management that are based on scientifically based research and effective practices and have been replicated successfully in schools;

“(2) integrates a comprehensive design for effective school functioning, including instruction, assessment, classroom management, professional development, parental involvement, and school management, that aligns the school’s curriculum, technology, and professional development into a comprehensive school reform plan for schoolwide change designed to enable all students to meet challenging State content and student academic achievement standards and addresses needs identified through a school needs assessment;

“(3) provides high quality and continuous teacher and staff professional development;

“(4) includes measurable goals for student academic achievement and benchmarks for meeting such goals;

“(5) is supported by teachers, principals, administrators, school personnel staff, and other professional staff;

“(6) provides support for teachers, principals, administrators, and other school staff;

“(7) provides for the meaningful involvement of parents and the local community in planning, implementing, and evaluating school improvement activities consistent with section 1118;

“(8) uses high quality external technical support and assistance from an entity that has experience and expertise in schoolwide reform and improvement, which may include an institution of higher education;

“(9) includes a plan for the annual evaluation of the implementation of school reforms and the student results achieved;

“(10) identifies other resources, including Federal, State, local, and private resources, that shall be used to coordinate services that will support and sustain the comprehensive school reform effort; and

“(11)(A) has been found, through scientifically based research to significantly improve the academic achievement of students participating in such program as compared to students in schools who have not participated in such program; or

“(B) has been found to have strong evidence that such program will significantly improve the academic achievement of participating children.

“(b) SPECIAL RULE.—A school that receives funds to develop a comprehensive school reform program shall not be limited to using nationally available approaches, but may develop the school’s own comprehensive school reform program for schoolwide change as described in subsection (a).

20 USC 6517.

“SEC. 1607. EVALUATION AND REPORTS.

“(a) IN GENERAL.—The Secretary shall develop a plan for a national evaluation of the programs assisted under this part.

“(b) EVALUATION.—The national evaluation shall—

“(1) evaluate the implementation and results achieved by schools after 3 years of implementing comprehensive school reforms; and

“(2) assess the effectiveness of comprehensive school reforms in schools with diverse characteristics.

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) REPORTS.—The Secretary shall submit a report describing the results of the evaluation under subsection (b) for the Comprehensive School Reform Program to the Committee on Education and the Workforce, and the Committee on Appropriations of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions, and the Committee on Appropriations of the Senate.

“SEC. 1608. QUALITY INITIATIVES.

20 USC 6518.

“The Secretary, through grants or contracts, shall provide funds for—

“(1) a public-private effort, in which funds are matched by private organizations, to assist States, local educational agencies, and schools, in making informed decisions regarding approving or selecting providers of comprehensive school reform, consistent with the requirements described in section 1606(a); and

“(2) activities to foster the development of comprehensive school reform models and to provide effective capacity building for comprehensive school reform providers to expand their work in more schools, assure quality, and promote financial stability.

“PART G—ADVANCED PLACEMENT PROGRAMSAccess to High Standards Act.
20 USC 6531.**“SEC. 1701. SHORT TITLE.**

“This part may be cited as the ‘Access to High Standards Act’.

“SEC. 1702. PURPOSES.

20 USC 6532.

The purposes of this part are—

“(1) to support State and local efforts to raise academic standards through advanced placement programs, and thus further increase the number of students who participate and succeed in advanced placement programs;

“(2) to encourage more of the 600,000 students who take advanced placement courses each year but do not take advanced placement exams each year, to demonstrate their achievements through taking the exams;

“(3) to build on the many benefits of advanced placement programs for students, which benefits may include the acquisition of skills that are important to many employers, Scholastic Aptitude Test (SAT) scores that are 100 points above the national averages, and the achievement of better grades in secondary school and in college than the grades of students who have not participated in the programs;

“(4) to increase the availability and broaden the range of schools, including middle schools, that have advanced placement and pre-advanced placement programs;

“(5) to demonstrate that larger and more diverse groups of students can participate and succeed in advanced placement programs;

“(6) to provide greater access to advanced placement and pre-advanced placement courses and highly trained teachers for low-income and other disadvantaged students;

“(7) to provide access to advanced placement courses for secondary school students at schools that do not offer advanced placement programs, increase the rate at which secondary school students participate in advanced placement courses, and increase the numbers of students who receive advanced placement test scores for which college academic credit is awarded;

“(8) to increase the participation of low-income individuals in taking advanced placement tests through the payment or partial payment of the costs of the advanced placement test fees; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(9) to increase the number of individuals that achieve a baccalaureate or advanced degree, and to decrease the amount of time such individuals require to attain such degrees.

20 USC 6533.

“SEC. 1703. FUNDING DISTRIBUTION RULE.

“From amounts appropriated under section 1002(g) for a fiscal year, the Secretary shall give priority to funding activities under section 1704 and shall distribute any remaining funds under section 1705.

20 USC 6534.

“SEC. 1704. ADVANCED PLACEMENT TEST FEE PROGRAM.

“(a) GRANTS AUTHORIZED.—From amounts made available under section 1703 for a fiscal year, the Secretary shall award grants to State educational agencies having applications approved under this section to enable the State educational agencies to reimburse low-income individuals to cover part or all of the costs of advanced placement test fees, if the low-income individuals—

“(1) are enrolled in an advanced placement course; and

“(2) plan to take an advanced placement test.

“(b) AWARD BASIS.—In determining the amount of the grant awarded to a State educational agency under this section for a fiscal year, the Secretary shall consider the number of children eligible to be counted under section 1124(c) in the State in relation to the number of such children so counted in all the States.

“(c) INFORMATION DISSEMINATION.—A State educational agency awarded a grant under this section shall disseminate information regarding the availability of advanced placement test fee payments under this section to eligible individuals through secondary school teachers and guidance counselors.

“(d) APPLICATIONS.—Each State educational agency desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. At a minimum, each State educational agency application shall—

“(1) describe the advanced placement test fees the State educational agency will pay on behalf of low-income individuals in the State from grant funds awarded under this section;

“(2) provide an assurance that any grant funds awarded under this section shall be used only to pay for advanced placement test fees; and

“(3) contain such information as the Secretary may require to demonstrate that the State educational agency will ensure that a student is eligible for payments authorized under this section, including documentation required under chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965.

“(e) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out this section.

“(f) REPORT.—

“(1) IN GENERAL.—Each State educational agency awarded a grant under this section shall, with respect to each advanced placement subject, annually report to the Secretary on—

“(A) the number of students in the State who are taking an advanced placement course in that subject;

“(B) the number of advanced placement tests taken by students in the State who have taken an advanced placement course in that subject;

“(C) the number of students in the State scoring at different levels on advanced placement tests in that subject; and

“(D) demographic information regarding individuals in the State taking advanced placement courses and tests in that subject disaggregated by race, ethnicity, sex, English proficiency status, and socioeconomic status.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) REPORT TO CONGRESS.—The Secretary shall annually compile the information received from each State educational agency under paragraph (1) and report to the appropriate committees of Congress regarding the information. Records.

“(g) BIA AS SEA.—For purposes of this section the Bureau of Indian Affairs shall be treated as a State educational agency.

“SEC. 1705. ADVANCED PLACEMENT INCENTIVE PROGRAM GRANTS. 20 USC 6535.

“(a) GRANTS AUTHORIZED.—

“(1) IN GENERAL.—From amounts made available under section 1703 for a fiscal year, the Secretary shall award grants, on a competitive basis, to eligible entities to enable those entities to carry out the authorized activities described in subsection (d).

“(2) DURATION AND PAYMENTS.—

“(A) DURATION.—The Secretary shall award a grant under this section for a period of not more than 3 years.

“(B) PAYMENTS.—The Secretary shall make grant payments under this section on an annual basis.

“(3) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term ‘eligible entity’ means a State educational agency, local educational agency, or national nonprofit educational entity with expertise in advanced placement services.

“(b) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

“(c) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to an eligible entity that submits an application under subsection (b) that—

“(1) demonstrates a pervasive need for access to advanced placement incentive programs;

“(2) provides for the involvement of business and community organizations in the activities to be assisted;

“(3) assures the availability of matching funds from State, local, or other sources to pay for the cost of activities to be assisted;

“(4) demonstrates a focus on developing or expanding advanced placement programs and participation in the core academic areas of English, mathematics, and science;

“(5) demonstrates an intent to carry out activities that target—

“(A) local educational agencies serving schools with a high concentration of low-income students; or

“(B) schools with a high concentration of low-income students; and

“(6) in the case of a local educational agency, assures that the local educational agency serves schools with a high concentration of low-income students; or

“(7) demonstrates an intent to carry out activities to increase the availability of, and participation in, on-line advanced placement courses.

“(d) AUTHORIZED ACTIVITIES.—

“(1) IN GENERAL.—Subject to paragraph (2), an eligible entity shall use grant funds made available under this section to expand access for low-income individuals to advanced placement incentive programs that involve—

“(A) teacher training;

“(B) pre-advanced placement course development;

“(C) coordination and articulation between grade levels to prepare students for academic achievement in advanced placement courses;

“(D) books and supplies; or

“(E) activities to increase the availability of, and participation in, on-line advanced placement courses; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(F) any other activity directly related to expanding access to and participation in advanced placement incentive programs, particularly for low-income individuals.

“(2) STATE EDUCATIONAL AGENCY.—In the case of an eligible entity that is a State educational agency, the entity may use grant funds made available under this section to award sub-grants to local educational agencies to enable the local educational agencies to carry out the activities under paragraph (1).

“(e) CONTRACTS.—An eligible entity awarded a grant to provide online advanced placement courses under this part may enter into a contract with a nonprofit or for profit organization to provide the online advanced placement courses, including contracting for necessary support services.

“(f) DATA COLLECTION AND REPORTING.—

“(1) DATA COLLECTION.—Each eligible entity awarded a grant under this section shall, with respect to each advanced placement subject, annually report to the Secretary on—

“(A) the number of students served by the eligible entity who are taking an advanced placement course in that subject;

“(B) the number of advanced placement tests taken by students served by the eligible entity in that subject;

“(C) the number of students served by the eligible entity scoring at different levels on advanced placement tests in that subject; and

“(D) demographic information regarding individuals served by such agency who taking advanced placement courses and tests in that subject disaggregated by race, ethnicity, sex, English proficiency status, and socioeconomic status.

Records.

“(2) REPORT.—The Secretary shall annually compile the information received from each eligible entity under paragraph (1) and report to the appropriate committees of Congress regarding the information.

20 USC 6536.

“SEC. 1706. SUPPLEMENT, NOT SUPPLANT.

Grant funds provided under this part shall supplement, and not supplant, other non-Federal funds that are available to assist low-income individuals to pay for the cost of advanced placement test fees or to expand access to advanced placement and pre-advanced placement courses.

20 USC 6537.

“SEC. 1707. DEFINITIONS.

“In this part:

“(1) ADVANCED PLACEMENT TEST.—The term ‘advanced placement test’ means an advanced placement test administered by the College Board or approved by the Secretary.

“(2) HIGH CONCENTRATION OF LOW-INCOME STUDENTS.—The term ‘high concentration of low-income students’, used with respect to a school, means a school that serves a student population 40 percent or more of whom are low-income individuals.

“(3) LOW-INCOME INDIVIDUAL.—The term ‘low-income individual’ means an individual who is determined by a State educational agency or local educational agency to be a child, ages 5 through 17, from a low-income family, on the basis of data used by the Secretary to determine allocations under section 1124 of this Act, data on children eligible for free or reduced-price lunches under the National School Lunch Act, data on children in families receiving assistance under part A of title IV of the Social Security Act, or data on children eligible to receive medical assistance under the medicaid program under title XIX of the Social Security Act, or through

PUBLIC LAW 107-110—JAN. 8, 2002

an alternate method that combines or extrapolates from those data.

“PART H—SCHOOL DROPOUT PREVENTION

Dropout
Prevention Act.
20 USC 6551.

“SEC. 1801. SHORT TITLE.

“This part may be cited as the ‘Dropout Prevention Act’.

“SEC. 1802. PURPOSE.

20 USC 6552.

“The purpose of this part is to provide for school dropout prevention and reentry and to raise academic achievement levels by providing grants that—

“(1) challenge all children to attain their highest academic potential; and

“(2) ensure that all students have substantial and ongoing opportunities to attain their highest academic potential through schoolwide programs proven effective in school dropout prevention and reentry.

“SEC. 1803. AUTHORIZATION OF APPROPRIATIONS.

20 USC 6553.

“For the purpose of carrying out this part, there are authorized to be appropriated \$125,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years, of which—

“(1) 10 percent shall be available to carry out subpart 1 for each fiscal year; and

“(2) 90 percent shall be available to carry out subpart 2 for each fiscal year.

“Subpart 1—Coordinated National Strategy**“SEC. 1811. NATIONAL ACTIVITIES.**

20 USC 6555.

“(a) IN GENERAL.—The Secretary is authorized—

“(1) to collect systematic data on the effectiveness of the programs assisted under this part in reducing school dropout rates and increasing school reentry and secondary school graduation rates;

“(2) to establish a national clearinghouse of information on effective school dropout prevention and reentry programs that shall disseminate to State educational agencies, local educational agencies, and schools—

“(A) the results of research on school dropout prevention and reentry; and

“(B) information on effective programs, best practices, and Federal resources to—

“(i) reduce annual school dropout rates;

“(ii) increase school reentry; and

“(iii) increase secondary school graduation rates;

“(3) to provide technical assistance to State educational agencies, local educational agencies, and schools in designing and implementing programs and securing resources to implement effective school dropout prevention and reentry programs;

“(4) to establish and consult with an interagency working group that shall—

“(A) address inter- and intra-agency program coordination issues at the Federal level with respect to school dropout prevention and reentry, and assess the targeting of existing Federal services to students who are most at risk of dropping out of school, and the cost-effectiveness of various programs and approaches used to address school dropout prevention and reentry;

“(B) describe the ways in which State educational agencies and local educational agencies can implement effective school dropout prevention and reentry programs using

PUBLIC LAW 107-110—JAN. 8, 2002

funds from a variety of Federal programs, including the programs under this part; and

“(C) examine Federal programs that may have a positive impact on secondary school graduation or school reentry;

“(5) to carry out a national recognition program in accordance with subsection (b) that recognizes schools that have made extraordinary progress in lowering school dropout rates; and

“(6) to use funds made available for this subpart to carry out the evaluation required under section 1830(c).

“(b) RECOGNITION PROGRAM.—

“(1) ESTABLISHMENT.—The Secretary shall—

“(A) establish a national recognition program; and

“(B) develop uniform national guidelines for the recognition program that shall be used to recognize eligible schools from nominations submitted by State educational agencies.

“(2) RECOGNITION.—The Secretary shall recognize, under the recognition program established under paragraph (1), eligible schools.

“(3) SUPPORT.—The Secretary may make monetary awards to an eligible school recognized under this subsection in amounts determined appropriate by the Secretary that shall be used for dissemination activities within the eligible school district or nationally.

“(4) DEFINITION OF ELIGIBLE SCHOOL.—In this subsection, the term ‘eligible school’ means a public middle school or secondary school, including a charter school, that has implemented comprehensive reforms that have been effective in lowering school dropout rates for all students—

“(A) in that secondary school or charter school; or

“(B) in the case of a middle school, in the secondary school that the middle school feeds students into.

“(c) CAPACITY BUILDING.—

“(1) IN GENERAL.—The Secretary, through a contract with one or more non-Federal entities, may conduct a capacity building and design initiative in order to increase the types of proven strategies for school dropout prevention and reentry that address the needs of an entire school population rather than a subset of students.

“(2) NUMBER AND DURATION.—

“(A) NUMBER.—The Secretary may award not more than five contracts under this subsection.

“(B) DURATION.—The Secretary may award a contract under this subsection for a period of not more than 5 years.

“(d) SUPPORT FOR EXISTING REFORM NETWORKS.—

“(1) IN GENERAL.—The Secretary may provide appropriate support to eligible entities to enable the eligible entities to provide training, materials, development, and staff assistance to schools assisted under this part.

“(2) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term ‘eligible entity’ means an entity that, prior to the date of enactment of the Dropout Prevention Act—

“(A) provided training, technical assistance, and materials related to school dropout prevention or reentry to 100 or more elementary schools or secondary schools; and

“(B) developed and published a specific educational program or design related to school dropout prevention or reentry for use by the schools.

“Subpart 2—School Dropout Prevention Initiative

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) **LOW-INCOME STUDENT.**—The term ‘low-income student’ means a student who is determined by a local educational agency to be from a low-income family using the measures described in section 1113(c).

“(2) **STATE.**—The term ‘State’ means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Bureau of Indian Affairs for purposes of serving schools funded by the Bureau.

“SEC. 1822. PROGRAM AUTHORIZED.

20 USC 6561a.

“(a) **GRANTS TO STATE EDUCATIONAL AGENCIES AND LOCAL EDUCATIONAL AGENCIES.**—

“(1) **AMOUNT LESS THAN \$75,000,000.**—

“(A) **IN GENERAL.**—If the amount appropriated under section 1803 for a fiscal year equals or is less than \$75,000,000, then the Secretary shall use such amount to award grants, on a competitive basis, to—

“(i) State educational agencies to support activities—

“(I) in schools that—

“(aa) serve students in grades 6 through 12; and

“(bb) have annual school dropout rates that are above the State average annual school dropout rate; or

“(II) in the middle schools that feed students into the schools described in subclause (I); or

“(ii) local educational agencies that operate—

“(I) schools that—

“(aa) serve students in grades 6 through 12; and

“(bb) have annual school dropout rates that are above the State average annual school dropout rate; or

“(II) middle schools that feed students into the schools described in subclause (I).

“(B) **USE OF GRANT FUNDS.**—Grant funds awarded under this paragraph shall be used to fund effective, sustainable, and coordinated school dropout prevention and reentry programs that may include the activities described in subsection (b)(2), in—

“(i) schools serving students in grades 6 through 12 that have annual school dropout rates that are above the State average annual school dropout rate; or

“(ii) the middle schools that feed students into the schools described in clause (i).

“(2) **AMOUNT LESS THAN \$250,000,000 BUT MORE THAN \$75,000,000.**—If the amount appropriated under section 1803 for a fiscal year is less than \$250,000,000 but more than \$75,000,000, then the Secretary shall use such amount to award grants, on a competitive basis, to State educational agencies to enable the State educational agencies to award subgrants under subsection (b).

“(3) **AMOUNT EQUAL TO OR EXCEEDS \$250,000,000.**—If the amount appropriated under section 1803 for a fiscal year equals or exceeds \$250,000,000, then the Secretary shall use such amount to award a grant to each State educational agency in an amount that bears the same relation to such appropriated amount as the amount the State educational agency received under part A for the preceding fiscal year bears to the amount received by all State educational agencies under such part

PUBLIC LAW 107-110—JAN. 8, 2002

for the preceding fiscal year, to enable the State educational agency to award subgrants under subsection (b).

“(b) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

“(1) IN GENERAL.—From amounts made available to a State educational agency under paragraph (2) or (3) of subsection (a), the State educational agency shall award subgrants, on a competitive basis, to local educational agencies that operate public schools that serve students in grades 6 through 12 and that have annual school dropout rates that are above the State average annual school dropout rate, to enable those schools, or the middle schools that feed students into those schools, to implement effective, sustainable, and coordinated school dropout prevention and reentry programs that involve activities such as—

“(A) professional development;

“(B) obtaining curricular materials;

“(C) release time for professional staff to obtain professional development;

“(D) planning and research;

“(E) remedial education;

“(F) reduction in pupil-to-teacher ratios;

“(G) efforts to meet State student academic achievement standards;

“(H) counseling and mentoring for at-risk students;

“(I) implementing comprehensive school reform models, such as creating smaller learning communities; and

“(J) school reentry activities.

“(2) AMOUNT.—Subject to paragraph (3), a subgrant under this subpart shall be awarded—

“(A) in the first year that a local educational agency receives a subgrant payment under this subpart, in an amount that is based on factors such as—

“(i) the size of schools operated by the local educational agency;

“(ii) costs of the model or set of prevention and reentry strategies being implemented; and

“(iii) local cost factors such as poverty rates;

“(B) in the second year, in an amount that is not less than 75 percent of the amount the local educational agency received under this subpart in the first such year;

“(C) in the third year, in an amount that is not less than 50 percent of the amount the local educational agency received under this subpart in the first such year; and

“(D) in each succeeding year, in an amount that is not less than 30 percent of the amount the local educational agency received under this subpart in the first year.

“(3) DURATION.—A subgrant under this subpart shall be awarded for a period of 3 years, and may be continued for a period of 2 additional years if the State educational agency determines, based on the annual reports described in section 1830(a), that significant progress has been made in lowering the annual school dropout rate for secondary schools participating in the program assisted under this subpart.

20 USC 6561b.

“SEC. 1823. APPLICATIONS.

“(a) IN GENERAL.—To receive—

“(1) a grant under this subpart, a State educational agency or local educational agency shall submit an application and plan to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require; and

“(2) a subgrant under this subpart, a local educational agency shall submit an application and plan to the State educational agency at such time, in such manner, and accompanied

PUBLIC LAW 107-110—JAN. 8, 2002

by such information as the State educational agency may reasonably require.

“(b) CONTENTS.—

“(1) STATE EDUCATIONAL AGENCY AND LOCAL EDUCATIONAL AGENCY.—Each application and plan submitted under subsection (a) shall—

“(A) include an outline—

“(i) of the State educational agency’s or local educational agency’s strategy for reducing the State educational agency or local educational agency’s annual school dropout rate;

“(ii) for targeting secondary schools, and the middle schools that feed students into those secondary schools, that have the highest annual school dropout rates; and

“(iii) for assessing the effectiveness of the efforts described in the plan;

“(B) contain an identification of the schools in the State or operated by the local educational agency that have annual school dropout rates that are greater than the average annual school dropout rate for the State;

“(C) describe the instructional strategies to be implemented, how the strategies will serve all students, and the effectiveness of the strategies;

“(D) describe a budget and timeline for implementing the strategies;

“(E) contain evidence of coordination with existing resources;

“(F) provide an assurance that funds provided under this subpart will supplement, and not supplant, other State and local funds available for school dropout prevention and reentry programs; and

“(G) describe how the activities to be assisted conform with research knowledge about school dropout prevention and reentry.

“(2) LOCAL EDUCATIONAL AGENCY.—Each application and plan submitted under subsection (a) by a local educational agency shall contain, in addition to the requirements of paragraph (1)—

“(A) an assurance that the local educational agency is committed to providing ongoing operational support for such schools to address the problem of school dropouts for a period of 5 years; and

“(B) an assurance that the local educational agency will support the plan, including—

“(i) provision of release time for teacher training;

“(ii) efforts to coordinate activities for secondary schools and the middle schools that feed students into those secondary schools; and

“(iii) encouraging other schools served by the local educational agency to participate in the plan.

“SEC. 1824. STATE RESERVATION.

20 USC 6561c.

“A State educational agency that receives a grant under paragraph (2) or (3) of section 1822(a) may reserve not more than 5 percent of the grant funds for administrative costs and State activities related to school dropout prevention and reentry activities, of which not more than 2 percent of the grant funds may be used for administrative costs.

“SEC. 1825. STRATEGIES AND CAPACITY BUILDING.

20 USC 6561d.

“Each local educational agency receiving a grant or subgrant under this subpart and each State educational agency receiving a grant under this subpart shall implement scientifically based,

PUBLIC LAW 107-110—JAN. 8, 2002

sustainable, and widely replicated strategies for school dropout prevention and reentry. The strategies may include—

“(1) specific strategies for targeted purposes, such as—

“(A) effective early intervention programs designed to identify at-risk students;

“(B) effective programs serving at-risk students, including racial and ethnic minorities and pregnant and parenting teenagers, designed to prevent such students from dropping out of school; and

“(C) effective programs to identify and encourage youth who have already dropped out of school to reenter school and complete their secondary education; and

“(2) approaches such as breaking larger schools down into smaller learning communities and other comprehensive reform approaches, creating alternative school programs, and developing clear linkages to career skills and employment.

20 USC 6561e. **“SEC. 1826. SELECTION OF LOCAL EDUCATIONAL AGENCIES FOR SUBGRANTS.**

“(a) STATE EDUCATIONAL AGENCY REVIEW AND AWARD.—The State educational agency shall review applications submitted under section 1823(a)(2) and award subgrants to local educational agencies with the assistance and advice of a panel of experts on school dropout prevention and reentry.

“(b) ELIGIBILITY.—A local educational agency is eligible to receive a subgrant under this subpart if the local educational agency operates a public school (including a public alternative school)—

“(1) that is eligible to receive assistance under part A; and

“(2)(A) that serves students 50 percent or more of whom are low-income students; or

“(B) in which a majority of the students come from feeder schools that serve students 50 percent or more of whom are low-income students.

20 USC 6561f. **“SEC. 1827. COMMUNITY BASED ORGANIZATIONS.**

“A local educational agency that receives a grant or subgrant under this subpart and a State educational agency that receives a grant under this subpart may use the funds to secure necessary services from a community-based organization or other government agency if the funds are used to provide school dropout prevention and reentry activities related to schoolwide efforts.

20 USC 6561g. **“SEC. 1828. TECHNICAL ASSISTANCE.**

“Notwithstanding any other provision of law, each local educational agency that receives funds under this subpart shall use the funds to provide technical assistance to secondary schools served by the agency that have not made progress toward lowering annual school dropout rates after receiving assistance under this subpart for 2 fiscal years.

20 USC 6561h. **“SEC. 1829. SCHOOL DROPOUT RATE CALCULATION.**

“For purposes of calculating an annual school dropout rate under this subpart, a school shall use the annual event school dropout rate for students leaving a school in a single year determined in accordance with the National Center for Education Statistics’ Common Core of Data.

20 USC 6561i. **“SEC. 1830. REPORTING AND ACCOUNTABILITY.**

“(a) LOCAL EDUCATIONAL AGENCY REPORTS.—

“(1) IN GENERAL.—To receive funds under this subpart for a fiscal year after the first fiscal year that a local educational agency receives funds under this subpart, the local educational agency shall provide, on an annual basis, a report regarding the status of the implementation of activities funded under this subpart, and the dropout data for students at schools

PUBLIC LAW 107-110—JAN. 8, 2002

assisted under this subpart, disaggregated by race and ethnicity, to the—

“(A) Secretary, if the local educational agency receives a grant under section 1822(a)(1); or

“(B) State educational agency, if the local educational agency receives a subgrant under paragraph (2) or (3) of section 1822(a).

“(2) DROPOUT DATA.—The dropout data under paragraph (1) shall include annual school dropout rates for each fiscal year, starting with the 2 fiscal years before the local educational agency received funds under this subpart.

“(b) STATE REPORT ON PROGRAM ACTIVITIES.—Each State educational agency receiving funds under this subpart shall provide to the Secretary, at such time and in such format as the Secretary may require, information on the status of the implementation of activities funded under this subpart and outcome data for students in schools assisted under this subpart.

“(c) ACCOUNTABILITY.—The Secretary shall evaluate the effect of the activities assisted under this subpart on school dropout prevention compared, if feasible, to a control group using control procedures. The Secretary may use funds appropriated for subpart 1 to carry out this evaluation.

“PART I—GENERAL PROVISIONS

“SEC. 1901. FEDERAL REGULATIONS.

20 USC 6571.

“(a) IN GENERAL.—The Secretary may issue such regulations as are necessary to reasonably ensure that there is compliance with this title.

“(b) NEGOTIATED RULEMAKING PROCESS.—

“(1) IN GENERAL.—Before publishing in the Federal Register proposed regulations to carry out this title, the Secretary shall obtain the advice and recommendations of representatives of Federal, State, and local administrators, parents, teachers, paraprofessionals, and members of local school boards and other organizations involved with the implementation and operation of programs under this title.

Federal Register, publication.

“(2) MEETINGS AND ELECTRONIC EXCHANGE.—Such advice and recommendations may be obtained through such mechanisms as regional meetings and electronic exchanges of information.

“(3) PROPOSED REGULATIONS.—After obtaining such advice and recommendations, and before publishing proposed regulations, the Secretary shall—

“(A) establish a negotiated rulemaking process on, at a minimum, standards and assessments;

“(B) select individuals to participate in such process from among individuals or groups that provided advice and recommendations, including representation from all geographic regions of the United States, in such numbers as will provide an equitable balance between representatives of parents and students and representatives of educators and education officials; and

“(C) prepare a draft of proposed policy options that shall be provided to the individuals selected by the Secretary under subparagraph (B) not less than 15 days before the first meeting under such process.

Deadline.

“(4) PROCESS.—Such process—

“(A) shall be conducted in a timely manner to ensure that final regulations are issued by the Secretary not later than 1 year after the date of enactment of the No Child Left Behind Act of 2001; and

Deadline.

“(B) shall not be subject to the Federal Advisory Committee Act, but shall otherwise follow the provisions

PUBLIC LAW 107-110—JAN. 8, 2002

of the Negotiated Rulemaking Act of 1990 (5 U.S.C. 561 et seq.).

“(5) EMERGENCY SITUATION.—In an emergency situation in which regulations to carry out this title must be issued within a very limited time to assist State educational agencies and local educational agencies with the operation of a program under this title, the Secretary may issue proposed regulations without following such process but shall, immediately thereafter and before issuing final regulations, conduct regional meetings to review such proposed regulations.

“(c) LIMITATION.—Regulations to carry out this part may not require local programs to follow a particular instructional model, such as the provision of services outside the regular classroom or school program.

20 USC 6572.

“SEC. 1902. AGREEMENTS AND RECORDS.

“(a) AGREEMENTS.—All published proposed regulations shall conform to agreements that result from negotiated rulemaking described in section 1901 unless the Secretary reopens the negotiated rulemaking process or provides a written explanation to the participants involved in the process explaining why the Secretary decided to depart from, and not adhere to, such agreements.

“(b) RECORDS.—The Secretary shall ensure that an accurate and reliable record of agreements reached during the negotiations process is maintained.

20 USC 6573.

“SEC. 1903. STATE ADMINISTRATION.

“(a) RULEMAKING.—

“(1) IN GENERAL.—Each State that receives funds under this title shall—

“(A) ensure that any State rules, regulations, and policies relating to this title conform to the purposes of this title and provide any such proposed rules, regulations, and policies to the committee of practitioners created under subsection (b) for review and comment;

“(B) minimize such rules, regulations, and policies to which the State’s local educational agencies and schools are subject;

“(C) eliminate or modify State and local fiscal accounting requirements in order to facilitate the ability of schools to consolidate funds under schoolwide programs; and

“(D) identify any such rule, regulation, or policy as a State-imposed requirement.

“(2) SUPPORT AND FACILITATION.—State rules, regulations, and policies under this title shall support and facilitate local educational agency and school-level systemic reform designed to enable all children to meet the challenging State student academic achievement standards.

“(b) COMMITTEE OF PRACTITIONERS.—

“(1) IN GENERAL.—Each State educational agency that receives funds under this title shall create a State committee of practitioners to advise the State in carrying out its responsibilities under this title.

“(2) MEMBERSHIP.—Each such committee shall include—

“(A) as a majority of its members, representatives from local educational agencies;

“(B) administrators, including the administrators of programs described in other parts of this title;

“(C) teachers, including vocational educators;

“(D) parents;

“(E) members of local school boards;

“(F) representatives of private school children; and

“(G) pupil services personnel.

“(3) DUTIES.—The duties of such committee shall include a review, before publication, of any proposed or final State

PUBLIC LAW 107-110—JAN. 8, 2002

rule or regulation pursuant to this title. In an emergency situation where such rule or regulation must be issued within a very limited time to assist local educational agencies with the operation of the program under this title, the State educational agency may issue a regulation without prior consultation, but shall immediately thereafter convene the State committee of practitioners to review the emergency regulation before issuance in final form.

“SEC. 1904. LOCAL EDUCATIONAL AGENCY SPENDING AUDITS.

20 USC 6574.

“(a) **AUDITS.**—The Comptroller General of the United States shall conduct audits of not less than 6 local educational agencies that receive funds under part A in each fiscal year to determine more clearly and specifically how local educational agencies are expending such funds. Such audits—

“(1) shall be conducted in 6 local educational agencies that represent the size, ethnic, economic, and geographic diversity of local educational agencies; and

“(2) shall examine the extent to which funds have been expended for academic instruction in the core curriculum and activities unrelated to academic instruction in the core curriculum, such as the payment of janitorial, utility, and other maintenance services, the purchase and lease of vehicles, and the payment for travel and attendance costs at conferences.

“(b) **REPORT.**—Not later than 3 months after the completion of the audits under subsection (a) each year, the Comptroller General of the United States shall submit a report on each audit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate.

Deadline.

“SEC. 1905. PROHIBITION AGAINST FEDERAL MANDATES, DIRECTION, OR CONTROL.

20 USC 6575.

“Nothing in this title shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school’s specific instructional content, academic achievement standards and assessments, curriculum, or program of instruction.

“SEC. 1906. RULE OF CONSTRUCTION ON EQUALIZED SPENDING.

20 USC 6576.

“Nothing in this title shall be construed to mandate equalized spending per pupil for a State, local educational agency, or school.

“SEC. 1907. STATE REPORT ON DROPOUT DATA.

20 USC 6577.

“Not later than 1 year after a State educational agency receives funds under this title, the agency shall report to the Secretary and statewide, all school district data regarding annual school dropout rates in the State disaggregated by race and ethnicity according to procedures that conform with the National Center for Education Statistics’ Common Core of Data.

Deadline.

“SEC. 1908. REGULATIONS FOR SECTIONS 1111 AND 1116.

20 USC 6578.

“The Secretary shall issue regulations for sections 1111 and 1116 not later than 6 months after the date of enactment of the No Child Left Behind Act of 2001.”.

Deadline.

TITLE II—PREPARING, TRAINING, AND RECRUITING HIGH QUALITY TEACHERS AND PRINCIPALS

SEC. 201. TEACHER AND PRINCIPAL TRAINING AND RECRUITING FUND.

Title II (20 U.S.C. 6601 et seq.) is amended to read as follows:

PUBLIC LAW 107-110—JAN. 8, 2002

**“TITLE II—PREPARING, TRAINING, AND
RECRUITING HIGH QUALITY TEACH-
ERS AND PRINCIPALS**

**“PART A—TEACHER AND PRINCIPAL TRAINING
AND RECRUITING FUND**

20 USC 6601.

“SEC. 2101. PURPOSE.

“The purpose of this part is to provide grants to State educational agencies, local educational agencies, State agencies for higher education, and eligible partnerships in order to—

“(1) increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools; and

“(2) hold local educational agencies and schools accountable for improvements in student academic achievement.

20 USC 6602.

“SEC. 2102. DEFINITIONS.

“In this part:

“(1) ARTS AND SCIENCES.—The term ‘arts and sciences’ means—

“(A) when referring to an organizational unit of an institution of higher education, any academic unit that offers one or more academic majors in disciplines or content areas corresponding to the academic subjects in which teachers teach; and

“(B) when referring to a specific academic subject, the disciplines or content areas in which an academic major is offered by an organizational unit described in subparagraph (A).

“(2) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given the term in section 5210.

“(3) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term ‘high-need local educational agency’ means a local educational agency—

“(A)(i) that serves not fewer than 10,000 children from families with incomes below the poverty line; or

“(ii) for which not less than 20 percent of the children served by the agency are from families with incomes below the poverty line; and

“(B)(i) for which there is a high percentage of teachers not teaching in the academic subjects or grade levels that the teachers were trained to teach; or

“(ii) for which there is a high percentage of teachers with emergency, provisional, or temporary certification or licensing.

“(4) HIGHLY QUALIFIED PARAPROFESSIONAL.—The term ‘highly qualified paraprofessional’ means a paraprofessional who has not less than 2 years of—

“(A) experience in a classroom; and

“(B) postsecondary education or demonstrated competence in a field or academic subject for which there is a significant shortage of qualified teachers.

“(5) OUT-OF-FIELD TEACHER.—The term ‘out-of-field teacher’ means a teacher who is teaching an academic subject or a grade level for which the teacher is not highly qualified.

“(6) PRINCIPAL.—The term ‘principal’ includes an assistant principal.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 2103. AUTHORIZATIONS OF APPROPRIATIONS.

20 USC 6603.

“(a) GRANTS TO STATES, LOCAL EDUCATIONAL AGENCIES, AND ELIGIBLE PARTNERSHIPS.—There are authorized to be appropriated to carry out this part (other than subpart 5) \$3,175,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) NATIONAL PROGRAMS.—There are authorized to be appropriated to carry out subpart 5 such sums as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“Subpart 1—Grants to States**“SEC. 2111. ALLOTMENTS TO STATES.**

20 USC 6611.

“(a) IN GENERAL.—The Secretary shall make grants to States with applications approved under section 2112 to pay for the Federal share of the cost of carrying out the activities specified in section 2113. Each grant shall consist of the allotment determined for a State under subsection (b).

“(b) DETERMINATION OF ALLOTMENTS.—

“(1) RESERVATION OF FUNDS.—

“(A) IN GENERAL.—From the total amount appropriated under section 2103(a) for a fiscal year, the Secretary shall reserve—

“(i) one-half of 1 percent for allotments for the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be distributed among those outlying areas on the basis of their relative need, as determined by the Secretary, in accordance with the purpose of this part; and

“(ii) one-half of 1 percent for the Secretary of the Interior for programs under this part in schools operated or funded by the Bureau of Indian Affairs.

“(2) STATE ALLOTMENTS.—

“(A) HOLD HARMLESS.—

“(i) IN GENERAL.—Subject to subparagraph (B), from the funds appropriated under section 2103(a) for any fiscal year and not reserved under paragraph (1), the Secretary shall allot to each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico an amount equal to the total amount that such State received for fiscal year 2001 under—

“(I) section 2202(b) of this Act (as in effect on the day before the date of enactment of the No Child Left Behind Act of 2001); and

“(II) section 306 of the Department of Education Appropriations Act, 2001 (as enacted into law by section 1(a)(1) of Public Law 106-554).

“(ii) RATABLE REDUCTION.—If the funds described in clause (i) are insufficient to pay the full amounts that all States are eligible to receive under clause (i) for any fiscal year, the Secretary shall ratably reduce those amounts for the fiscal year.

“(B) ALLOTMENT OF ADDITIONAL FUNDS.—

“(i) IN GENERAL.—Subject to clause (ii), for any fiscal year for which the funds appropriated under section 2103(a) and not reserved under paragraph (1) exceed the total amount required to make allotments under subparagraph (A), the Secretary shall allot to each of the States described in subparagraph (A) the sum of—

“(I) an amount that bears the same relationship to 35 percent of the excess amount as the number of individuals age 5 through 17 in the State, as determined by the Secretary on the basis

PUBLIC LAW 107-110—JAN. 8, 2002

of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined; and

“(II) an amount that bears the same relationship to 65 percent of the excess amount as the number of individuals age 5 through 17 from families with incomes below the poverty line, in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in all such States, as so determined.

“(ii) EXCEPTION.—No State receiving an allotment under clause (i) may receive less than one-half of 1 percent of the total excess amount allotted under such clause for a fiscal year.

“(3) REALLOTMENT.—If any State does not apply for an allotment under this subsection for any fiscal year, the Secretary shall reallocate the amount of the allotment to the remaining States in accordance with this subsection.

20 USC 6612.

“SEC. 2112. STATE APPLICATIONS.

“(a) IN GENERAL.—For a State to be eligible to receive a grant under this part, the State educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(b) CONTENTS.—Each application submitted under this section shall include the following:

“(1) A description of how the activities to be carried out by the State educational agency under this subpart will be based on a review of scientifically based research and an explanation of why the activities are expected to improve student academic achievement.

“(2) A description of how the State educational agency will ensure that a local educational agency receiving a subgrant to carry out subpart 2 will comply with the requirements of such subpart.

“(3) A description of how the State educational agency will ensure that activities assisted under this subpart are aligned with challenging State academic content and student academic achievement standards, State assessments, and State and local curricula.

“(4) A description of how the State educational agency will use funds under this part to improve the quality of the State’s teachers and principals.

“(5)(A) A description of how the State educational agency will coordinate professional development activities authorized under this part with professional development activities provided under other Federal, State, and local programs.

“(B) A description of the comprehensive strategy that the State educational agency will use, as part of such coordination effort, to ensure that teachers are trained in the use of technology so that technology and applications of technology are effectively used in the classroom to improve teaching and learning in all curricula and academic subjects, as appropriate.

“(6) A description of how the State educational agency will encourage the development of proven, innovative strategies to deliver intensive professional development programs that are both cost-effective and easily accessible, such as strategies that involve delivery through the use of technology, peer networks, and distance learning.

“(7)(A) A description of how the State educational agency will ensure compliance with the requirements for professional development activities described in section 9101 and how the activities to be carried out under the grant will be developed

PUBLIC LAW 107-110—JAN. 8, 2002

collaboratively and based on the input of teachers, principals, parents, administrators, paraprofessionals, and other school personnel.

“(B) In the case of a State in which the State educational agency is not the entity responsible for teacher professional standards, certification, and licensing, an assurance that the State activities carried out under this subpart are carried out in conjunction with the entity responsible for such standards, certification, and licensing under State law.

“(8) A description of how the State educational agency will ensure that the professional development (including teacher mentoring) needs of teachers will be met using funds under this subpart and subpart 2.

“(9) A description of the State educational agency’s annual measurable objectives under section 1119(a)(2).

“(10) A description of how the State educational agency will use funds under this part to meet the teacher and paraprofessional requirements of section 1119 and how the State educational agency will hold local educational agencies accountable for meeting the annual measurable objectives described in section 1119(a)(2).

“(11) In the case of a State that has a charter school law that exempts teachers from State certification and licensing requirements, the specific portion of the State law that provides for the exemption.

“(12) An assurance that the State educational agency will comply with section 9501 (regarding participation by private school children and teachers).

“(c) DEEMED APPROVAL.—An application submitted by a State educational agency pursuant to subsection (a) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the application, that the application is not in compliance with this subpart.

“(d) DISAPPROVAL.—The Secretary shall not finally disapprove the application, except after giving the State educational agency notice and an opportunity for a hearing.

“(e) NOTIFICATION.—If the Secretary finds that the application is not in compliance, in whole or in part, with this subpart, the Secretary shall—

“(1) give the State educational agency notice and an opportunity for a hearing; and

“(2) notify the State educational agency of the finding of noncompliance and, in such notification, shall—

“(A) cite the specific provisions in the application that are not in compliance; and

“(B) request additional information, only as to the non-compliant provisions, needed to make the application compliant.

“(f) RESPONSE.—If the State educational agency responds to the Secretary’s notification described in subsection (e)(2) during the 45-day period beginning on the date on which the agency received the notification, and resubmits the application with the requested information described in subsection (e)(2)(B), the Secretary shall approve or disapprove such application prior to the later of—

“(1) the expiration of the 45-day period beginning on the date on which the application is resubmitted; or

“(2) the expiration of the 120-day period described in subsection (c).

“(g) FAILURE TO RESPOND.—If the State educational agency does not respond to the Secretary’s notification described in subsection (e)(2) during the 45-day period beginning on the date on which the agency received the notification, such application shall be deemed to be disapproved.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6613.

“SEC. 2113. STATE USE OF FUNDS.

“(a) IN GENERAL.—A State that receives a grant under section 2111 shall—

“(1) reserve 95 percent of the funds made available through the grant to make subgrants to local educational agencies as described in subpart 2;

“(2) reserve 2.5 percent (or, for a fiscal year described in subsection (b), the percentage determined under subsection (b)) of the funds to make subgrants to local partnerships as described in subpart 3; and

“(3) use the remainder of the funds for State activities described in subsection (c).

“(b) SPECIAL RULE.—For any fiscal year for which the total amount that would be reserved by all States under subsection (a)(2), if the States applied a 2.5 percentage rate, exceeds \$125,000,000, the Secretary shall determine an alternative percentage that the States shall apply for that fiscal year under subsection (a)(2) so that the total amount reserved by all States under subsection (a)(2) equals \$125,000,000.

“(c) STATE ACTIVITIES.—The State educational agency for a State that receives a grant under section 2111 shall use the funds described in subsection (a)(3) to carry out one or more of the following activities, which may be carried out through a grant or contract with a for-profit or nonprofit entity:

“(1) Reforming teacher and principal certification (including recertification) or licensing requirements to ensure that—

“(A)(i) teachers have the necessary subject matter knowledge and teaching skills in the academic subjects that the teachers teach; and

“(ii) principals have the instructional leadership skills to help teachers teach and students learn;

“(B) teacher certification (including recertification) or licensing requirements are aligned with challenging State academic content standards; and

“(C) teachers have the subject matter knowledge and teaching skills, including technology literacy, and principals have the instructional leadership skills, necessary to help students meet challenging State student academic achievement standards.

“(2) Carrying out programs that provide support to teachers or principals, including support for teachers and principals new to their profession, such as programs that—

“(A) provide teacher mentoring, team teaching, reduced class schedules, and intensive professional development; and

“(B) use standards or assessments for guiding beginning teachers that are consistent with challenging State student academic achievement standards and with the requirements for professional development activities described in section 9101.

“(3) Carrying out programs that establish, expand, or improve alternative routes for State certification of teachers and principals, especially in the areas of mathematics and science, for highly qualified individuals with a baccalaureate or master’s degree, including mid-career professionals from other occupations, paraprofessionals, former military personnel, and recent college or university graduates with records of academic distinction who demonstrate the potential to become highly effective teachers or principals.

“(4) Developing and implementing mechanisms to assist local educational agencies and schools in effectively recruiting and retaining highly qualified teachers, including specialists in core academic subjects, principals, and pupil services personnel, except that funds made available under this paragraph may be used for pupil services personnel only—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) if the State educational agency is making progress toward meeting the annual measurable objectives described in section 1119(a)(2); and

“(B) in a manner consistent with mechanisms to assist local educational agencies and schools in effectively recruiting and retaining highly qualified teachers and principals.

“(5) Reforming tenure systems, implementing teacher testing for subject matter knowledge, and implementing teacher testing for State certification or licensing, consistent with title II of the Higher Education Act of 1965.

“(6) Providing professional development for teachers and principals and, in cases in which a State educational agency determines support to be appropriate, supporting the participation of pupil services personnel in the same type of professional development activities as are made available to teachers and principals.

“(7) Developing systems to measure the effectiveness of specific professional development programs and strategies to document gains in student academic achievement or increases in teacher mastery of the academic subjects the teachers teach.

“(8) Fulfilling the State educational agency’s responsibilities concerning proper and efficient administration of the programs carried out under this part, including provision of technical assistance to local educational agencies.

“(9) Funding projects to promote reciprocity of teacher and principal certification or licensing between or among States, except that no reciprocity agreement developed under this paragraph or developed using funds provided under this part may lead to the weakening of any State teaching certification or licensing requirement.

“(10) Developing or assisting local educational agencies in the development and use of proven, innovative strategies to deliver intensive professional development programs that are both cost-effective and easily accessible, such as strategies that involve delivery through the use of technology, peer networks, and distance learning.

“(11) Encouraging and supporting the training of teachers and administrators to effectively integrate technology into curricula and instruction, including training to improve the ability to collect, manage, and analyze data to improve teaching, decisionmaking, school improvement efforts, and accountability.

“(12) Developing, or assisting local educational agencies in developing, merit-based performance systems, and strategies that provide differential and bonus pay for teachers in high-need academic subjects such as reading, mathematics, and science and teachers in high-poverty schools and districts.

“(13) Providing assistance to local educational agencies for the development and implementation of professional development programs for principals that enable the principals to be effective school leaders and prepare all students to meet challenging State academic content and student academic achievement standards, and the development and support of school leadership academies to help exceptionally talented aspiring or current principals and superintendents become outstanding managers and educational leaders.

“(14) Developing, or assisting local educational agencies in developing, teacher advancement initiatives that promote professional growth and emphasize multiple career paths (such as paths to becoming a career teacher, mentor teacher, or exemplary teacher) and pay differentiation.

“(15) Providing assistance to teachers to enable them to meet certification, licensing, or other requirements needed to become highly qualified by the end of the fourth year for which the State receives funds under this part (as amended by the No Child Left Behind Act of 2001).

PUBLIC LAW 107-110—JAN. 8, 2002

“(16) Supporting activities that ensure that teachers are able to use challenging State academic content standards and student academic achievement standards, and State assessments, to improve instructional practices and improve student academic achievement.

“(17) Funding projects and carrying out programs to encourage men to become elementary school teachers.

“(18) Establishing and operating a center that—

“(A) serves as a statewide clearinghouse for the recruitment and placement of kindergarten, elementary school, and secondary school teachers; and

“(B) establishes and carries out programs to improve teacher recruitment and retention within the State.

“(d) ADMINISTRATIVE COSTS.—A State educational agency or State agency for higher education receiving a grant under this part may use not more than 1 percent of the grant funds for planning and administration related to carrying out activities under subsection (c) and subpart 3.

“(e) COORDINATION.—A State that receives a grant to carry out this subpart and a grant under section 202 of the Higher Education Act of 1965 shall coordinate the activities carried out under this subpart and the activities carried out under that section.

“(f) SUPPLEMENT, NOT SUPPLANT.—Funds received under this subpart shall be used to supplement, and not supplant, non-Federal funds that would otherwise be used for activities authorized under this subpart.

“Subpart 2—Subgrants to Local Educational Agencies

20 USC 6621.

“SEC. 2121. ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.

“(a) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

“(1) IN GENERAL.—The Secretary may make a grant to a State under subpart 1 only if the State educational agency agrees to distribute the funds described in this subsection as subgrants to local educational agencies under this subpart.

“(2) HOLD HARMLESS.—

“(A) IN GENERAL.—From the funds reserved by a State under section 2113(a)(1), the State educational agency shall allocate to each local educational agency in the State an amount equal to the total amount that such agency received for fiscal year 2001 under—

“(i) section 2203(1)(B) of this Act (as in effect on the day before the date of enactment of the No Child Left Behind Act of 2001); and

“(ii) section 306 of the Department of Education Appropriations Act, 2001 (as enacted into law by section 1(a)(1) of Public Law 106-554).

“(B) NONPARTICIPATING AGENCIES.—In the case of a local educational agency that did not receive any funds for fiscal year 2001 under one or both of the provisions referred to in clauses (i) and (ii) of subparagraph (A), the amount allocated to the agency under such subparagraph shall be the total amount that the agency would have received for fiscal year 2001 if the agency had elected to participate in all of the programs for which the agency was eligible under each of the provisions referred to in those clauses.

“(C) RATABLE REDUCTION.—If the funds described in subparagraph (A) are insufficient to pay the full amounts that all local educational agencies in the State are eligible to receive under subparagraph (A) for any fiscal year, the State educational agency shall ratably reduce such amounts for the fiscal year.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) ALLOCATION OF ADDITIONAL FUNDS.—For any fiscal year for which the funds reserved by a State under section 2113(a)(1) exceed the total amount required to make allocations under paragraph (2), the State educational agency shall allocate to each of the eligible local educational agencies in the State the sum of—

“(A) an amount that bears the same relationship to 20 percent of the excess amount as the number of individuals age 5 through 17 in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined; and

“(B) an amount that bears the same relationship to 80 percent of the excess amount as the number of individuals age 5 through 17 from families with incomes below the poverty line in the geographic area served by the agency, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.

“SEC. 2122. LOCAL APPLICATIONS AND NEEDS ASSESSMENT.

20 USC 6622.

“(a) IN GENERAL.—To be eligible to receive a subgrant under this subpart, a local educational agency shall submit an application to the State educational agency at such time, in such manner, and containing such information as the State educational agency may reasonably require.

“(b) CONTENTS.—Each application submitted under this section shall be based on the needs assessment required in subsection (c) and shall include the following:

“(1)(A) A description of the activities to be carried out by the local educational agency under this subpart and how these activities will be aligned with—

“(i) challenging State academic content standards and student academic achievement standards, and State assessments; and

“(ii) the curricula and programs tied to the standards described in clause (i).

“(B) A description of how the activities will be based on a review of scientifically based research and an explanation of why the activities are expected to improve student academic achievement.

“(2) A description of how the activities will have a substantial, measurable, and positive impact on student academic achievement and how the activities will be used as part of a broader strategy to eliminate the achievement gap that separates low-income and minority students from other students.

“(3) An assurance that the local educational agency will target funds to schools within the jurisdiction of the local educational agency that—

“(A) have the lowest proportion of highly qualified teachers;

“(B) have the largest average class size; or

“(C) are identified for school improvement under section 1116(b).

“(4) A description of how the local educational agency will coordinate professional development activities authorized under this subpart with professional development activities provided through other Federal, State, and local programs.

“(5) A description of the professional development activities that will be made available to teachers and principals under this subpart and how the local educational agency will ensure

PUBLIC LAW 107-110—JAN. 8, 2002

that the professional development (which may include teacher mentoring) needs of teachers and principals will be met using funds under this subpart.

“(6) A description of how the local educational agency will integrate funds under this subpart with funds received under part D that are used for professional development to train teachers to integrate technology into curricula and instruction to improve teaching, learning, and technology literacy.

“(7) A description of how the local educational agency, teachers, paraprofessionals, principals, other relevant school personnel, and parents have collaborated in the planning of activities to be carried out under this subpart and in the preparation of the application.

“(8) A description of the results of the needs assessment described in subsection (c).

“(9) A description of how the local educational agency will provide training to enable teachers to—

“(A) teach and address the needs of students with different learning styles, particularly students with disabilities, students with special learning needs (including students who are gifted and talented), and students with limited English proficiency;

“(B) improve student behavior in the classroom and identify early and appropriate interventions to help students described in subparagraph (A) learn;

“(C) involve parents in their child’s education; and

“(D) understand and use data and assessments to improve classroom practice and student learning.

“(10) A description of how the local educational agency will use funds under this subpart to meet the requirements of section 1119.

“(11) An assurance that the local educational agency will comply with section 9501 (regarding participation by private school children and teachers).

“(c) NEEDS ASSESSMENT.—

“(1) IN GENERAL.—To be eligible to receive a subgrant under this subpart, a local educational agency shall conduct an assessment of local needs for professional development and hiring, as identified by the local educational agency and school staff.

“(2) REQUIREMENTS.—Such needs assessment shall be conducted with the involvement of teachers, including teachers participating in programs under part A of title I, and shall take into account the activities that need to be conducted in order to give teachers the means, including subject matter knowledge and teaching skills, and to give principals the instructional leadership skills to help teachers, to provide students with the opportunity to meet challenging State and local student academic achievement standards.

20 USC 6623.

“SEC. 2123. LOCAL USE OF FUNDS.

“(a) IN GENERAL.—A local educational agency that receives a subgrant under section 2121 shall use the funds made available through the subgrant to carry out one or more of the following activities, including carrying out the activities through a grant or contract with a for-profit or nonprofit entity:

“(1) Developing and implementing mechanisms to assist schools in effectively recruiting and retaining highly qualified teachers, including specialists in core academic subjects, principals, and pupil services personnel, except that funds made available under this paragraph may be used for pupil services personnel only—

“(A) if the local educational agency is making progress toward meeting the annual measurable objectives described in section 1119(a)(2); and

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) in a manner consistent with mechanisms to assist schools in effectively recruiting and retaining highly qualified teachers and principals.

“(2) Developing and implementing initiatives to assist in recruiting highly qualified teachers (particularly initiatives that have proven effective in retaining highly qualified teachers), and hiring highly qualified teachers, who will be assigned teaching positions within their fields, including—

“(A) providing scholarships, signing bonuses, or other financial incentives, such as differential pay, for teachers to teach—

“(i) in academic subjects in which there exists a shortage of highly qualified teachers within a school or within the local educational agency; and

“(ii) in schools in which there exists a shortage of highly qualified teachers;

“(B) recruiting and hiring highly qualified teachers to reduce class size, particularly in the early grades; and

“(C) establishing programs that—

“(i) train and hire regular and special education teachers (which may include hiring special education teachers to team-teach in classrooms that contain both children with disabilities and nondisabled children);

“(ii) train and hire highly qualified teachers of special needs children, as well as teaching specialists in core academic subjects who will provide increased individualized instruction to students;

“(iii) recruit qualified professionals from other fields, including highly qualified paraprofessionals, and provide such professionals with alternative routes to teacher certification, including developing and implementing hiring policies that ensure comprehensive recruitment efforts as a way to expand the applicant pool, such as through identifying teachers certified through alternative routes, and using a system of intensive screening designed to hire the most qualified applicants; and

“(iv) provide increased opportunities for minorities, individuals with disabilities, and other individuals underrepresented in the teaching profession.

“(3) Providing professional development activities—

“(A) that improve the knowledge of teachers and principals and, in appropriate cases, paraprofessionals, concerning—

“(i) one or more of the core academic subjects that the teachers teach; and

“(ii) effective instructional strategies, methods, and skills, and use of challenging State academic content standards and student academic achievement standards, and State assessments, to improve teaching practices and student academic achievement; and

“(B) that improve the knowledge of teachers and principals and, in appropriate cases, paraprofessionals, concerning effective instructional practices and that—

“(i) involve collaborative groups of teachers and administrators;

“(ii) provide training in how to teach and address the needs of students with different learning styles, particularly students with disabilities, students with special learning needs (including students who are gifted and talented), and students with limited English proficiency;

“(iii) provide training in methods of—

“(I) improving student behavior in the classroom; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(II) identifying early and appropriate interventions to help students described in clause (ii) learn;

“(iv) provide training to enable teachers and principals to involve parents in their child’s education, especially parents of limited English proficient and immigrant children; and

“(v) provide training on how to understand and use data and assessments to improve classroom practice and student learning.

“(4) Developing and implementing initiatives to promote retention of highly qualified teachers and principals, particularly within elementary schools and secondary schools with a high percentage of low-achieving students, including programs that provide—

“(A) teacher mentoring from exemplary teachers, principals, or superintendents;

“(B) induction and support for teachers and principals during their first 3 years of employment as teachers or principals, respectively;

“(C) incentives, including financial incentives, to retain teachers who have a record of success in helping low-achieving students improve their academic achievement; or

“(D) incentives, including financial incentives, to principals who have a record of improving the academic achievement of all students, but particularly students from economically disadvantaged families, students from racial and ethnic minority groups, and students with disabilities.

“(5) Carrying out programs and activities that are designed to improve the quality of the teacher force, such as—

“(A) innovative professional development programs (which may be provided through partnerships including institutions of higher education), including programs that train teachers and principals to integrate technology into curricula and instruction to improve teaching, learning, and technology literacy, are consistent with the requirements of section 9101, and are coordinated with activities carried out under part D;

“(B) development and use of proven, cost-effective strategies for the implementation of professional development activities, such as through the use of technology and distance learning;

“(C) tenure reform;

“(D) merit pay programs; and

“(E) testing of elementary school and secondary school teachers in the academic subjects that the teachers teach.

“(6) Carrying out professional development activities designed to improve the quality of principals and superintendents, including the development and support of academies to help talented aspiring or current principals and superintendents become outstanding managers and educational leaders.

“(7) Hiring highly qualified teachers, including teachers who become highly qualified through State and local alternative routes to certification, and special education teachers, in order to reduce class size, particularly in the early grades.

“(8) Carrying out teacher advancement initiatives that promote professional growth and emphasize multiple career paths (such as paths to becoming a career teacher, mentor teacher, or exemplary teacher) and pay differentiation.

“(10) Carrying out programs and activities related to exemplary teachers.

“(b) SUPPLEMENT, NOT SUPPLANT.—Funds received under this subpart shall be used to supplement, and not supplant, non-Federal

PUBLIC LAW 107-110—JAN. 8, 2002

funds that would otherwise be used for activities authorized under this subpart.

“Subpart 3—Subgrants to Eligible Partnerships

“SEC. 2131. DEFINITIONS.

20 USC 6631.

“In this subpart:

“(1) ELIGIBLE PARTNERSHIP.—The term ‘eligible partnership’ means an entity that—

“(A) shall include—

“(i) a private or State institution of higher education and the division of the institution that prepares teachers and principals;

“(ii) a school of arts and sciences; and

“(iii) a high-need local educational agency; and

“(B) may include another local educational agency, a public charter school, an elementary school or secondary school, an educational service agency, a nonprofit educational organization, another institution of higher education, a school of arts and sciences within such an institution, the division of such an institution that prepares teachers and principals, a nonprofit cultural organization, an entity carrying out a prekindergarten program, a teacher organization, a principal organization, or a business.

“(2) LOW-PERFORMING SCHOOL.—The term ‘low-performing school’ means an elementary school or secondary school that is identified under section 1116.

“SEC. 2132. SUBGRANTS.

20 USC 6632.

“(a) IN GENERAL.—The State agency for higher education for a State that receives a grant under section 2111, working in conjunction with the State educational agency (if such agencies are separate), shall use the funds reserved under section 2113(a)(2) to make subgrants, on a competitive basis, to eligible partnerships to enable such partnerships to carry out the activities described in section 2134.

“(b) DISTRIBUTION.—The State agency for higher education shall ensure that—

“(1) such subgrants are equitably distributed by geographic area within a State; or

“(2) eligible partnerships in all geographic areas within the State are served through the subgrants.

“(c) SPECIAL RULE.—No single participant in an eligible partnership may use more than 50 percent of the funds made available to the partnership under this section.

“SEC. 2133. APPLICATIONS.

20 USC 6633.

“To be eligible to receive a subgrant under this subpart, an eligible partnership shall submit an application to the State agency for higher education at such time, in such manner, and containing such information as the agency may require.

“SEC. 2134. USE OF FUNDS.

20 USC 6634.

“(a) IN GENERAL.—An eligible partnership that receives a subgrant under section 2132 shall use the subgrant funds for—

“(1) professional development activities in core academic subjects to ensure that—

“(A) teachers and highly qualified paraprofessionals, and, if appropriate, principals have subject matter knowledge in the academic subjects that the teachers teach, including the use of computer related technology to enhance student learning; and

“(B) principals have the instructional leadership skills that will help such principals work most effectively with

PUBLIC LAW 107-110—JAN. 8, 2002

teachers to help students master core academic subjects; and

“(2) developing and providing assistance to local educational agencies and individuals who are teachers, highly qualified paraprofessionals, or principals of schools served by such agencies, for sustained, high-quality professional development activities that—

“(A) ensure that the individuals are able to use challenging State academic content standards and student academic achievement standards, and State assessments, to improve instructional practices and improve student academic achievement;

“(B) may include intensive programs designed to prepare such individuals who will return to a school to provide instruction related to the professional development described in subparagraph (A) to other such individuals within such school; and

“(C) may include activities of partnerships between one or more local educational agencies, one or more schools served by such local educational agencies, and one or more institutions of higher education for the purpose of improving teaching and learning at low-performing schools.

“(b) COORDINATION.—An eligible partnership that receives a subgrant to carry out this subpart and a grant under section 203 of the Higher Education Act of 1965 shall coordinate the activities carried out under this subpart and the activities carried out under that section 203.

“Subpart 4—Accountability

20 USC 6641.

“SEC. 2141. TECHNICAL ASSISTANCE AND ACCOUNTABILITY.

“(a) IMPROVEMENT PLAN.—After the second year of the plan described in section 1119(a)(2), if a State educational agency determines, based on the reports described in section 1119(b)(1), that a local educational agency in the State has failed to make progress toward meeting the annual measurable objectives described in section 1119(a)(2), for 2 consecutive years, such local educational agency shall develop an improvement plan that will enable the agency to meet such annual measurable objectives and that specifically addresses issues that prevented the agency from meeting such annual measurable objectives.

“(b) TECHNICAL ASSISTANCE.—During the development of the improvement plan described in subsection (a) and throughout implementation of the plan, the State educational agency shall—

“(1) provide technical assistance to the local educational agency; and

“(2) provide technical assistance, if applicable, to schools served by the local educational agency that need assistance to enable the local educational agency to meet the annual measurable objectives described in section 1119(a)(2).

Contracts.

“(c) ACCOUNTABILITY.—After the third year of the plan described in section 1119(a)(2), if the State educational agency determines, based on the reports described in section 1119(b)(1), that the local educational agency has failed to make progress toward meeting the annual measurable objectives described in section 1119(a)(2), and has failed to make adequate yearly progress as described under section 1111(b)(2)(B), for 3 consecutive years, the State educational agency shall enter into an agreement with such local educational agency on the use of that agency’s funds under this part. As part of this agreement, the State educational agency—

“(1) shall develop, in conjunction with the local educational agency, teachers, and principals, professional development strategies and activities, based on scientifically based research, that the local educational agency will use to meet the annual measurable objectives described in section 1119(a)(2) and

PUBLIC LAW 107-110—JAN. 8, 2002

require such agency to utilize such strategies and activities; and

“(2)(A) except as provided in subparagraphs (B) and (C), shall prohibit the use of funds received under part A of title I to fund any paraprofessional hired after the date such determination is made;

“(B) shall allow the use of such funds to fund a paraprofessional hired after that date if the local educational agency can demonstrate that the hiring is to fill a vacancy created by the departure of another paraprofessional funded under title I and such new paraprofessional satisfies the requirements of section 1119(c); and

“(C) may allow the use of such funds to fund a paraprofessional hired after that date if the local educational agency can demonstrate—

“(i) that a significant influx of population has substantially increased student enrollment; or

“(ii) that there is an increased need for translators or assistance with parental involvement activities.

“(d) SPECIAL RULE.—During the development of the strategies and activities described in subsection (c)(1), the State educational agency shall, in conjunction with the local educational agency, provide from funds allocated to such local educational agency under subpart 2 directly to one or more schools served by such local educational agency, to enable teachers at the schools to choose, with continuing consultation with the principal involved, professional development activities that—

“(1) meet the requirements for professional development activities described in section 9101; and

“(2) are coordinated with other reform efforts at the schools.

“Subpart 5—National Activities

“SEC. 2151. NATIONAL ACTIVITIES OF DEMONSTRATED EFFECTIVENESS.

20 USC 6651.
20 USC 6651.

“(a) NATIONAL TEACHER RECRUITMENT CAMPAIGN.—The Secretary is authorized to establish and carry out a national teacher recruitment campaign, which may include activities carried out through the National Teacher Recruitment Clearinghouse, to assist high-need local educational agencies in recruiting teachers (particularly those activities that are effective in retaining new teachers) and training teachers and to conduct a national public service campaign concerning the resources for, and the routes to, entering the field of teaching. In carrying out the campaign, the Secretary may promote and link the activities of the campaign to the information and referral activities of the National Teacher Recruitment Clearinghouse. The Secretary shall coordinate activities under this subsection with State and regional recruitment activities.

“(b) SCHOOL LEADERSHIP.—

“(1) IN GENERAL.—The Secretary is authorized to establish and carry out a national principal recruitment program to assist high-need local educational agencies in recruiting and training principals (including assistant principals) through such activities as—

“(A) providing financial incentives to aspiring new principals;

“(B) providing stipends to principals who mentor new principals;

“(C) carrying out professional development programs in instructional leadership and management; and

“(D) providing incentives that are appropriate for teachers or individuals from other fields who want to become principals and that are effective in retaining new principals.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) GRANTS.—If the Secretary uses sums made available under section 2103(b) to carry out paragraph (1), the Secretary shall carry out such paragraph by making grants, on a competitive basis, to—

“(A) high-need local educational agencies;

“(B) consortia of high-need local educational agencies;

and

“(C) partnerships of high-need local educational agencies, nonprofit organizations, and institutions of higher education.

“(c) ADVANCED CERTIFICATION OR ADVANCED CREDENTIALING.—

“(1) IN GENERAL.—The Secretary is authorized to support activities to encourage and support teachers seeking advanced certification or advanced credentialing through high quality professional teacher enhancement programs designed to improve teaching and learning.

“(2) IMPLEMENTATION.—In carrying out paragraph (1), the Secretary shall make grants to eligible entities to—

“(A) develop teacher standards that include measures tied to increased student academic achievement; and

“(B) promote outreach, teacher recruitment, teacher subsidy, or teacher support programs, related to teacher certification or credentialing by the National Board for Professional Teaching Standards, the National Council on Teacher Quality, or other nationally recognized certification or credentialing organizations.

“(3) ELIGIBLE ENTITIES.—In this subsection, the term ‘eligible entity’ includes—

“(A) a State educational agency;

“(B) a local educational agency;

“(C) the National Board for Professional Teaching Standards, in partnership with a high-need local educational agency or a State educational agency;

“(D) the National Council on Teacher Quality, in partnership with a high-need local educational agency or a State educational agency; or

“(E) another recognized entity, including another recognized certification or credentialing organization, in partnership with a high-need local educational agency or a State educational agency.

“(d) SPECIAL EDUCATION TEACHER TRAINING.—The Secretary is authorized to award a grant to the University of Northern Colorado to enable such university to provide, to other institutions of higher education, assistance in training special education teachers.

“(e) EARLY CHILDHOOD EDUCATOR PROFESSIONAL DEVELOPMENT.—

“(1) PURPOSE.—The purpose of this subsection is to enhance the school readiness of young children, particularly disadvantaged young children, and to prevent young children from encountering difficulties once the children enter school, by improving the knowledge and skills of early childhood educators who work in communities that have high concentrations of children living in poverty.

“(2) PROGRAM AUTHORIZED.—

“(A) GRANTS TO PARTNERSHIPS.—The Secretary is authorized to carry out the purpose of this subsection by awarding grants, on a competitive basis, to partnerships consisting of—

“(i)(I) one or more institutions of higher education that provide professional development for early childhood educators who work with children from low-income families in high-need communities; or

“(ii)(II) another public or private entity that provides such professional development;

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) one or more public agencies (including local educational agencies, State educational agencies, State human services agencies, and State and local agencies administering programs under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), Head Start agencies, or private organizations; and

“(iii) to the extent feasible, an entity with demonstrated experience in providing training to educators in early childhood education programs concerning identifying and preventing behavior problems or working with children identified as or suspected to be victims of abuse.

“(B) DURATION AND NUMBER OF GRANTS.—

“(i) DURATION.—The Secretary shall award grants under this subsection for periods of not more than 4 years.

“(ii) NUMBER.—No partnership may receive more than one grant under this subsection.

“(3) APPLICATIONS.—

“(A) APPLICATIONS REQUIRED.—Any partnership that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(B) CONTENTS.—Each such application shall include—

“(i) a description of the high-need community to be served by the project proposed to be carried out through the grant, including such demographic and socioeconomic information as the Secretary may request;

“(ii) information on the quality of the early childhood educator professional development program currently conducted (as of the date of the submission of the application) by the institution of higher education or another provider in the partnership;

“(iii) the results of a needs assessment that the entities in the partnership have undertaken to determine the most critical professional development needs of the early childhood educators to be served by the partnership and in the broader community, and a description of how the proposed project will address those needs;

“(iv) a description of how the proposed project will be carried out, including a description of—

“(I) how individuals will be selected to participate;

“(II) the types of professional development activities, based on scientifically based research, that will be carried out;

“(III) how research on effective professional development and on adult learning will be used to design and deliver project activities;

“(IV) how the project will be coordinated with and build on, and will not supplant or duplicate, early childhood education professional development activities in the high-need community;

“(V) how the project will train early childhood educators to provide developmentally appropriate school-readiness services that are based on the best available research on early childhood pedagogy and child development and learning domains;

“(VI) how the project will train early childhood educators to meet the diverse educational needs of children in the community, including children

PUBLIC LAW 107-110—JAN. 8, 2002

who have limited English proficiency, children with disabilities, or children with other special needs; and

“(VII) how the project will train early childhood educators in identifying and preventing behavioral problems in children or working with children identified as or suspected to be victims of abuse;

“(v) a description of—

“(I) the specific objectives that the partnership will seek to attain through the project, and the methods that the partnership will use to measure progress toward attainment of those objectives; and

“(II) how the objectives and the measurement methods align with the achievement indicators established by the Secretary under paragraph (6)(A);

“(vi) a description of the partnership’s plan for continuing the activities carried out under the project after Federal funding ceases;

“(vii) an assurance that, where applicable, the project will provide appropriate professional development to volunteers working directly with young children, as well as to paid staff; and

“(viii) an assurance that, in developing the application and in carrying out the project, the partnership has consulted with, and will consult with, relevant agencies, early childhood educator organizations, and early childhood providers that are not members of the partnership.

“(4) SELECTION OF GRANT RECIPIENTS.—

“(A) CRITERIA.—The Secretary shall select partnerships to receive grants under this subsection on the basis of the degree to which the communities proposed to be served require assistance and the quality of the applications submitted under paragraph (3).

“(B) GEOGRAPHIC DISTRIBUTION.—In selecting partnerships to receive grants under this subsection, the Secretary shall seek to ensure that communities in different regions of the Nation, as well as both urban and rural communities, are served.

“(5) USES OF FUNDS.—

“(A) IN GENERAL.—Each partnership receiving a grant under this subsection shall use the grant funds to carry out activities that will improve the knowledge and skills of early childhood educators who are working in early childhood programs that are located in high-need communities and serve concentrations of children from low-income families.

“(B) ALLOWABLE ACTIVITIES.—Such activities may include—

“(i) professional development for early childhood educators, particularly to familiarize those educators with the application of recent research on child, language, and literacy development and on early childhood pedagogy;

“(ii) professional development for early childhood educators in working with parents, so that the educators and parents can work together to provide and support developmentally appropriate school-readiness services that are based on scientifically based research on early childhood pedagogy and child development and learning domains;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) professional development for early childhood educators to work with children who have limited English proficiency, children with disabilities, and children with other special needs;

“(iv) professional development to train early childhood educators in identifying and preventing behavioral problems in children or working with children identified as or suspected to be victims of abuse;

“(v) activities that assist and support early childhood educators during their first 3 years in the field;

“(vi) development and implementation of early childhood educator professional development programs that make use of distance learning and other technologies;

“(vii) professional development activities related to the selection and use of screening and diagnostic assessments to improve teaching and learning; and

“(viii) data collection, evaluation, and reporting needed to meet the requirements of paragraph (6) relating to accountability.

“(6) ACCOUNTABILITY.—

“(A) ACHIEVEMENT INDICATORS.—On the date on which the Secretary first issues a notice soliciting applications for grants under this subsection, the Secretary shall announce achievement indicators for this subsection, which shall be designed—

“(i) to measure the quality and accessibility of the professional development provided;

“(ii) to measure the impact of that professional development on the early childhood education provided by the individuals who receive the professional development; and

“(iii) to provide such other measures of program impact as the Secretary determines to be appropriate.

“(B) ANNUAL REPORTS; TERMINATION.—

“(i) ANNUAL REPORTS.—Each partnership receiving a grant under this subsection shall report annually to the Secretary on the partnership’s progress toward attaining the achievement indicators.

“(ii) TERMINATION.—The Secretary may terminate a grant under this subsection at any time if the Secretary determines that the partnership receiving the grant is not making satisfactory progress toward attaining the achievement indicators.

“(7) COST-SHARING.—

“(A) IN GENERAL.—Each partnership carrying out a project through a grant awarded under this subsection shall provide, from sources other than the program carried out under this subsection, which may include Federal sources—

“(i) at least 50 percent of the total cost of the project for the grant period; and

“(ii) at least 20 percent of the project cost for each year.

“(B) ACCEPTABLE CONTRIBUTIONS.—A partnership may meet the requirements of subparagraph (A) by providing contributions in cash or in kind, fairly evaluated, including plant, equipment, and services.

“(C) WAIVERS.—The Secretary may waive or modify the requirements of subparagraph (A) for partnerships in cases of demonstrated financial hardship.

“(8) FEDERAL COORDINATION.—The Secretary and the Secretary of Health and Human Services shall coordinate activities carried out through programs under this subsection with activities carried out through other early childhood programs

PUBLIC LAW 107-110—JAN. 8, 2002

administered by the Secretary or the Secretary of Health and Human Services.

“(9) DEFINITIONS.—In this subsection:

“(A) EARLY CHILDHOOD EDUCATOR.—The term ‘early childhood educator’ means a person providing, or employed by a provider of, nonresidential child care services (including center-based, family-based, and in-home child care services) that is legally operating under State law, and that complies with applicable State and local requirements for the provision of child care services to children at any age from birth through the age at which a child may start kindergarten in that State.

“(B) HIGH-NEED COMMUNITY.—

“(i) IN GENERAL.—The term ‘high-need community’ means—

“(I) a political subdivision of a State, or a portion of a political subdivision of a State, in which at least 50 percent of the children are from low-income families; or

“(II) a political subdivision of a State that is among the 10 percent of political subdivisions of the State having the greatest numbers of such children.

“(ii) DETERMINATION.—In determining which communities are described in clause (i), the Secretary shall use such data as the Secretary determines are most accurate and appropriate.

“(C) LOW-INCOME FAMILY.—The term ‘low-income family’ means a family with an income below the poverty line for the most recent fiscal year for which satisfactory data are available.

“(f) TEACHER MOBILITY.—

“(1) ESTABLISHMENT.—The Secretary is authorized to establish a panel to be known as the National Panel on Teacher Mobility (referred to in this subsection as the ‘panel’).

“(2) MEMBERSHIP.—The panel shall be composed of 12 members appointed by the Secretary. The Secretary shall appoint the members from among practitioners and experts with experience relating to teacher mobility, such as teachers, members of teacher certification or licensing bodies, faculty of institutions of higher education that prepare teachers, and State policy-makers with such experience.

“(3) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the panel. Any vacancy in the panel shall not affect the powers of the panel, but shall be filled in the same manner as the original appointment.

“(4) DUTIES.—

“(A) STUDY.—

“(i) IN GENERAL.—The panel shall study strategies for increasing mobility and employment opportunities for highly qualified teachers, especially for States with teacher shortages and States with school districts or schools that are difficult to staff.

“(ii) DATA AND ANALYSIS.—As part of the study, the panel shall evaluate the desirability and feasibility of State initiatives that support teacher mobility by collecting data and conducting effective analysis concerning—

“(I) teacher supply and demand;

“(II) the development of recruitment and hiring strategies that support teachers; and

“(III) increasing reciprocity of certification and licensing across States.

“(B) REPORT.—Not later than 1 year after the date on which all members of the panel have been appointed,

PUBLIC LAW 107-110—JAN. 8, 2002

the panel shall submit to the Secretary and to the appropriate committees of Congress a report containing the results of the study.

“(5) POWERS.—

“(A) HEARINGS.—The panel may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the panel considers advisable to carry out the objectives of this subsection.

“(B) INFORMATION FROM FEDERAL AGENCIES.—The panel may secure directly from any Federal department or agency such information as the panel considers necessary to carry out the provisions of this subsection. Upon request of a majority of the members of the panel, the head of such department or agency shall furnish such information to the panel.

“(C) POSTAL SERVICES.—The panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

“(6) PERSONNEL.—

“(A) TRAVEL EXPENSES.—The members of the panel shall not receive compensation for the performance of services for the panel, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel. Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept the voluntary and uncompensated services of members of the panel.

“(B) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the panel without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

“(7) PERMANENT COMMITTEE.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel.

“PART B—MATHEMATICS AND SCIENCE PARTNERSHIPS

“SEC. 2201. PURPOSE; DEFINITIONS.

20 USC 6661.

“(a) PURPOSE.—The purpose of this part is to improve the academic achievement of students in the areas of mathematics and science by encouraging State educational agencies, institutions of higher education, local educational agencies, elementary schools, and secondary schools to participate in programs that—

“(1) improve and upgrade the status and stature of mathematics and science teaching by encouraging institutions of higher education to assume greater responsibility for improving mathematics and science teacher education through the establishment of a comprehensive, integrated system of recruiting, training, and advising mathematics and science teachers;

“(2) focus on the education of mathematics and science teachers as a career-long process that continuously stimulates teachers’ intellectual growth and upgrades teachers’ knowledge and skills;

“(3) bring mathematics and science teachers in elementary schools and secondary schools together with scientists, mathematicians, and engineers to increase the subject matter knowledge of mathematics and science teachers and improve such teachers’ teaching skills through the use of sophisticated laboratory equipment and work space, computing facilities, libraries,

PUBLIC LAW 107-110—JAN. 8, 2002

and other resources that institutions of higher education are better able to provide than the elementary schools and secondary schools;

“(4) develop more rigorous mathematics and science curricula that are aligned with challenging State and local academic content standards and with the standards expected for post-secondary study in engineering, mathematics, and science; and

“(5) improve and expand training of mathematics and science teachers, including training such teachers in the effective integration of technology into curricula and instruction.

“(b) DEFINITIONS.—In this part:

“(1) ELIGIBLE PARTNERSHIP.—The term ‘eligible partnership’ means a partnership that—

“(A) shall include—

“(i) if grants are awarded under section 2202(a)(1), a State educational agency;

“(ii) an engineering, mathematics, or science department of an institution of higher education; and

“(iii) a high-need local educational agency; and

“(B) may include—

“(i) another engineering, mathematics, science, or teacher training department of an institution of higher education;

“(ii) additional local educational agencies, public charter schools, public or private elementary schools or secondary schools, or a consortium of such schools;

“(iii) a business; or

“(iv) a nonprofit or for-profit organization of demonstrated effectiveness in improving the quality of mathematics and science teachers.

“(2) SUMMER WORKSHOP OR INSTITUTE.—The term ‘summer workshop or institute’ means a workshop or institute, conducted during the summer, that—

“(A) is conducted for a period of not less than 2 weeks;

“(B) includes, as a component, a program that provides direct interaction between students and faculty; and

“(C) provides for followup training during the academic year that is conducted in the classroom for a period of not less than three consecutive or nonconsecutive days, except that—

“(i) if the workshop or institute is conducted during a 2-week period, the followup training shall be conducted for a period of not less than 4 days; and

“(ii) if the followup training is for teachers in rural school districts, the followup training may be conducted through distance learning.

20 USC 6662.

“SEC. 2202. GRANTS FOR MATHEMATICS AND SCIENCE PARTNERSHIPS.

“(a) GRANTS AUTHORIZED.—

“(1) GRANTS TO PARTNERSHIPS.—For any fiscal year for which the funds appropriated under section 2203 are less than \$100,000,000, the Secretary is authorized to award grants, on a competitive basis, to eligible partnerships to carry out the authorized activities described in subsection (c).

“(2) GRANTS TO STATE EDUCATIONAL AGENCIES.—

“(A) IN GENERAL.—For any fiscal year for which the funds appropriated under section 2203 equal or exceed \$100,000,000—

“(i) if an eligible partnership in the State was previously awarded a grant under paragraph (1), and the grant period has not ended, the Secretary shall reserve funds in a sufficient amount to make payments to the partnership in accordance with the terms of the grant; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) the Secretary is authorized to award grants to State educational agencies to enable such agencies to award subgrants, on a competitive basis, to eligible partnerships to carry out the authorized activities described in subsection (c).

“(B) ALLOTMENT.—The Secretary shall allot the amount made available under this part for a fiscal year and not reserved under subparagraph (A)(i) among the State educational agencies in proportion to the number of children, aged 5 to 17, who are from families with incomes below the poverty line and reside in a State for the most recent fiscal year for which satisfactory data are available, as compared to the number of such children who reside in all such States for such year.

“(C) MINIMUM ALLOTMENT.—The amount of any State educational agency’s allotment under subparagraph (B) for any fiscal year may not be less than one-half of 1 percent of the amount made available under this part for such year.

“(3) DURATION.—The Secretary shall award grants under this part for a period of 3 years.

“(4) SUPPLEMENT, NOT SUPPLANT.—Funds received under this part shall be used to supplement, and not supplant, funds that would otherwise be used for activities authorized under this part.

“(b) APPLICATION REQUIREMENTS.—

“(1) IN GENERAL.—Each eligible partnership desiring a grant or subgrant under this part shall submit an application—

“(A) in the case of grants awarded pursuant to subsection (a)(1), to the Secretary, at such time, in such manner, and accompanied by such information as the Secretary may require; or

“(B) in the case of subgrants awarded pursuant to subsection (a)(2), to the State educational agency, at such time, in such manner, and accompanied by such information as the State educational agency may require.

“(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall include—

“(A) the results of a comprehensive assessment of the teacher quality and professional development needs of any schools, local educational agencies, and State educational agencies that comprise the eligible partnership with respect to the teaching and learning of mathematics and science;

“(B) a description of how the activities to be carried out by the eligible partnership will be aligned with challenging State academic content and student academic achievement standards in mathematics and science and with other educational reform activities that promote student academic achievement in mathematics and science;

“(C) a description of how the activities to be carried out by the eligible partnership will be based on a review of scientifically based research, and an explanation of how the activities are expected to improve student academic achievement and strengthen the quality of mathematics and science instruction;

“(D) a description of—

“(i) how the eligible partnership will carry out the authorized activities described in subsection (c); and

“(ii) the eligible partnership’s evaluation and accountability plan described in subsection (e); and

“(E) a description of how the eligible partnership will continue the activities funded under this part after the original grant or subgrant period has expired.

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) AUTHORIZED ACTIVITIES.—An eligible partnership shall use funds provided under this part for one or more of the following activities related to elementary schools or secondary schools:

“(1) Creating opportunities for enhanced and ongoing professional development of mathematics and science teachers that improves the subject matter knowledge of such teachers.

“(2) Promoting strong teaching skills for mathematics and science teachers and teacher educators, including integrating reliable scientifically based research teaching methods and technology-based teaching methods into the curriculum.

“(3) Establishing and operating mathematics and science summer workshops or institutes, including followup training, for elementary school and secondary school mathematics and science teachers that—

“(A) shall—

“(i) directly relate to the curriculum and academic areas in which the teacher provides instruction, and focus only secondarily on pedagogy;

“(ii) enhance the ability of the teacher to understand and use the challenging State academic content standards for mathematics and science and to select appropriate curricula; and

“(iii) train teachers to use curricula that are—

“(I) based on scientific research;

“(II) aligned with challenging State academic content standards; and

“(III) object-centered, experiment-oriented, and concept- and content-based; and

“(B) may include—

“(i) programs that provide teachers and prospective teachers with opportunities to work under the guidance of experienced teachers and college faculty;

“(ii) instruction in the use of data and assessments to inform and instruct classroom practice; and

“(iii) professional development activities, including supplemental and followup activities, such as curriculum alignment, distance learning, and activities that train teachers to utilize technology in the classroom.

“(4) Recruiting mathematics, engineering, and science majors to teaching through the use of—

“(A) signing and performance incentives that are linked to activities proven effective in retaining teachers, for individuals with demonstrated professional experience in mathematics, engineering, or science;

“(B) stipends provided to mathematics and science teachers for certification through alternative routes;

“(C) scholarships for teachers to pursue advanced course work in mathematics, engineering, or science; and

“(D) other programs that the State educational agency determines to be effective in recruiting and retaining individuals with strong mathematics, engineering, or science backgrounds.

“(5) Developing or redesigning more rigorous mathematics and science curricula that are aligned with challenging State and local academic content standards and with the standards expected for postsecondary study in mathematics and science.

“(6) Establishing distance learning programs for mathematics and science teachers using curricula that are innovative, content-based, and based on scientifically based research that is current as of the date of the program involved.

“(7) Designing programs to prepare a mathematics or science teacher at a school to provide professional development to other mathematics or science teachers at the school and to assist beginning and other teachers at the school, including (if applicable) a mechanism to integrate the teacher’s experi-

PUBLIC LAW 107-110—JAN. 8, 2002

ences from a summer workshop or institute into the provision of professional development and assistance.

“(8) Establishing and operating programs to bring mathematics and science teachers into contact with working scientists, mathematicians, and engineers, to expand such teachers’ subject matter knowledge of and research in science and mathematics.

“(9) Designing programs to identify and develop exemplary mathematics and science teachers in the kindergarten through grade 8 classrooms.

“(10) Training mathematics and science teachers and developing programs to encourage young women and other underrepresented individuals in mathematics and science careers (including engineering and technology) to pursue postsecondary degrees in majors leading to such careers.

“(d) COORDINATION AND CONSULTATION.—

“(1) PARTNERSHIP GRANTS.—An eligible partnership receiving a grant under section 203 of the Higher Education Act of 1965 shall coordinate the use of such funds with any related activities carried out by such partnership with funds made available under this part.

“(2) NATIONAL SCIENCE FOUNDATION.—In carrying out the activities authorized by this part, the Secretary shall consult and coordinate with the Director of the National Science Foundation, particularly with respect to the appropriate roles for the Department and the Foundation in the conduct of summer workshops, institutes, or partnerships to improve mathematics and science teaching in elementary schools and secondary schools.

“(e) EVALUATION AND ACCOUNTABILITY PLAN.—

“(1) IN GENERAL.—Each eligible partnership receiving a grant or subgrant under this part shall develop an evaluation and accountability plan for activities assisted under this part that includes rigorous objectives that measure the impact of activities funded under this part.

“(2) CONTENTS.—The plan developed pursuant to paragraph (1)—

“(A) shall include measurable objectives to increase the number of mathematics and science teachers who participate in content-based professional development activities;

“(B) shall include measurable objectives for improved student academic achievement on State mathematics and science assessments or, where applicable, an International Mathematics and Science Study assessment; and

“(C) may include objectives and measures for—

“(i) increased participation by students in advanced courses in mathematics and science;

“(ii) increased percentages of elementary school teachers with academic majors or minors, or group majors or minors, in mathematics, engineering, or the sciences; and

“(iii) increased percentages of secondary school classes in mathematics and science taught by teachers with academic majors in mathematics, engineering, and science.

“(f) REPORT.—Each eligible partnership receiving a grant or subgrant under this part shall report annually to the Secretary regarding the eligible partnership’s progress in meeting the objectives described in the accountability plan of the partnership under subsection (e).

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6663.

“SEC. 2203. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$450,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

**“PART C—INNOVATION FOR TEACHER
QUALITY**

“Subpart 1—Transitions to Teaching

“CHAPTER A—TROOPS-TO-TEACHERS PROGRAM

20 USC 6671.

“SEC. 2301. DEFINITIONS.

“In this chapter:

“(1) **ARMED FORCES.**—The term ‘Armed Forces’ means the Army, Navy, Air Force, Marine Corps, and Coast Guard.

“(2) **MEMBER OF THE ARMED FORCES.**—The term ‘member of the Armed Forces’ includes a former member of the Armed Forces.

“(3) **PROGRAM.**—The term ‘Program’ means the Troops-to-Teachers Program authorized by this chapter.

“(4) **RESERVE COMPONENT.**—The term ‘reserve component’ means—

“(A) the Army National Guard of the United States;

“(B) the Army Reserve;

“(C) the Naval Reserve;

“(D) the Marine Corps Reserve;

“(E) the Air National Guard of the United States;

“(F) the Air Force Reserve; and

“(G) the Coast Guard Reserve.

“(5) **SECRETARY CONCERNED.**—The term ‘Secretary concerned’ means—

“(A) the Secretary of the Army, with respect to matters concerning a reserve component of the Army;

“(B) the Secretary of the Navy, with respect to matters concerning reserve components named in subparagraphs (C) and (D) of paragraph (4);

“(C) the Secretary of the Air Force, with respect to matters concerning a reserve component of the Air Force; and

“(D) the Secretary of Transportation, with respect to matters concerning the Coast Guard Reserve.

20 USC 6672.

“SEC. 2302. AUTHORIZATION OF TROOPS-TO-TEACHERS PROGRAM.

“(a) **PURPOSE.**—The purpose of this section is to authorize a mechanism for the funding and administration of the Troops-to-Teachers Program, which was originally established by the Troops-to-Teachers Program Act of 1999 (title XVII of the National Defense Authorization Act for Fiscal Year 2000) (20 U.S.C. 9301 et seq.).

“(b) **PROGRAM AUTHORIZED.**—The Secretary may carry out a program (to be known as the ‘Troops-to-Teachers Program’)—

“(1) to assist eligible members of the Armed Forces described in section 2303 to obtain certification or licensing as elementary school teachers, secondary school teachers, or vocational or technical teachers, and to become highly qualified teachers; and

“(2) to facilitate the employment of such members—

“(A) by local educational agencies or public charter schools that the Secretary identifies as—

“(i) receiving grants under part A of title I as a result of having within their jurisdictions concentrations of children from low-income families; or

“(ii) experiencing a shortage of highly qualified teachers, in particular a shortage of science, mathe-

PUBLIC LAW 107-110—JAN. 8, 2002

tics, special education, or vocational or technical teachers; and

“(B) in elementary schools or secondary schools, or as vocational or technical teachers.

“(c) ADMINISTRATION OF PROGRAM.—The Secretary shall enter into a memorandum of agreement with the Secretary of Defense under which the Secretary of Defense, acting through the Defense Activity for Non-Traditional Education Support of the Department of Defense, will perform the actual administration of the Program, other than section 2306. Using funds appropriated to the Secretary to carry out this chapter, the Secretary shall transfer to the Secretary of Defense such amounts as may be necessary to administer the Program pursuant to the memorandum of agreement.

Memorandum.

“(d) INFORMATION REGARDING PROGRAM.—The Secretary shall provide to the Secretary of Defense information regarding the Program and applications to participate in the Program, for distribution as part of pre-separation counseling provided under section 1142 of title 10, United States Code, to members of the Armed Forces described in section 2303.

“(e) PLACEMENT ASSISTANCE AND REFERRAL SERVICES.—The Secretary may, with the agreement of the Secretary of Defense, provide placement assistance and referral services to members of the Armed Forces who meet the criteria described in section 2303, including meeting education qualification requirements under subsection 2303(c)(2). Such members shall not be eligible for financial assistance under subsections (c) and (d) of section 2304.

“SEC. 2303. RECRUITMENT AND SELECTION OF PROGRAM PARTICIPANTS.

20 USC 6673.

“(a) ELIGIBLE MEMBERS.—The following members of the Armed Forces are eligible for selection to participate in the Program:

“(1) Any member who—

“(A) on or after October 1, 1999, becomes entitled to retired or retainer pay in the manner provided in title 10 or title 14, United States Code;

“(B) has an approved date of retirement that is within 1 year after the date on which the member submits an application to participate in the Program; or

“(C) has been transferred to the Retired Reserve.

“(2) Any member who, on or after the date of enactment of the No Child Left Behind Act of 2001—

“(A)(i) is separated or released from active duty after 6 or more years of continuous active duty immediately before the separation or release; or

“(ii) has completed a total of at least 10 years of active duty service, 10 years of service computed under section 12732 of title 10, United States Code, or 10 years of any combination of such service; and

“(B) executes a reserve commitment agreement for a period of not less than 3 years under subsection (e)(2).

“(3) Any member who, on or after the date of enactment of the No Child Left Behind Act of 2001, is retired or separated for physical disability under chapter 61 of title 10, United States Code.

“(4) Any member who—

“(A) during the period beginning on October 1, 1990, and ending on September 30, 1999, was involuntarily discharged or released from active duty for purposes of a reduction of force after 6 or more years of continuous active duty immediately before the discharge or release; or

“(B) applied for the teacher placement program administered under section 1151 of title 10, United States Code, before the repeal of that section, and satisfied the

PUBLIC LAW 107-110—JAN. 8, 2002

eligibility criteria specified in subsection (c) of such section 1151.

“(b) SUBMISSION OF APPLICATIONS.—

“(1) FORM AND SUBMISSION.—Selection of eligible members of the Armed Forces to participate in the Program shall be made on the basis of applications submitted to the Secretary within the time periods specified in paragraph (2). An application shall be in such form and contain such information as the Secretary may require.

“(2) TIME FOR SUBMISSION.—An application shall be considered to be submitted on a timely basis under paragraph (1) if—

“(A) in the case of a member described in paragraph (1)(A), (2), or (3) of subsection (a), the application is submitted not later than 4 years after the date on which the member is retired or separated or released from active duty, whichever applies to the member; or

“(B) in the case of a member described in subsection (a)(4), the application is submitted not later than September 30, 2003.

“(c) SELECTION CRITERIA.—

“(1) ESTABLISHMENT.—Subject to paragraphs (2) and (3), the Secretary shall prescribe the criteria to be used to select eligible members of the Armed Forces to participate in the Program.

“(2) EDUCATIONAL BACKGROUND.—

“(A) ELEMENTARY OR SECONDARY SCHOOL TEACHER.—If a member of the Armed Forces described in paragraph (1), (2), or (3) of subsection (a) is applying for assistance for placement as an elementary school or secondary school teacher, the Secretary shall require the member to have received a baccalaureate or advanced degree from an accredited institution of higher education.

“(B) VOCATIONAL OR TECHNICAL TEACHER.—If a member of the Armed Forces described in paragraph (1), (2), or (3) of subsection (a) is applying for assistance for placement as a vocational or technical teacher, the Secretary shall require the member—

ave received the equivalent of 1 year of college from an accredited institution of higher education and have 6 or more years of military experience in a vocational or technical field; or

“(ii) to otherwise meet the certification or licensing requirements for a vocational or technical teacher in the State in which the member seeks assistance for placement under the Program.

“(3) HONORABLE SERVICE.—A member of the Armed Forces is eligible to participate in the Program only if the member’s last period of service in the Armed Forces was honorable, as characterized by the Secretary concerned (as defined in section 101(a)(9) of title 10, United States Code). A member selected to participate in the Program before the retirement of the member or the separation or release of the member from active duty may continue to participate in the Program after the retirement, separation, or release only if the member’s last period of service is characterized as honorable by the Secretary concerned (as so defined).

“(d) SELECTION PRIORITIES.—In selecting eligible members of the Armed Forces to receive assistance under the Program, the Secretary shall give priority to members who have educational or military experience in science, mathematics, special education, or vocational or technical subjects and agree to seek employment as science, mathematics, or special education teachers in elementary schools or secondary schools or in other schools under the jurisdiction of a local educational agency.

PUBLIC LAW 107-110—JAN. 8, 2002

“(e) OTHER CONDITIONS ON SELECTION.—

“(1) SELECTION SUBJECT TO FUNDING.—The Secretary may not select an eligible member of the Armed Forces to participate in the Program under this section and receive financial assistance under section 2304 unless the Secretary has sufficient appropriations for the Program available at the time of the selection to satisfy the obligations to be incurred by the United States under section 2304 with respect to the member.

“(2) RESERVE COMMITMENT AGREEMENT.—The Secretary may not select an eligible member of the Armed Forces described in subsection (a)(2)(A) to participate in the Program under this section and receive financial assistance under section 2304 unless—

“(A) the Secretary notifies the Secretary concerned and the member that the Secretary has reserved a full stipend or bonus under section 2304 for the member; and

“(B) the member executes a written agreement with the Secretary concerned to serve as a member of the Selected Reserve of a reserve component of the Armed Forces for a period of not less than 3 years (in addition to any other reserve commitment the member may have).

“SEC. 2304. PARTICIPATION AGREEMENT AND FINANCIAL ASSISTANCE. 20 USC 6674.

“(a) PARTICIPATION AGREEMENT.—

“(1) IN GENERAL.—An eligible member of the Armed Forces selected to participate in the Program under section 2303 and receive financial assistance under this section shall be required to enter into an agreement with the Secretary in which the member agrees—

“(A) within such time as the Secretary may require, to obtain certification or licensing as an elementary school teacher, secondary school teacher, or vocational or technical teacher, and to become a highly qualified teacher; and

“(B) to accept an offer of full-time employment as an elementary school teacher, secondary school teacher, or vocational or technical teacher for not less than 3 school years with a high-need local educational agency or public charter school, as such terms are defined in section 2101, to begin the school year after obtaining that certification or licensing.

“(2) WAIVER.—The Secretary may waive the 3-year commitment described in paragraph (1)(B) for a participant if the Secretary determines such waiver to be appropriate. If the Secretary provides the waiver, the participant shall not be considered to be in violation of the agreement and shall not be required to provide reimbursement under subsection (f), for failure to meet the 3-year commitment.

“(b) VIOLATION OF PARTICIPATION AGREEMENT; EXCEPTIONS.—A participant in the Program shall not be considered to be in violation of the participation agreement entered into under subsection (a) during any period in which the participant—

“(1) is pursuing a full-time course of study related to the field of teaching at an institution of higher education;

“(2) is serving on active duty as a member of the Armed Forces;

“(3) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

“(4) is unable to secure employment for a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

“(5) is a highly qualified teacher who is seeking and unable to find full-time employment as a teacher in an elementary school or secondary school or as a vocational or technical teacher for a single period not to exceed 27 months; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(6) satisfies the provisions of additional reimbursement exceptions that may be prescribed by the Secretary.

“(c) STIPEND FOR PARTICIPANTS.—

“(1) STIPEND AUTHORIZED.—Subject to paragraph (2), the Secretary may pay to a participant in the Program selected under section 2303 a stipend in an amount of not more than \$5,000.

“(2) LIMITATION.—The total number of stipends that may be paid under paragraph (1) in any fiscal year may not exceed 5,000.

“(d) BONUS FOR PARTICIPANTS.—

“(1) BONUS AUTHORIZED.—Subject to paragraph (2), the Secretary may, in lieu of paying a stipend under subsection (c), pay a bonus of \$10,000 to a participant in the Program selected under section 2303 who agrees in the participation agreement under subsection (a) to become a highly qualified teacher and to accept full-time employment as an elementary school teacher, secondary school teacher, or vocational or technical teacher for not less than 3 school years in a high-need school.

“(2) LIMITATION.—The total number of bonuses that may be paid under paragraph (1) in any fiscal year may not exceed 3,000.

“(3) HIGH-NEED SCHOOL DEFINED.—In this subsection, the term ‘high-need school’ means a public elementary school, public secondary school, or public charter school that meets one or more of the following criteria:

“(A) LOW-INCOME CHILDREN.—At least 50 percent of the students enrolled in the school were from low-income families (as described in section 2302(b)(2)(A)(i)).

“(B) CHILDREN WITH DISABILITIES.—The school has a large percentage of students who qualify for assistance under part B of the Individuals with Disabilities Education Act.

“(e) TREATMENT OF STIPEND AND BONUS.—A stipend or bonus paid under this section to a participant in the Program shall be taken into account in determining the eligibility of the participant for Federal student financial assistance provided under title IV of the Higher Education Act of 1965.

“(f) REIMBURSEMENT UNDER CERTAIN CIRCUMSTANCES.—

“(1) REIMBURSEMENT REQUIRED.—A participant in the Program who is paid a stipend or bonus under this section shall be required to repay the stipend or bonus under the following circumstances:

“(A) FAILURE TO OBTAIN QUALIFICATIONS OR EMPLOYMENT.—The participant fails to obtain teacher certification or licensing, to become a highly qualified teacher, or to obtain employment as an elementary school teacher, secondary school teacher, or vocational or technical teacher as required by the participation agreement under subsection (a).

“(B) TERMINATION OF EMPLOYMENT.—The participant voluntarily leaves, or is terminated for cause from, employment as an elementary school teacher, secondary school teacher, or vocational or technical teacher during the 3 years of required service in violation of the participation agreement.

“(C) FAILURE TO COMPLETE SERVICE UNDER RESERVE COMMITMENT AGREEMENT.—The participant executed a written agreement with the Secretary concerned under section 2303(e)(2) to serve as a member of a reserve component of the Armed Forces for a period of 3 years and fails to complete the required term of service.

“(2) AMOUNT OF REIMBURSEMENT.—A participant required to reimburse the Secretary for a stipend or bonus paid to

PUBLIC LAW 107-110—JAN. 8, 2002

the participant under this section shall pay an amount that bears the same ratio to the amount of the stipend or bonus as the unserved portion of required service bears to the 3 years of required service. Any amount owed by the participant shall bear interest at the rate equal to the highest rate being paid by the United States on the day on which the reimbursement is determined to be due for securities having maturities of 90 days or less and shall accrue from the day on which the participant is first notified of the amount due.

“(3) TREATMENT OF OBLIGATION.—The obligation to reimburse the Secretary under this subsection is, for all purposes, a debt owing the United States. A discharge in bankruptcy under title 11, United States Code, shall not release a participant from the obligation to reimburse the Secretary under this subsection.

“(4) EXCEPTIONS TO REIMBURSEMENT REQUIREMENT.—A participant shall be excused from reimbursement under this subsection if the participant becomes permanently totally disabled as established by sworn affidavit of a qualified physician. The Secretary may also waive the reimbursement in cases of extreme hardship to the participant, as determined by the Secretary.

“(g) RELATIONSHIP TO EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL.—The receipt by a participant in the Program of a stipend or bonus under this section shall not reduce or otherwise affect the entitlement of the participant to any benefits under chapter 30 of title 38, United States Code, or chapter 1606 of title 10, United States Code.

“SEC. 2305. PARTICIPATION BY STATES.

20 USC 6675.

“(a) DISCHARGE OF STATE ACTIVITIES THROUGH CONSORTIA OF STATES.—The Secretary may permit States participating in the Program to carry out activities authorized for such States under the Program through one or more consortia of such States.

“(b) ASSISTANCE TO STATES.—

“(1) GRANTS AUTHORIZED.—Subject to paragraph (2), the Secretary may make grants to States participating in the Program, or to consortia of such States, in order to permit such States or consortia of States to operate offices for purposes of recruiting eligible members of the Armed Forces for participation in the Program and facilitating the employment of participants in the Program as elementary school teachers, secondary school teachers, and vocational or technical teachers.

“(2) LIMITATION.—The total amount of grants made under paragraph (1) in any fiscal year may not exceed \$5,000,000.

“SEC. 2306. SUPPORT OF INNOVATIVE PRERETIREMENT TEACHER CERTIFICATION PROGRAMS.

20 USC 6676.

“(a) PURPOSE.—The purpose of this section is to provide funding to develop, implement, and demonstrate teacher certification programs.

“(b) DEVELOPMENT, IMPLEMENTATION AND DEMONSTRATION.—The Secretary may enter into a memorandum of agreement with a State educational agency, an institution of higher education, or a consortia of State educational agencies or institutions of higher education, to develop, implement, and demonstrate teacher certification programs for members of the Armed Forces described in section 2303(a)(1)(B) for the purpose of assisting such members to consider and prepare for a career as a highly qualified elementary school teacher, secondary school teacher, or vocational or technical teacher upon retirement from the Armed Forces.

“(c) PROGRAM ELEMENTS.—A teacher certification program under subsection (b) shall—

“(1) provide recognition of military experience and training as related to certification or licensing requirements;

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) provide courses of instruction that may be conducted on or near a military installation;

“(3) incorporate alternative approaches to achieve teacher certification, such as innovative methods to gaining field-based teaching experiences, and assessment of background and experience as related to skills, knowledge, and abilities required of elementary school teachers, secondary school teachers, or vocational or technical teachers;

“(4) provide for courses to be delivered via distance education methods; and

“(5) address any additional requirements or specifications established by the Secretary.

“(d) APPLICATION PROCEDURES.—

“(1) IN GENERAL.—A State educational agency or institution of higher education (or a consortium of State educational agencies or institutions of higher education) that desires to enter into a memorandum under subsection (b) shall prepare and submit to the Secretary a proposal, at such time, in such manner, and containing such information as the Secretary may require, including an assurance that the State educational agency, institution, or consortium is operating a program leading to State approved teacher certification.

“(2) PREFERENCE.—The Secretary shall give preference to State educational agencies, institutions, and consortia that submit proposals that provide for cost sharing with respect to the program involved.

“(e) CONTINUATION OF PROGRAMS.—Upon successful completion of the demonstration phase of teacher certification programs funded under this section, the continued operation of the teacher certification programs shall not be the responsibility of the Secretary. A State educational agency, institution, or consortium that desires to continue a program that is funded under this section after such funding is terminated shall use amounts derived from tuition charges to continue such program.

“(f) FUNDING LIMITATION.—The total amount obligated by the Secretary under this section for any fiscal year may not exceed \$10,000,000.

20 USC 6677.

“SEC. 2307. REPORTING REQUIREMENTS.

Deadline.

“(a) REPORT REQUIRED.—Not later than March 31, 2006, the Secretary (in consultation with the Secretary of Defense and the Secretary of Transportation) and the Comptroller General of the United States shall submit to Congress a report on the effectiveness of the Program in the recruitment and retention of qualified personnel by local educational agencies and public charter schools.

“(b) ELEMENTS OF REPORT.—The report submitted under subsection (a) shall include information on the following:

“(1) The number of participants in the Program.

“(2) The schools in which the participants are employed.

“(3) The grade levels at which the participants teach.

“(4) The academic subjects taught by the participants.

“(5) The rates of retention of the participants by the local educational agencies and public charter schools employing the participants.

“(6) Such other matters as the Secretary or the Comptroller General of the United States, as the case may be, considers to be appropriate.

“CHAPTER B—TRANSITION TO TEACHING PROGRAM

20 USC 6681.

“SEC. 2311. PURPOSES.

“The purposes of this chapter are—

“(1) to establish a program to recruit and retain highly qualified mid-career professionals (including highly qualified paraprofessionals), and recent graduates of an institution of

PUBLIC LAW 107-110—JAN. 8, 2002

higher education, as teachers in high-need schools, including recruiting teachers through alternative routes to certification; and

“(2) to encourage the development and expansion of alternative routes to certification under State-approved programs that enable individuals to be eligible for teacher certification within a reduced period of time, relying on the experience, expertise, and academic qualifications of an individual, or other factors in lieu of traditional course work in the field of education.

“SEC. 2312. DEFINITIONS.

20 USC 6682.

“In this chapter:

“(1) **ELIGIBLE PARTICIPANT.**—The term ‘eligible participant’ means—

“(A) an individual with substantial, demonstrable career experience, including a highly qualified paraprofessional; or

“(B) an individual who is a graduate of an institution of higher education who—

“(i) has graduated not more than 3 years before applying to an eligible entity to teach under this chapter; and

“(ii) in the case of an individual wishing to teach in a secondary school, has completed an academic major (or courses totaling an equivalent number of credit hours) in the academic subject that the individual will teach.

“(2) **HIGH-NEED LOCAL EDUCATIONAL AGENCY.**—The term ‘high-need local educational agency’ has the meaning given the term in section 2102.

“(3) **HIGH-NEED SCHOOL.**—The term ‘high-need school’ means a school that—

“(A) is located in an area in which the percentage of students from families with incomes below the poverty line is 30 percent or more; or

“(B)(i) is located in an area with a high percentage of out-of-field teachers, as defined in section 2102;

“(ii) is within the top quartile of elementary schools and secondary schools statewide, as ranked by the number of unfilled, available teacher positions at the schools;

“(iii) is located in an area in which there is a high teacher turnover rate; or

“(iv) is located in an area in which there is a high percentage of teachers who are not certified or licensed.

“SEC. 2313. GRANT PROGRAM.

20 USC 6683.

“(a) **IN GENERAL.**—The Secretary may establish a program to make grants on a competitive basis to eligible entities to develop State and local teacher corps or other programs to establish, expand, or enhance teacher recruitment and retention efforts.

“(b) **ELIGIBLE ENTITY.**—To be eligible to receive a grant under this section, an entity shall be—

“(1) a State educational agency;

“(2) a high-need local educational agency;

“(3) a for-profit or nonprofit organization that has a proven record of effectively recruiting and retaining highly qualified teachers, in a partnership with a high-need local educational agency or with a State educational agency;

“(4) an institution of higher education, in a partnership with a high-need local educational agency or with a State educational agency;

“(5) a regional consortium of State educational agencies;

or

“(6) a consortium of high-need local educational agencies.

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) PRIORITY.—In making such a grant, the Secretary shall give priority to a partnership or consortium that includes a high-need State educational agency or local educational agency.

“(d) APPLICATION.—

“(1) IN GENERAL.—To be eligible to receive a grant under this section, an entity described in subsection (b) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(2) CONTENTS.—The application shall describe—

“(A) one or more target recruitment groups on which the applicant will focus its recruitment efforts;

“(B) the characteristics of each such target group that—

“(i) show the knowledge and experience of the group’s members; and

“(ii) demonstrate that the members are eligible to achieve the objectives of this section;

“(C) describe how the applicant will use funds received under this section to develop a teacher corps or other program to recruit and retain highly qualified midcareer professionals (which may include highly qualified paraprofessionals), recent college graduates, and recent graduate school graduates, as highly qualified teachers in high-need schools operated by high-need local educational agencies;

“(D) explain how the program carried out under the grant will meet the relevant State laws (including regulations) related to teacher certification or licensing and facilitate the certification or licensing of such teachers;

“(E) describe how the grant will increase the number of highly qualified teachers, in high-need schools operated by high-need local educational agencies (in urban or rural school districts), and in high-need academic subjects, in the jurisdiction served by the applicant; and

“(F) describe how the applicant will collaborate, as needed, with other institutions, agencies, or organizations to recruit (particularly through activities that have proven effective in retaining highly qualified teachers), train, place, support, and provide teacher induction programs to program participants under this chapter, including providing evidence of the commitment of the institutions, agencies, or organizations to the applicant’s programs.

“(e) DURATION OF GRANTS.—The Secretary may make grants under this section for periods of 5 years. At the end of the 5-year period for such a grant, the grant recipient may apply for an additional grant under this section.

“(f) EQUITABLE DISTRIBUTION.—To the extent practicable, the Secretary shall ensure an equitable geographic distribution of grants under this section among the regions of the United States.

“(g) USES OF FUNDS.—

“(1) IN GENERAL.—An entity that receives a grant under this section shall use the funds made available through the grant to develop a teacher corps or other program in order to establish, expand, or enhance a teacher recruitment and retention program for highly qualified mid-career professionals (including highly qualified paraprofessionals), and recent graduates of an institution of higher education, who are eligible participants, including activities that provide alternative routes to teacher certification.

“(2) AUTHORIZED ACTIVITIES.—The entity shall use the funds to carry out a program that includes two or more of the following activities:

“(A) Providing scholarships, stipends, bonuses, and other financial incentives, that are linked to participation in activities that have proven effective in retaining teachers in high-need schools operated by high-need local edu-

PUBLIC LAW 107-110—JAN. 8, 2002

cational agencies, to all eligible participants, in an amount not to exceed \$5,000 per participant.

“(B) Carrying out pre- and post-placement induction or support activities that have proven effective in recruiting and retaining teachers, such as—

“(i) teacher mentoring;

“(ii) providing internships;

“(iii) providing high-quality, preservice coursework;

and

“(iv) providing high-quality, sustained inservice professional development.

“(C) Carrying out placement and ongoing activities to ensure that teachers are placed in fields in which the teachers are highly qualified to teach and are placed in high-need schools.

“(D) Making payments to pay for costs associated with accepting teachers recruited under this section from among eligible participants or provide financial incentives to prospective teachers who are eligible participants.

“(E) Collaborating with institutions of higher education in developing and implementing programs to facilitate teacher recruitment (including teacher credentialing) and teacher retention programs.

“(F) Carrying out other programs, projects, and activities that are designed and have proven to be effective in recruiting and retaining teachers, and that the Secretary determines to be appropriate.

“(G) Developing long-term recruitment and retention strategies including developing—

“(i) a statewide or regionwide clearinghouse for the recruitment and placement of teachers;

“(ii) administrative structures to develop and implement programs to provide alternative routes to certification;

“(iii) reciprocity agreements between or among States for the certification or licensing of teachers; or

“(iv) other long-term teacher recruitment and retention strategies.

“(3) EFFECTIVE PROGRAMS.—The entity shall use the funds only for programs that have proven to be effective in both recruiting and retaining teachers.

“(h) REQUIREMENTS.—

“(1) TARGETING.—An entity that receives a grant under this section to carry out a program shall ensure that participants in the program recruited with funds made available under this section are placed in high-need schools operated by high-need local educational agencies. In placing the participants in the schools, the entity shall give priority to the schools that are located in areas with the highest percentages of students from families with incomes below the poverty line.

“(2) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, State and local public funds expended for teacher recruitment and retention programs, including programs to recruit the teachers through alternative routes to certification.

“(3) PARTNERSHIPS AND CONSORTIA OF LOCAL EDUCATIONAL AGENCIES.—In the case of a partnership established by a local educational agency to carry out a program under this chapter, or a consortium of such agencies established to carry out a program under this chapter, the local educational agency or consortium shall not be eligible to receive funds through a State program under this chapter.

“(i) PERIOD OF SERVICE.—A program participant in a program under this chapter who receives training through the program

PUBLIC LAW 107-110—JAN. 8, 2002

shall serve a high-need school operated by a high-need local educational agency for at least 3 years.

Requirements.

“(j) REPAYMENT.—The Secretary shall establish such requirements as the Secretary determines to be appropriate to ensure that program participants who receive a stipend or other financial incentive under subsection (g)(2)(A), but fail to complete their service obligation under subsection (i), repay all or a portion of such stipend or other incentive.

“(k) ADMINISTRATIVE FUNDS.—No entity that receives a grant under this section shall use more than 5 percent of the funds made available through the grant for the administration of a program under this chapter carried out under the grant.

20 USC 6684.

“SEC. 2314. EVALUATION AND ACCOUNTABILITY FOR RECRUITING AND RETAINING TEACHERS.

“(a) EVALUATION.—Each entity that receives a grant under this chapter shall conduct—

“(1) an interim evaluation of the program funded under the grant at the end of the third year of the grant period; and

“(2) a final evaluation of the program at the end of the fifth year of the grant period.

“(b) CONTENTS.—In conducting the evaluation, the entity shall describe the extent to which local educational agencies that received funds through the grant have met the goals relating to teacher recruitment and retention described in the application.

“(c) REPORTS.—The entity shall prepare and submit to the Secretary and to Congress interim and final reports containing the results of the interim and final evaluations, respectively.

“(d) REVOCATION.—If the Secretary determines that the recipient of a grant under this chapter has not made substantial progress in meeting such goals and the objectives of the grant by the end of the third year of the grant period, the Secretary—

“(1) shall revoke the payment made for the fourth year of the grant period; and

“(2) shall not make a payment for the fifth year of the grant period.

“CHAPTER C—GENERAL PROVISIONS

20 USC 6691.

“SEC. 2321. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated to carry out this subpart \$150,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) RESERVATION.—From the funds appropriated to carry out this subpart for fiscal year 2002, the Secretary shall reserve not more than \$30,000,000 to carry out chapter A.

“Subpart 2—National Writing Project

20 USC 6701.

“SEC. 2331. PURPOSES.

“The purposes of this subpart are—

“(1) to support and promote the expansion of the National Writing Project network of sites so that teachers in every region of the United States will have access to a National Writing Project program;

“(2) to ensure the consistent high quality of the sites through ongoing review, evaluation, and technical assistance;

“(3) to support and promote the establishment of programs to disseminate effective practices and research findings about the teaching of writing; and

“(4) to coordinate activities assisted under this subpart with activities assisted under this Act.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 2332. NATIONAL WRITING PROJECT.

20 USC 6702.

“(a) **AUTHORIZATION.**—The Secretary is authorized to award a grant to the National Writing Project, a nonprofit educational organization that has as its primary purpose the improvement of the quality of student writing and learning (hereafter in this section referred to as the ‘grantee’) to improve the teaching of writing and the use of writing as a part of the learning process in our Nation’s classrooms.

“(b) **REQUIREMENTS OF GRANT.**—The grant shall provide that—

“(1) the grantee will enter into contracts with institutions of higher education or other nonprofit educational providers (hereafter in this section referred to as ‘contractors’) under which the contractors will agree to establish, operate, and provide the non-Federal share of the cost of teacher training programs in effective approaches and processes for the teaching of writing;

“(2) funds made available by the Secretary to the grantee pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating teacher training programs as provided in paragraph (1); and

“(3) the grantee will meet such other conditions and standards as the Secretary determines to be necessary to assure compliance with the provisions of this section and will provide such technical assistance as may be necessary to carry out the provisions of this section.

“(c) **TEACHER TRAINING PROGRAMS.**—The teacher training programs authorized in subsection (a) shall—

“(1) be conducted during the school year and during the summer months;

“(2) train teachers who teach grades kindergarten through college;

“(3) select teachers to become members of a National Writing Project teacher network whose members will conduct writing workshops for other teachers in the area served by each National Writing Project site; and

“(4) encourage teachers from all disciplines to participate in such teacher training programs.

“(d) **FEDERAL SHARE.**—

“(1) **IN GENERAL.**—Except as provided in paragraph (2) or (3) and for purposes of subsection (a), the term ‘Federal share’ means, with respect to the costs of teacher training programs authorized in subsection (a), 50 percent of such costs to the contractor.

“(2) **WAIVER.**—The Secretary may waive the provisions of paragraph (1) on a case-by-case basis if the National Advisory Board described in subsection (e) determines, on the basis of financial need, that such waiver is necessary.

“(3) **MAXIMUM.**—The Federal share of the costs of teacher training programs conducted pursuant to subsection (a) may not exceed \$100,000 for any one contractor, or \$200,000 for a statewide program administered by any one contractor in at least five sites throughout the State.

“(e) **NATIONAL ADVISORY BOARD.**—

“(1) **ESTABLISHMENT.**—The National Writing Project shall establish and operate a National Advisory Board.

“(2) **COMPOSITION.**—The National Advisory Board established pursuant to paragraph (1) shall consist of—

“(A) national educational leaders;

“(B) leaders in the field of writing; and

“(C) such other individuals as the National Writing Project determines necessary.

“(3) **DUTIES.**—The National Advisory Board established pursuant to paragraph (1) shall—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) advise the National Writing Project on national issues related to student writing and the teaching of writing;

“(B) review the activities and programs of the National Writing Project; and

“(C) support the continued development of the National Writing Project.

“(f) EVALUATION.—

“(1) IN GENERAL.—The Secretary shall conduct an independent evaluation by grant or contract of the teacher training programs administered pursuant to this subpart. Such evaluation shall specify the amount of funds expended by the National Writing Project and each contractor receiving assistance under this section for administrative costs. The results of such evaluation shall be made available to the appropriate committees of Congress.

“(2) FUNDING LIMITATION.—The Secretary shall reserve not more than \$150,000 from the total amount appropriated pursuant to the authority of subsection (h) for fiscal year 2002 and each of the 5 succeeding fiscal years to conduct the evaluation described in paragraph (1).

“(g) APPLICATION REVIEW.—

“(1) REVIEW BOARD.—The National Writing Project shall establish and operate a National Review Board that shall consist of—

“(A) leaders in the field of research in writing; and

“(B) such other individuals as the National Writing Project deems necessary.

“(2) DUTIES.—The National Review Board shall—

“(A) review all applications for assistance under this subsection; and

“(B) recommend applications for assistance under this subsection for funding by the National Writing Project.

“(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart \$15,000,000 as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“Subpart 3—Civic Education

Education for
Democracy Act.
20 USC 6711.

“SEC. 2341. SHORT TITLE.

“This subpart may be cited as the ‘Education for Democracy Act’.

20 USC 6712.

“SEC. 2342. PURPOSE.

“It is the purpose of this subpart—

“(1) to improve the quality of civics and government education by educating students about the history and principles of the Constitution of the United States, including the Bill of Rights;

“(2) to foster civic competence and responsibility; and

“(3) to improve the quality of civic education and economic education through cooperative civic education and economic education exchange programs with emerging democracies.

20 USC 6713.

“SEC. 2343. GENERAL AUTHORITY.

“(a) AUTHORITY.—The Secretary is authorized to award grants to, or enter into contracts with—

“(1) the Center for Civic Education, to carry out civic education activities under sections 2344 and 2345;

“(2) the National Council on Economic Education, to carry out economic education activities under section 2345; and

“(3) organizations experienced in the development of curricula and programs in civics and government education and economic education for students in elementary schools and

PUBLIC LAW 107-110—JAN. 8, 2002

secondary schools in countries other than the United States, to carry out civic education activities under section 2345.

“(b) DISTRIBUTION FOR COOPERATIVE CIVIC EDUCATION AND ECONOMIC EDUCATION EXCHANGE PROGRAMS.—

“(1) LIMITATION.—Not more than 40 percent of the amount appropriated under section 2346 for a fiscal year shall be used to carry out section 2345.

“(2) DISTRIBUTION.—Of the amount used to carry out section 2345 for a fiscal year (consistent with paragraph (1)), the Secretary shall use—

“(A) 37.5 percent for a grant or contract for the Center for Civic Education;

“(B) 37.5 percent for a grant or contract for the National Council on Economic Education; and

“(C) 25 percent for not less than 1, but not more than 3, grants or contracts for organizations described in subsection (a)(3).

“SEC. 2344. WE THE PEOPLE PROGRAM.

20 USC 6714.

“(a) THE CITIZEN AND THE CONSTITUTION.—

“(1) EDUCATIONAL ACTIVITIES.—The Center for Civic Education—

“(A) shall use funds made available under grants or contracts under section 2343(a)(1)—

“(i) to continue and expand the educational activities of the program entitled the ‘We the People... The Citizen and the Constitution’ program administered by such center;

“(ii) to carry out activities to enhance student attainment of challenging academic content standards in civics and government;

“(iii) to provide a course of instruction on the basic principles of the Nation’s constitutional democracy and the history of the Constitution of the United States, including the Bill of Rights;

“(iv) to provide, at the request of a participating school, school and community simulated congressional hearings following the course of instruction described in clause (iii); and

“(v) to provide an annual national competition of simulated congressional hearings for secondary school students who wish to participate in such a program; and

“(B) may use funds made available under grants or contracts under section 2343(a)(1)—

“(i) to provide advanced, sustained, and ongoing training of teachers about the Constitution of the United States and the political system of the United States;

“(ii) to provide materials and methods of instruction, including teacher training, that utilize the latest advancements in educational technology; and

“(iii) to provide civic education materials and services to address specific problems such as the prevention of school violence and the abuse of drugs and alcohol.

“(2) AVAILABILITY OF PROGRAM.—The education program authorized under this subsection shall be made available to public and private elementary schools and secondary schools, including Bureau funded schools, in the 435 congressional districts, and in the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(b) PROJECT CITIZEN.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) EDUCATIONAL ACTIVITIES.—The Center for Civic Education—

“(A) shall use funds made available under grants or contracts under section 2343(a)(1)—

“(i) to continue and expand the educational activities of the program entitled the ‘We the People... Project Citizen’ program administered by the Center;

“(ii) to carry out activities to enhance student attainment of challenging academic content standards in civics and government;

“(iii) to provide a course of instruction at the middle school level on the roles of State and local governments in the Federal system established by the Constitution of the United States; and

“(iv) to provide an annual national showcase or competition; and

“(B) may use funds made available under grants or contracts under section 2343(a)(1)—

“(i) to provide optional school and community simulated State legislative hearings;

“(ii) to provide advanced, sustained, and ongoing training of teachers on the roles of State and local governments in the Federal system established by the Constitution of the United States;

“(iii) to provide materials and methods of instruction, including teacher training, that utilize the latest advancements in educational technology; and

“(iv) to provide civic education materials and services to address specific problems such as the prevention of school violence and the abuse of drugs and alcohol.

“(2) AVAILABILITY OF PROGRAM.—The education program authorized under this subsection shall be made available to public and private middle schools, including Bureau funded schools, in the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(c) BUREAU-FUNDED SCHOOL DEFINED.—In this section, the term ‘Bureau-funded school’ has the meaning given such term in section 1146 of the Education Amendments of 1978 (25 U.S.C. 2026).

20 USC 6715.

“SEC. 2345. COOPERATIVE CIVIC EDUCATION AND ECONOMIC EDUCATION EXCHANGE PROGRAMS.

“(a) COOPERATIVE EDUCATION EXCHANGE PROGRAMS.—The Center for Civic Education, the National Council on Economic Education, and organizations described in section 2343(a)(3) shall use funds made available under grants or contracts under section 2343 to carry out cooperative education exchange programs in accordance with this section.

“(b) PURPOSE.—The purpose of the cooperative education exchange programs carried out under this section shall be—

“(1) to make available to educators from eligible countries exemplary curriculum and teacher training programs in civics and government education, and economics education, developed in the United States;

“(2) to assist eligible countries in the adaptation, implementation, and institutionalization of such programs;

“(3) to create and implement civics and government education, and economic education, programs for students that draw upon the experiences of the participating eligible countries;

“(4) to provide a means for the exchange of ideas and experiences in civics and government education, and economic

PUBLIC LAW 107-110—JAN. 8, 2002

education, among political, educational, governmental, and private sector leaders of participating eligible countries; and

“(5) to provide support for—

“(A) independent research and evaluation to determine the effects of educational programs on students’ development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

“(B) effective participation in, and the preservation and improvement of, an efficient market economy.

“(c) ACTIVITIES.—In carrying out the cooperative education exchange programs assisted under this section, the Center for Civic Education, the National Council on Economic Education, and organizations described in section 2343(a)(3) shall—

“(1) provide to the participants from eligible countries—

“(A) seminars on the basic principles of United States constitutional democracy and economic system, including seminars on the major governmental and economic institutions and systems in the United States, and visits to such institutions;

“(B) visits to school systems, institutions of higher education, and nonprofit organizations conducting exemplary programs in civics and government education, and economic education, in the United States;

“(C) translations and adaptations with respect to United States civics and government education, and economic education, curricular programs for students and teachers, and in the case of training programs for teachers, translations and adaptations into forms useful in schools in eligible countries, and joint research projects in such areas; and

“(D) independent research and evaluation assistance—

“(i) to determine the effects of the cooperative education exchange programs on students’ development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

“(ii) to identify effective participation in, and the preservation and improvement of, an efficient market economy;

“(2) provide to the participants from the United States—

“(A) seminars on the histories, economies, and systems of government of eligible countries;

“(B) visits to school systems, institutions of higher education, and organizations conducting exemplary programs in civics and government education, and economic education, located in eligible countries;

“(C) assistance from educators and scholars in eligible countries in the development of curricular materials on the history, government, and economy of such countries that are useful in United States classrooms;

“(D) opportunities to provide onsite demonstrations of United States curricula and pedagogy for educational leaders in eligible countries; and

“(E) independent research and evaluation assistance to determine—

“(i) the effects of the cooperative education exchange programs assisted under this section on students’ development of the knowledge, skills, and traits of character essential for the preservation and improvement of constitutional democracy; and

“(ii) effective participation in, and improvement of, an efficient market economy; and

“(3) assist participants from eligible countries and the United States to participate in international conferences on

PUBLIC LAW 107-110—JAN. 8, 2002

civics and government education, and economic education, for educational leaders, teacher trainers, scholars in related disciplines, and educational policymakers.

“(d) PARTICIPANTS.—The primary participants in the cooperative education exchange programs assisted under this section shall be educational leaders in the areas of civics and government education, and economic education, including teachers, curriculum and teacher training specialists, scholars in relevant disciplines, and educational policymakers, and government and private sector leaders from the United States and eligible countries.

“(e) CONSULTATION.—The Secretary may award a grant to, or enter into a contract with, the entities described in section 2343 to carry out programs assisted under this section only if the Secretary of State concurs with the Secretary that such grant, or contract, respectively, is consistent with the foreign policy of the United States.

“(f) AVOIDANCE OF DUPLICATION.—With the concurrence of the Secretary of State, the Secretary shall ensure that—

“(1) the activities carried out under the programs assisted under this section are not duplicative of other activities conducted in eligible countries; and

“(2) any institutions in eligible countries, with which the Center for Civic Education, the National Council on Economic Education, or organizations described in section 2343(a)(3) may work in conducting such activities, are creditable.

“(g) ELIGIBLE COUNTRY DEFINED.—In this section, the term ‘eligible country’ means a Central European country, an Eastern European country, Lithuania, Latvia, Estonia, the independent states of the former Soviet Union as defined in section 3 of the FREEDOM Support Act (22 U.S.C. 5801), the Republic of Ireland, the province of Northern Ireland in the United Kingdom, and any developing country (as such term is defined in section 209(d) of the Education for the Deaf Act) if the Secretary, with the concurrence of the Secretary of State, determines that such developing country has a democratic form of government.

20 USC 6716.

“SEC. 2346. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this subpart \$30,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“Subpart 4—Teaching of Traditional American History

20 USC 6721.

“SEC. 2351. ESTABLISHMENT OF PROGRAM.

“(a) IN GENERAL.—The Secretary may establish and implement a program to be known as the ‘Teaching American History Grant Program’, under which the Secretary shall award grants on a competitive basis to local educational agencies—

“(1) to carry out activities to promote the teaching of traditional American history in elementary schools and secondary schools as a separate academic subject (not as a component of social studies); and

“(2) for the development, implementation, and strengthening of programs to teach traditional American history as a separate academic subject (not as a component of social studies) within elementary school and secondary school curricula, including the implementation of activities—

“(A) to improve the quality of instruction; and

“(B) to provide professional development and teacher education activities with respect to American history.

“(b) REQUIRED PARTNERSHIP.—A local educational agency that receives a grant under subsection (a) shall carry out activities under the grant in partnership with one or more of the following:

“(1) An institution of higher education.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) A nonprofit history or humanities organization.

“(3) A library or museum.

“(c) APPLICATION.—To be eligible to receive an grant under this section, a local educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“SEC. 2352. AUTHORIZATION OF APPROPRIATIONS.

20 USC 6722.

“There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“Subpart 5—Teacher Liability Protection

Paul D. Coverdell
Teacher
Protection Act of
2001.
20 USC 6731.

“SEC. 2361. SHORT TITLE.

“This subpart may be cited as the ‘Paul D. Coverdell Teacher Protection Act of 2001’.

“SEC. 2362. PURPOSE.

20 USC 6732.

“The purpose of this subpart is to provide teachers, principals, and other school professionals the tools they need to undertake reasonable actions to maintain order, discipline, and an appropriate educational environment.

“SEC. 2363. DEFINITIONS.

20 USC 6733.

“For purposes of this subpart:

“(1) ECONOMIC LOSS.—The term ‘economic loss’ means any pecuniary loss resulting from harm (including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities) to the extent recovery for such loss is allowed under applicable State law.

“(2) HARM.—The term ‘harm’ includes physical, nonphysical, economic, and noneconomic losses.

“(3) NONECONOMIC LOSS.—The term ‘noneconomic loss’ means loss for physical or emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society or companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation, or any other nonpecuniary loss of any kind or nature.

“(4) SCHOOL.—The term ‘school’ means a public or private kindergarten, a public or private elementary school or secondary school, or a home school.

“(5) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, any other territory or possession of the United States, or any political subdivision of any such State, territory, or possession.

“(6) TEACHER.—The term ‘teacher’ means—

“(A) a teacher, instructor, principal, or administrator;

“(B) another educational professional who works in a school;

“(C) a professional or nonprofessional employee who—

“(i) works in a school; and

“(ii)(I) in the employee’s job, maintains discipline or ensures safety; or

“(II) in an emergency, is called on to maintain discipline or ensure safety; or

“(D) an individual member of a school board (as distinct from the board).

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6734.

“SEC. 2364. APPLICABILITY.

“This subpart shall only apply to States that receive funds under this Act, and shall apply to such a State as a condition of receiving such funds.

20 USC 6735.

“SEC. 2365. PREEMPTION AND ELECTION OF STATE NONAPPLICABILITY.

“(a) PREEMPTION.—This subpart preempts the laws of any State to the extent that such laws are inconsistent with this subpart, except that this subpart shall not preempt any State law that provides additional protection from liability relating to teachers.

“(b) ELECTION OF STATE REGARDING NONAPPLICABILITY.—This subpart shall not apply to any civil action in a State court against a teacher with respect to claims arising within that State if such State enacts a statute in accordance with State requirements for enacting legislation—

“(1) citing the authority of this subsection;

“(2) declaring the election of such State that this subpart shall not apply, as of a date certain, to such civil action in the State; and

“(3) containing no other provisions.

20 USC 6736.

“SEC. 2366. LIMITATION ON LIABILITY FOR TEACHERS.

“(a) LIABILITY PROTECTION FOR TEACHERS.—Except as provided in subsection (b), no teacher in a school shall be liable for harm caused by an act or omission of the teacher on behalf of the school if—

“(1) the teacher was acting within the scope of the teacher’s employment or responsibilities to a school or governmental entity;

“(2) the actions of the teacher were carried out in conformity with Federal, State, and local laws (including rules and regulations) in furtherance of efforts to control, discipline, expel, or suspend a student or maintain order or control in the classroom or school;

“(3) if appropriate or required, the teacher was properly licensed, certified, or authorized by the appropriate authorities for the activities or practice involved in the State in which the harm occurred, where the activities were or practice was undertaken within the scope of the teacher’s responsibilities;

“(4) the harm was not caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the teacher; and

“(5) the harm was not caused by the teacher operating a motor vehicle, vessel, aircraft, or other vehicle for which the State requires the operator or the owner of the vehicle, craft, or vessel to—

“(A) possess an operator’s license; or

“(B) maintain insurance.

“(b) EXCEPTIONS TO TEACHER LIABILITY PROTECTION.—If the laws of a State limit teacher liability subject to one or more of the following conditions, such conditions shall not be construed as inconsistent with this section:

“(1) A State law that requires a school or governmental entity to adhere to risk management procedures, including mandatory training of teachers.

“(2) A State law that makes the school or governmental entity liable for the acts or omissions of its teachers to the same extent as an employer is liable for the acts or omissions of its employees.

ate law that makes a limitation of liability inapplicable if the civil action was brought by an officer of a State or local government pursuant to State or local law.

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) LIMITATION ON PUNITIVE DAMAGES BASED ON THE ACTIONS OF TEACHERS.—

“(1) **GENERAL RULE.**—Punitive damages may not be awarded against a teacher in an action brought for harm based on the act or omission of a teacher acting within the scope of the teacher’s employment or responsibilities to a school or governmental entity unless the claimant establishes by clear and convincing evidence that the harm was proximately caused by an act or omission of such teacher that constitutes willful or criminal misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

“(2) **CONSTRUCTION.**—Paragraph (1) does not create a cause of action for punitive damages and does not preempt or supersede any Federal or State law to the extent that such law would further limit the award of punitive damages.

“(d) EXCEPTIONS TO LIMITATIONS ON LIABILITY.—

“(1) **IN GENERAL.**—The limitations on the liability of a teacher under this subpart shall not apply to any misconduct that—

“(A) constitutes a crime of violence (as that term is defined in section 16 of title 18, United States Code) or act of international terrorism (as that term is defined in section 2331 of title 18, United States Code) for which the defendant has been convicted in any court;

“(B) involves a sexual offense, as defined by applicable State law, for which the defendant has been convicted in any court;

“(C) involves misconduct for which the defendant has been found to have violated a Federal or State civil rights law; or

“(D) where the defendant was under the influence (as determined pursuant to applicable State law) of intoxicating alcohol or any drug at the time of the misconduct.

“(2) **HIRING.**—The limitations on the liability of a teacher under this subpart shall not apply to misconduct during background investigations, or during other actions, involved in the hiring of a teacher.

“(e) RULES OF CONSTRUCTION.—

“(1) **CONCERNING RESPONSIBILITY OF TEACHERS TO SCHOOLS AND GOVERNMENTAL ENTITIES.**—Nothing in this section shall be construed to affect any civil action brought by any school or any governmental entity against any teacher of such school.

“(2) **CONCERNING CORPORAL PUNISHMENT.**—Nothing in this subpart shall be construed to affect any State or local law (including a rule or regulation) or policy pertaining to the use of corporal punishment.

“SEC. 2367. ALLOCATION OF RESPONSIBILITY FOR NONECONOMIC LOSS. 20 USC 6737.

“(a) **GENERAL RULE.**—In any civil action against a teacher, based on an act or omission of a teacher acting within the scope of the teacher’s employment or responsibilities to a school or governmental entity, the liability of the teacher for noneconomic loss shall be determined in accordance with subsection (b).

“(b) AMOUNT OF LIABILITY.—

“(1) **IN GENERAL.—**

“(A) **LIABILITY.**—Each defendant who is a teacher shall be liable only for the amount of noneconomic loss allocated to that defendant in direct proportion to the percentage of responsibility of that defendant (determined in accordance with paragraph (2)) for the harm to the claimant with respect to which that defendant is liable.

“(B) **SEPARATE JUDGMENT.**—The court shall render a separate judgment against each defendant in an amount determined pursuant to subparagraph (A).

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) PERCENTAGE OF RESPONSIBILITY.—For purposes of determining the amount of noneconomic loss allocated to a defendant who is a teacher under this section, the trier of fact shall determine the percentage of responsibility of each person responsible for the claimant’s harm, whether or not such person is a party to the action.

“(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to preempt or supersede any Federal or State law that further limits the application of joint liability in a civil action described in subsection (a), beyond the limitations established in this section.

20 USC 6738.

“SEC. 2368. EFFECTIVE DATE.

“(a) IN GENERAL.—This subpart shall take effect 90 days after the date of enactment of the No Child Left Behind Act of 2001.

“(b) APPLICATION.—This subpart applies to any claim for harm caused by an act or omission of a teacher if that claim is filed on or after the effective date of the No Child Left Behind Act of 2001 without regard to whether the harm that is the subject of the claim or the conduct that caused the harm occurred before such effective date.

Enhancing
Education
Through
Technology Act of
2001.

“PART D—ENHANCING EDUCATION THROUGH TECHNOLOGY

“SEC. 2401. SHORT TITLE.

“This part may be cited as the ‘Enhancing Education Through Technology Act of 2001’.

“SEC. 2402. PURPOSES AND GOALS.

“(a) PURPOSES.—The purposes of this part are the following:

“(1) To provide assistance to States and localities for the implementation and support of a comprehensive system that effectively uses technology in elementary schools and secondary schools to improve student academic achievement.

“(2) To encourage the establishment or expansion of initiatives, including initiatives involving public-private partnerships, designed to increase access to technology, particularly in schools served by high-need local educational agencies.

“(3) To assist States and localities in the acquisition, development, interconnection, implementation, improvement, and maintenance of an effective educational technology infrastructure in a manner that expands access to technology for students (particularly for disadvantaged students) and teachers.

“(4) To promote initiatives that provide school teachers, principals, and administrators with the capacity to integrate technology effectively into curricula and instruction that are aligned with challenging State academic content and student academic achievement standards, through such means as high-quality professional development programs.

“(5) To enhance the ongoing professional development of teachers, principals, and administrators by providing constant access to training and updated research in teaching and learning through electronic means.

“(6) To support the development and utilization of electronic networks and other innovative methods, such as distance learning, of delivering specialized or rigorous academic courses and curricula for students in areas that would not otherwise have access to such courses and curricula, particularly in geographically isolated regions.

“(7) To support the rigorous evaluation of programs funded under this part, particularly regarding the impact of such programs on student academic achievement, and ensure that timely information on the results of such evaluations is widely accessible through electronic means.

PUBLIC LAW 107-110—JAN. 8, 2002

“(8) To support local efforts using technology to promote parent and family involvement in education and communication among students, parents, teachers, principals, and administrators.

“(b) GOALS.—

“(1) PRIMARY GOAL.—The primary goal of this part is to improve student academic achievement through the use of technology in elementary schools and secondary schools.

“(2) ADDITIONAL GOALS.—The additional goals of this part are the following:

“(A) To assist every student in crossing the digital divide by ensuring that every student is technologically literate by the time the student finishes the eighth grade, regardless of the student’s race, ethnicity, gender, family income, geographic location, or disability.

“(B) To encourage the effective integration of technology resources and systems with teacher training and curriculum development to establish research-based instructional methods that can be widely implemented as best practices by State educational agencies and local educational agencies.

“SEC. 2403. DEFINITIONS.

20 USC 6753.

“In this part:

“(1) ELIGIBLE LOCAL ENTITY.—The term ‘eligible local entity’ means—

“(A) a high-need local educational agency; or

“(B) an eligible local partnership.

“(2) ELIGIBLE LOCAL PARTNERSHIP.—The term ‘eligible local partnership’ means a partnership that—

“(A) shall include at least one high-need local educational agency and at least one—

“(i) local educational agency that can demonstrate that teachers in schools served by the agency are effectively integrating technology and proven teaching practices into instruction, based on a review of relevant research, and that the integration results in improvement in—

“(I) classroom instruction in the core academic subjects; and

“(II) the preparation of students to meet challenging State academic content and student academic achievement standards;

“(ii) institution of higher education that is in full compliance with the reporting requirements of section 207(f) of the Higher Education Act of 1965 and that has not been identified by its State as low-performing under section 208 of such Act;

“(iii) for-profit business or organization that develops, designs, manufactures, or produces technology products or services, or has substantial expertise in the application of technology in instruction; or

“(iv) public or private nonprofit organization with demonstrated experience in the application of educational technology to instruction; and

“(B) may include other local educational agencies, educational service agencies, libraries, or other educational entities appropriate to provide local programs.

“(3) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term ‘high-need local educational agency’ means a local educational agency that—

“(A) is among the local educational agencies in a State with the highest numbers or percentages of children from families with incomes below the poverty line; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(B)(i) operates one or more schools identified under section 1116; or

“(ii) has a substantial need for assistance in acquiring and using technology.

20 USC 6754.

“SEC. 2404. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated to carry out subparts 1 and 2, \$1,000,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) ALLOCATION OF FUNDS BETWEEN STATE AND LOCAL AND NATIONAL INITIATIVES.—The amount of funds made available under subsection (a) for a fiscal year shall be allocated so that—

“(1) not less than 98 percent is made available to carry out subpart 1; and

“(2) not more than 2 percent is made available to carry out subpart 2.

“(c) ALLOCATION OF FUNDS FOR STUDY.—Of the total amount of funds allocated under subsection (b)(2) for fiscal years 2002 through 2007, not more than \$15,000,000 may be used to carry out section 2421(a).

“(d) LIMITATION.—Of the amount of funds made available to a recipient of funds under this part for a fiscal year, not more than 5 percent may be used by the recipient for administrative costs or technical assistance, of which not more than 60 percent may be used by the recipient for administrative costs.

“Subpart 1—State and Local Technology Grants

20 USC 6761.

“SEC. 2411. ALLOTMENT AND REALLOTMENT.

“(a) RESERVATIONS AND ALLOTMENT.—From the amount made available to carry out this subpart under section 2404(b)(1) for a fiscal year—

“(1) the Secretary shall reserve—

“(A) three-fourths of 1 percent for the Secretary of the Interior for programs under this subpart for schools operated or funded by the Bureau of Indian Affairs;

“(B) one-half of 1 percent to provide assistance under this subpart to the outlying areas; and

“(C) such sums as may be necessary for continuation awards on grants awarded under section 3136 prior to the date of enactment of the No Child Left Behind Act of 2001; and

“(2) from the remainder of such amount and subject to subsection (b), the Secretary shall make grants by allotting to each eligible State educational agency under this subpart an amount that bears the same relationship to such remainder for such year as the amount received under part A of title I for such year by such State educational agency bears to the amount received under such part for such year by all State educational agencies.

“(b) MINIMUM ALLOTMENT.—The amount of any State educational agency’s allotment under subsection (a)(2) for any fiscal year may not be less than one-half of 1 percent of the amount made available for allotments to States under this part for such year.

“(c) REALLOTMENT OF UNUSED FUNDS.—If any State educational agency does not apply for an allotment under this subpart for a fiscal year, or does not use its entire allotment under this subpart for that fiscal year, the Secretary shall reallocate the amount of the State educational agency’s allotment, or the unused portion of the allotment, to the remaining State educational agencies that use their entire allotments under this subpart in accordance with this section.

PUBLIC LAW 107-110—JAN. 8, 2002

“(d) STATE EDUCATIONAL AGENCY DEFINED.—In this section, the term ‘State educational agency’ does not include an agency of an outlying area or the Bureau of Indian Affairs.

“SEC. 2412. USE OF ALLOTMENT BY STATE.

20 USC 6762.

“(a) IN GENERAL.—Of the amount provided to a State educational agency (from the agency’s allotment under section 2411(a)(2)) for a fiscal year—

“(1) the State educational agency may use not more than 5 percent to carry out activities under section 2415; and

“(2) the State educational agency shall distribute the remainder as follows:

“(A) From 50 percent of the remainder, the State educational agency shall award subgrants by allocating to each eligible local educational agency that has submitted an application to the State educational agency under section 2414, for the activities described in section 2416, an amount that bears the same relationship to 50 percent of the remainder for such year as the amount received under part A of title I for such year by such local educational agency bears to the amount received under such part for such year by all local educational agencies within the State.

“(B) From 50 percent of the remainder and subject to subsection (b), the State educational agency shall award subgrants, through a State-determined competitive process, to eligible local entities that have submitted applications to the State educational agency under section 2414, for the activities described in section 2416.

“(b) SUFFICIENT AMOUNTS.—

“(1) SPECIAL RULE.—In awarding a subgrant under subsection (a)(2)(B), the State educational agency shall—

“(A) determine the local educational agencies that—

“(i) received allocations under subsection (a)(2)(A) that are not of sufficient size to be effective, consistent with the purposes of this part; and

“(ii) are eligible local entities;

“(B) give priority to applications submitted by eligible local educational agencies described in subparagraph (A); and

“(C) determine the minimum amount for awards under subsection (a)(2)(B) to ensure that subgrants awarded under that subsection are of sufficient size to be effective.

“(2) SUFFICIENCY.—In awarding subgrants under subsection (a)(2)(B), each State educational agency shall ensure that each subgrant is of sufficient size and duration, and that the program funded by the subgrant is of sufficient scope and quality, to carry out the purposes of this part effectively.

“(3) DISTRIBUTION.—In awarding subgrants under subsection (a)(2)(B), each State educational agency shall ensure an equitable distribution of assistance under this subpart among urban and rural areas of the State, according to the demonstrated need of those local educational agencies serving the areas.

“(c) FISCAL AGENT.—If an eligible local partnership receives a subgrant under subsection (a)(2)(B), a local educational agency in the partnership shall serve as the fiscal agent for the partnership.

“(d) TECHNICAL ASSISTANCE.—Each State educational agency receiving a grant under section 2411(a) shall—

“(1) identify the local educational agencies served by the State educational agency that—

“(A) have the highest numbers or percentages of children from families with incomes below the poverty line; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) demonstrate to such State educational agency the greatest need for technical assistance in developing an application under section 2414; and

“(2) offer the technical assistance described in paragraph (1)(B) to those local educational agencies.

20 USC 6763.

“SEC. 2413. STATE APPLICATIONS.

“(a) **IN GENERAL.**—To be eligible to receive a grant under this subpart, a State educational agency shall submit to the Secretary, at such time and in such manner as the Secretary may specify, an application containing a new or updated statewide long-range strategic educational technology plan (which shall address the educational technology needs of local educational agencies) and such other information as the Secretary may reasonably require.

“(b) **CONTENTS.**—Each State application submitted under subsection (a) shall include each of the following:

“(1) An outline of the State educational agency’s long-term strategies for improving student academic achievement, including technology literacy, through the effective use of technology in classrooms throughout the State, including through improving the capacity of teachers to integrate technology effectively into curricula and instruction.

“(2) A description of the State educational agency’s goals for using advanced technology to improve student academic achievement, and how those goals are aligned with challenging State academic content and student academic achievement standards.

“(3) A description of how the State educational agency will take steps to ensure that all students and teachers in the State, particularly students and teachers in districts served by high-need local educational agencies, have increased access to technology.

“(4) A description of the process and accountability measures that the State educational agency will use to evaluate the extent to which activities funded under this subpart are effective in integrating technology into curricula and instruction.

“(5) A description of how the State educational agency will encourage the development and utilization of innovative strategies for the delivery of specialized or rigorous academic courses and curricula through the use of technology, including distance learning technologies, particularly for those areas of the State that would not otherwise have access to such courses and curricula due to geographical isolation or insufficient resources.

“(6) An assurance that financial assistance provided under this subpart will supplement, and not supplant, State and local funds.

“(7) A description of how the plan incorporates teacher education, professional development, and curriculum development, and how the State educational agency will work to ensure that teachers and principals in a State receiving funds under this part are technologically literate.

“(8) A description of—

“(A) how the State educational agency will provide technical assistance to applicants under section 2414, especially to those applicants serving the highest numbers or percentages of children in poverty or with the greatest need for technical assistance; and

“(B) the capacity of the State educational agency to provide such assistance.

“(9) A description of technology resources and systems that the State will provide for the purpose of establishing best practices that can be widely replicated by State educational

PUBLIC LAW 107-110—JAN. 8, 2002

agencies and local educational agencies in the State and in other States.

“(10) A description of the State’s long-term strategies for financing technology to ensure that all students, teachers, and classrooms have access to technology.

“(11) A description of the State’s strategies for using technology to increase parental involvement.

“(12) A description of how the State educational agency will ensure that each subgrant awarded under section 2412(a)(2)(B) is of sufficient size and duration, and that the program funded by the subgrant is of sufficient scope and quality, to carry out the purposes of this part effectively.

“(13) A description of how the State educational agency will ensure ongoing integration of technology into school curricula and instructional strategies in all schools in the State, so that technology will be fully integrated into the curricula and instruction of the schools by December 31, 2006.

“(14) A description of how the local educational agencies in the State will provide incentives to teachers who are technologically literate and teaching in rural or urban areas, to encourage such teachers to remain in those areas.

“(15) A description of how public and private entities will participate in the implementation and support of the plan.

“(c) DEEMED APPROVAL.—An application submitted by a State educational agency pursuant to subsection (a) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the application, that the application is not in compliance with this part.

“(d) DISAPPROVAL.—The Secretary shall not finally disapprove the application, except after giving the State educational agency notice and an opportunity for a hearing.

Notice.

“(e) NOTIFICATION.—If the Secretary finds that the application is not in compliance, in whole or in part, with this part, the Secretary shall—

“(1) give the State educational agency notice and an opportunity for a hearing; and

“(2) notify the State educational agency of the finding of noncompliance and, in such notification, shall—

“(A) cite the specific provisions in the application that are not in compliance; and

“(B) request additional information, only as to the non-compliant provisions, needed to make the application compliant.

“(f) RESPONSE.—If the State educational agency responds to the Secretary’s notification described in subsection (e)(2) during the 45-day period beginning on the date on which the agency received the notification, and resubmits the application with the requested information described in subsection (e)(2)(B), the Secretary shall approve or disapprove such application prior to the later of—

“(1) the expiration of the 45-day period beginning on the date on which the application is resubmitted; or

“(2) the expiration of the 120-day period described in subsection (c).

“(g) FAILURE TO RESPOND.—If the State educational agency does not respond to the Secretary’s notification described in subsection (e)(2) during the 45-day period beginning on the date on which the agency received the notification, such application shall be deemed to be disapproved.

“SEC. 2414. LOCAL APPLICATIONS.

20 USC 6764.

“(a) IN GENERAL.—To be eligible to receive a subgrant from a State educational agency under this subpart, a local educational agency or eligible local entity shall submit to the State educational

PUBLIC LAW 107-110—JAN. 8, 2002

agency an application containing a new or updated local long-range strategic educational technology plan that is consistent with the objectives of the statewide educational technology plan described in section 2413(a), and such other information as the State educational agency may reasonably require, at such time and in such manner as the State educational agency may require.

“(b) CONTENTS.—The application shall include each of the following:

“(1) A description of how the applicant will use Federal funds under this subpart to improve the student academic achievement, including technology literacy, of all students attending schools served by the local educational agency and to improve the capacity of all teachers teaching in schools served by the local educational agency to integrate technology effectively into curricula and instruction.

“(2) A description of the applicant’s specific goals for using advanced technology to improve student academic achievement, aligned with challenging State academic content and student academic achievement standards.

“(3) A description of the steps the applicant will take to ensure that all students and teachers in schools served by the local educational agency involved have increased access to educational technology, including how the agency would use funds under this subpart (such as combining the funds with funds from other sources), to help ensure that—

“(A) students in high-poverty and high-needs schools, or schools identified under section 1116, have access to technology; and

“(B) teachers are prepared to integrate technology effectively into curricula and instruction.

“(4) A description of how the applicant will—

“(A) identify and promote curricula and teaching strategies that integrate technology effectively into curricula and instruction, based on a review of relevant research, leading to improvements in student academic achievement, as measured by challenging State academic content and student academic achievement standards; and

“(B) provide ongoing, sustained professional development for teachers, principals, administrators, and school library media personnel serving the local educational agency, to further the effective use of technology in the classroom or library media center, including, if applicable, a list of the entities that will be partners with the local educational agency involved in providing the ongoing, sustained professional development.

“(5) A description of the type and costs of technologies to be acquired under this subpart, including services, software, and digital curricula, and including specific provisions for interoperability among components of such technologies.

“(6) A description of how the applicant will coordinate activities carried out with funds provided under this subpart with technology-related activities carried out with funds available from other Federal, State, and local sources.

“(7) A description of how the applicant will integrate technology (including software and other electronically delivered learning materials) into curricula and instruction, and a timeline for such integration.

“(8) A description of how the applicant will encourage the development and utilization of innovative strategies for the delivery of specialized or rigorous academic courses and curricula through the use of technology, including distance learning technologies, particularly for those areas that would not otherwise have access to such courses and curricula due to geographical isolation or insufficient resources.

PUBLIC LAW 107-110—JAN. 8, 2002

“(9) A description of how the applicant will ensure the effective use of technology to promote parental involvement and increase communication with parents, including a description of how parents will be informed of the technology being applied in their child’s education so that the parents are able to reinforce at home the instruction their child receives at school.

“(10) A description of how programs will be developed, where applicable, in collaboration with adult literacy service providers, to maximize the use of technology.

“(11) A description of the process and accountability measures that the applicant will use to evaluate the extent to which activities funded under this subpart are effective in integrating technology into curricula and instruction, increasing the ability of teachers to teach, and enabling students to meet challenging State academic content and student academic achievement standards.

“(12) A description of the supporting resources (such as services, software, other electronically delivered learning materials, and print resources) that will be acquired to ensure successful and effective uses of technology.

“(c) COMBINED APPLICATIONS.—A local educational agency that is an eligible local entity and submits an application to the State educational agency under this section for funds awarded under section 2412(a)(2)(A) may combine the agency’s application for funds awarded under that section with an application for funds awarded under section 2412(a)(2)(B).

“(d) SPECIAL RULE.—

“(1) CONSORTIUM APPLICATIONS.—

“(A) IN GENERAL.—For any fiscal year, a local educational agency applying for financial assistance described in section 2412(a)(2)(A) may apply as part of a consortium that includes other local educational agencies, institutions of higher education, educational service agencies, libraries, or other educational entities appropriate to provide local programs.

“(B) FISCAL AGENT.—If a local educational agency applies for and receives financial assistance described in section 2412(a)(2)(A) as part of a consortium, the local educational agency shall serve as the fiscal agent for the consortium.

“(2) STATE EDUCATIONAL AGENCY ASSISTANCE.—At the request of a local educational agency, a State educational agency may assist the local educational agency in the formation of a consortium described in paragraph (1) to provide services for the teachers and students served by the local educational agency.

“SEC. 2415. STATE ACTIVITIES.

20 USC 6765.

“From funds made available under section 2412(a)(1), a State educational agency shall carry out activities and assist local efforts to carry out the purposes of this part, which may include the following activities:

“(1) Developing, or assisting applicants or recipients of funds under this subpart in the development and utilization of, innovative strategies for the delivery of specialized or rigorous academic courses and curricula through the use of technology, including distance learning technologies, and providing other technical assistance to such applicants or recipients throughout the State, with priority given to high-need local educational agencies.

“(2) Establishing or supporting public-private initiatives (such as interest-free or reduced-cost loans) for the acquisition of educational technology for high-need local educational agencies and students attending schools served by such agencies.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) Assisting recipients of funds under this subpart in providing sustained and intensive, high-quality professional development based on a review of relevant research in the integration of advanced technologies, including emerging technologies, into curricula and instruction and in using those technologies to create new learning environments, including training in the use of technology to—

“(A) access data and resources to develop curricula and instructional materials;

“(B) enable teachers—

“(i) to use the Internet and other technology to communicate with parents, other teachers, principals, and administrators; and

“(ii) to retrieve Internet-based learning resources; and

“(C) lead to improvements in classroom instruction in the core academic subjects, that effectively prepare students to meet challenging State academic content standards and student academic achievement standards.

“(4) Assisting recipients of funds under this subpart in providing all students (including students with disabilities and students with limited English proficiency) and teachers with access to educational technology.

“(5) Developing performance measurement systems to determine the effectiveness of educational technology programs funded under this subpart, particularly in determining the extent to which activities funded under this subpart are effective in integrating technology into curricula and instruction, increasing the ability of teachers to teach, and enabling students to meet challenging State academic content and student academic achievement standards.

“(6) Collaborating with other State educational agencies on distance learning, including making specialized or rigorous academic courses and curricula available to students in areas that would not otherwise have access to such courses and curricula.

20 USC 6766.

“SEC. 2416. LOCAL ACTIVITIES.

“(a) PROFESSIONAL DEVELOPMENT.—

“(1) IN GENERAL.—A recipient of funds made available under section 2412(a)(2) shall use not less than 25 percent of such funds to provide ongoing, sustained, and intensive, high-quality professional development. The recipient shall provide professional development in the integration of advanced technologies, including emerging technologies, into curricula and instruction and in using those technologies to create new learning environments, such as professional development in the use of technology—

“(A) to access data and resources to develop curricula and instructional materials;

“(B) to enable teachers—

“(i) to use the Internet and other technology to communicate with parents, other teachers, principals, and administrators; and

“(ii) to retrieve Internet-based learning resources; and

“(C) to lead to improvements in classroom instruction in the core academic subjects, that effectively prepare students to meet challenging State academic content standards, including increasing student technology literacy, and student academic achievement standards.

“(2) WAIVERS.—Paragraph (1) shall not apply to a recipient of funds made available under section 2412(a)(2) that demonstrates, to the satisfaction of the State educational agency involved, that the recipient already provides ongoing, sustained,

PUBLIC LAW 107-110—JAN. 8, 2002

and intensive, high-quality professional development that is based on a review of relevant research, to all teachers in core academic subjects in the integration of advanced technologies, including emerging technologies, into curricula and instruction.

“(b) OTHER ACTIVITIES.—In addition to the activities described in subsection (a), a recipient of funds made available by a State educational agency under section 2412(a)(2) shall use such funds to carry out other activities consistent with this subpart, which may include the following:

“(1) Establishing or expanding initiatives, particularly initiatives involving public-private partnerships, designed to increase access to technology for students and teachers, with special emphasis on the access of high-need schools to technology.

“(2) Adapting or expanding existing and new applications of technology to enable teachers to increase student academic achievement, including technology literacy—

“(A) through the use of teaching practices that are based on a review of relevant research and are designed to prepare students to meet challenging State academic content and student academic achievement standards; and

“(B) by the development and utilization of innovative distance learning strategies to deliver specialized or rigorous academic courses and curricula to areas that would not otherwise have access to such courses and curricula.

“(3) Acquiring proven and effective courses and curricula that include integrated technology and are designed to help students meet challenging State academic content and student academic achievement standards.

“(4) Utilizing technology to develop or expand efforts to connect schools and teachers with parents and students to promote meaningful parental involvement, to foster increased communication about curricula, assignments, and assessments between students, parents, and teachers, and to assist parents to understand the technology being applied in their child’s education, so that parents are able to reinforce at home the instruction their child receives at school.

“(5) Preparing one or more teachers in elementary schools and secondary schools as technology leaders who are provided with the means to serve as experts and train other teachers in the effective use of technology, and providing bonus payments to the technology leaders.

“(6) Acquiring, adapting, expanding, implementing, repairing, and maintaining existing and new applications of technology, to support the school reform effort and to improve student academic achievement, including technology literacy.

“(7) Acquiring connectivity linkages, resources, and services (including the acquisition of hardware and software and other electronically delivered learning materials) for use by teachers, students, academic counselors, and school library media personnel in the classroom, in academic and college counseling centers, or in school library media centers, in order to improve student academic achievement.

“(8) Using technology to collect, manage, and analyze data to inform and enhance teaching and school improvement efforts.

“(9) Implementing performance measurement systems to determine the effectiveness of education technology programs funded under this subpart, particularly in determining the extent to which activities funded under this subpart are effective in integrating technology into curricula and instruction, increasing the ability of teachers to teach, and enabling students to meet challenging State academic content and student academic achievement standards.

“(10) Developing, enhancing, or implementing information technology courses.

“Subpart 2—National Technology Activities

20 USC 6771.

“SEC. 2421. NATIONAL ACTIVITIES.

“(a) STUDY.—Using funds made available under section 2404(b)(2), the Secretary—

“(1) shall conduct an independent, long-term study, utilizing scientifically based research methods and control groups or control conditions—

“(A) on the conditions and practices under which educational technology is effective in increasing student academic achievement; and

“(B) on the conditions and practices that increase the ability of teachers to integrate technology effectively into curricula and instruction, that enhance the learning environment and opportunities, and that increase student academic achievement, including technology literacy;

Establishment.

“(2) shall establish an independent review panel to advise the Secretary on methodological and other issues that arise in conducting the long-term study;

“(3) shall consult with other interested Federal departments or agencies, State and local educational practitioners and policymakers (including teachers, principals, and superintendents), and experts in technology, regarding the study; and

Reports.
Deadline.

“(4) shall submit to Congress interim reports, when appropriate, and a final report, to be submitted not later than April 1, 2006, on the findings of the study.

Internet.

“(b) DISSEMINATION.—Using funds made available under section 2404(b)(2), the Secretary shall make widely available, including through dissemination on the Internet and to all State educational agencies and other recipients of funds under this part, findings identified through activities carried out under this section regarding the conditions and practices under which educational technology is effective in increasing student academic achievement.

“(c) TECHNICAL ASSISTANCE.—Using funds made available under section 2404(b)(2), the Secretary may provide technical assistance (directly or through the competitive award of grants or contracts) to State educational agencies, local educational agencies, and other recipients of funds, particularly in rural areas, under this part, in order to assist such State educational agencies, local educational agencies, and other recipients to achieve the purposes of this part.

20 USC 6772.

“SEC. 2422. NATIONAL EDUCATION TECHNOLOGY PLAN.

Publication.
Public
information.

“(a) IN GENERAL.—Based on the Nation’s progress and an assessment by the Secretary of the continuing and future needs of the Nation’s schools in effectively using technology to provide all students the opportunity to meet challenging State academic content and student academic achievement standards, the Secretary shall update and publish, in a form readily accessible to the public, a national long-range technology plan, by not later than 12 months after the date of enactment of the No Child Left Behind Act of 2001.

“(b) CONTENTS.—The plan referred to in subsection (a) shall include each of the following:

“(1) A description of the manner in which the Secretary will promote—

“(A) higher student academic achievement through the integration of advanced technologies, including emerging technologies, into curricula and instruction;

“(B) increased access to technology for teaching and learning for schools with a high number or percentage

PUBLIC LAW 107-110—JAN. 8, 2002

of children from families with incomes below the poverty line; and

“(C) the use of technology to assist in the implementation of State systemic reform strategies.

“(2) A description of joint activities of the Department of Education and other Federal departments or agencies that will promote the use of technology in education.

“Subpart 3—Ready-to-Learn Television

“SEC. 2431. READY-TO-LEARN TELEVISION.

20 USC 6775.

“(a) PROGRAM AUTHORIZED.—

“(1) IN GENERAL.—The Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with, eligible entities described in paragraph (3) to enable such entities—

“(A) to develop, produce, and distribute educational and instructional video programming for preschool and elementary school children and their parents in order to facilitate student academic achievement;

“(B) to facilitate the development, directly or through contracts with producers of children and family educational television programming, of educational programming for preschool and elementary school children, and the accompanying support materials and services that promote the effective use of such programming;

“(C) to facilitate the development of programming and digital content containing Ready-to-Learn-based children’s programming and resources for parents and caregivers that is specially designed for nationwide distribution over public television stations’ digital broadcasting channels and the Internet;

“(D) to contract with entities (such as public telecommunications entities) so that programs developed under this section are disseminated and distributed to the widest possible audience appropriate to be served by the programming, and through the use of the most appropriate distribution technologies; and

“(E) to develop and disseminate education and training materials, including interactive programs and programs adaptable to distance learning technologies, that are designed—

“(i) to promote school readiness; and

“(ii) to promote the effective use of materials developed under subparagraphs (B) and (C) among parents, teachers, Head Start providers, Even Start providers, providers of family literacy services, child care providers, early childhood development personnel, elementary school teachers, public libraries, and after-school program personnel caring for preschool and elementary school children.

“(2) AVAILABILITY.—In awarding grants, contracts, or cooperative agreements under this section, the Secretary shall ensure that eligible entities make programming widely available, with support materials as appropriate, to young children, parents, child care workers, Head Start providers, Even Start providers, and providers of family literacy services to increase the effective use of such programming.

“(3) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreements under this section, an entity shall be a public telecommunications entity that is able to demonstrate each of the following:

“(A) A capacity for the development and national distribution of educational and instructional television programming of high quality that is accessible by a large

PUBLIC LAW 107-110—JAN. 8, 2002

majority of disadvantaged preschool and elementary school children.

“(B) A capacity to contract with the producers of children’s television programming for the purpose of developing educational television programming of high quality.

“(C) A capacity, consistent with the entity’s mission and nonprofit nature, to negotiate such contracts in a manner that returns to the entity an appropriate share of any ancillary income from sales of any program-related products.

“(D) A capacity to localize programming and materials to meet specific State and local needs and to provide educational outreach at the local level.

“(4) COORDINATION OF ACTIVITIES.—An entity receiving a grant, contract, or cooperative agreement under this section shall consult with the Secretary and the Secretary of Health and Human Services—

“(A) to maximize the utilization of quality educational programming by preschool and elementary school children, and make such programming widely available to federally funded programs serving such populations; and

“(B) to coordinate activities with Federal programs that have major training components for early childhood development, including programs under the Head Start Act (42 U.S.C. 9831 et seq.) and Even Start, and State training activities funded under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), regarding the availability and utilization of materials developed under paragraph (1)(E) to enhance parent and child care provider skills in early childhood development and education.

“(b) APPLICATIONS.—To be eligible to receive a grant, contract, or cooperative agreement under subsection (a), an entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(c) REPORTS AND EVALUATIONS.—

“(1) ANNUAL REPORT TO THE SECRETARY.—An entity receiving a grant, contract, or cooperative agreement under this section shall prepare and submit to the Secretary an annual report that contains such information as the Secretary may require. At a minimum, the report shall describe the program activities undertaken with funds received under the grant, contract, or cooperative agreement, including each of the following:

“(A) The programming that has been developed, directly or indirectly, by the eligible entity, and the target population of the programs developed.

“(B) The support and training materials that have been developed to accompany the programming, and the method by which the materials are distributed to consumers and users of the programming.

“(C) The means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available, and the geographic distribution achieved through such technologies.

“(D) The initiatives undertaken by the entity to develop public-private partnerships to secure non-Federal support for the development, distribution, and broadcast of educational and instructional programming.

“(2) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the relevant committees of Congress a biannual report that includes the following:

“(A) A summary of the activities assisted under subsection (a).

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) A description of the education and training materials made available under subsection (a)(1)(E), the manner in which outreach has been conducted to inform parents and child care providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with such subsection.

“(d) ADMINISTRATIVE COSTS.—An entity that receives a grant, contract, or cooperative agreement under this section may use up to 5 percent of the amount received under the grant, contract, or agreement for the normal and customary expenses of administering the grant, contract, or agreement.

“(e) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2002, and for each of the 5 succeeding fiscal years.

“(2) FUNDING RULE.—Not less than 60 percent of the amount appropriated under paragraph (1) for each fiscal year shall be used to carry out activities under subparagraphs (B) through (D) of subsection (a)(1).

“Subpart 4—Limitation on Availability of Certain Funds for Schools

“SEC. 2441. INTERNET SAFETY.

20 USC 6777.

“(a) IN GENERAL.—No funds made available under this part to a local educational agency for an elementary school or secondary school that does not receive services at discount rates under section 254(h)(5) of the Communications Act of 1934 (47 U.S.C. 254(h)(5)) may be used to purchase computers used to access the Internet, or to pay for direct costs associated with accessing the Internet, for such school unless the school, school board, local educational agency, or other authority with responsibility for administration of such school both—

“(1)(A) has in place a policy of Internet safety for minors that includes the operation of a technology protection measure with respect to any of its computers with Internet access that protects against access through such computers to visual depictions that are—

“(i) obscene;

“(ii) child pornography; or

“(iii) harmful to minors; and

“(B) is enforcing the operation of such technology protection measure during any use of such computers by minors; and

“(2)(A) has in place a policy of Internet safety that includes the operation of a technology protection measure with respect to any of its computers with Internet access that protects against access through such computers to visual depictions that are—

“(i) obscene; or

“(ii) child pornography; and

“(B) is enforcing the operation of such technology protection measure during any use of such computers.

“(b) TIMING AND APPLICABILITY OF IMPLEMENTATION.—

“(1) IN GENERAL.—The local educational agency with responsibility for a school covered by subsection (a) shall certify the compliance of such school with the requirements of subsection (a) as part of the application process for the next program funding year under this Act following December 21, 2000, and for each subsequent program funding year thereafter.

“(2) PROCESS.—

“(A) SCHOOLS WITH INTERNET SAFETY POLICIES AND TECHNOLOGY PROTECTION MEASURES IN PLACE.—A local educational agency with responsibility for a school covered by subsection (a) that has in place an Internet safety policy

Certification.

PUBLIC LAW 107-110—JAN. 8, 2002

meeting the requirements of subsection (a) shall certify its compliance with subsection (a) during each annual program application cycle under this Act.

“(B) SCHOOLS WITHOUT INTERNET SAFETY POLICIES AND TECHNOLOGY PROTECTION MEASURES IN PLACE.—

“(i) CERTIFICATION.—A local educational agency with responsibility for a school covered by subsection (a) that does not have in place an Internet safety policy meeting the requirements of subsection (a)—

“(I) for the first program year after December 21, 2000, in which the local educational agency is applying for funds for such school under this Act, shall certify that it is undertaking such actions, including any necessary procurement procedures, to put in place an Internet safety policy that meets such requirements; and

“(II) for the second program year after December 21, 2000, in which the local educational agency is applying for funds for such school under this Act, shall certify that such school is in compliance with such requirements.

“(ii) INELIGIBILITY.—Any school covered by subsection (a) for which the local educational agency concerned is unable to certify compliance with such requirements in such second program year shall be ineligible for all funding under this part for such second program year and all subsequent program years until such time as such school comes into compliance with such requirements.

“(C) WAIVERS.—Any school subject to a certification under subparagraph (B)(i)(II) for which the local educational agency concerned cannot make the certification otherwise required by that subparagraph may seek a waiver of that subparagraph if State or local procurement rules or regulations or competitive bidding requirements prevent the making of the certification otherwise required by that subparagraph. The local educational agency concerned shall notify the Secretary of the applicability of that subparagraph to the school. Such notice shall certify that the school will be brought into compliance with the requirements in subsection (a) before the start of the third program year after December 21, 2000, in which the school is applying for funds under this part.

“(c) DISABLING DURING CERTAIN USE.—An administrator, supervisor, or person authorized by the responsible authority under subsection (a) may disable the technology protection measure concerned to enable access for bona fide research or other lawful purposes.

“(d) NONCOMPLIANCE.—

“(1) USE OF GENERAL EDUCATION PROVISIONS ACT REMEDIES.—Whenever the Secretary has reason to believe that any recipient of funds under this part is failing to comply substantially with the requirements of this section, the Secretary may—

“(A) withhold further payments to the recipient under this part;

“(B) issue a complaint to compel compliance of the recipient through a cease and desist order; or

“(C) enter into a compliance agreement with a recipient to bring it into compliance with such requirements, in same manner as the Secretary is authorized to take such actions under sections 455, 456, and 457, respectively, of the General Education Provisions Act.

“(2) RECOVERY OF FUNDS PROHIBITED.—The actions authorized by paragraph (1) are the exclusive remedies available with respect to the failure of a school to comply substantially

Notification.

PUBLIC LAW 107-110—JAN. 8, 2002

with a provision of this section, and the Secretary shall not seek a recovery of funds from the recipient for such failure.

“(3) RECOMMENCEMENT OF PAYMENTS.—Whenever the Secretary determines (whether by certification or other appropriate evidence) that a recipient of funds who is subject to the withholding of payments under paragraph (1)(A) has cured the failure providing the basis for the withholding of payments, the Secretary shall cease the withholding of payments to the recipient under that paragraph.

“(e) DEFINITIONS.—In this subpart:

“(1) COMPUTER.—The term ‘computer’ includes any hardware, software, or other technology attached or connected to, installed in, or otherwise used in connection with a computer.

“(2) ACCESS TO INTERNET.—A computer shall be considered to have access to the Internet if such computer is equipped with a modem or is connected to a computer network that has access to the Internet.

“(3) ACQUISITION OR OPERATION.—An elementary school or secondary school shall be considered to have received funds under this part for the acquisition or operation of any computer if such funds are used in any manner, directly or indirectly—

“(A) to purchase, lease, or otherwise acquire or obtain the use of such computer; or

“(B) to obtain services, supplies, software, or other actions or materials to support, or in connection with, the operation of such computer.

“(4) MINOR.—The term ‘minor’ means an individual who has not attained the age of 17.

“(5) CHILD PORNOGRAPHY.—The term ‘child pornography’ has the meaning given that term in section 2256 of title 18, United States Code.

“(6) HARMFUL TO MINORS.—The term ‘harmful to minors’ means any picture, image, graphic image file, or other visual depiction that—

“(A) taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion;

“(B) depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and

“(C) taken as a whole, lacks serious literary, artistic, political, or scientific value as to minors.

“(7) OBSCENE.—The term ‘obscene’ has the meaning applicable to that term under section 1460 of title 18, United States Code.

“(8) SEXUAL ACT AND SEXUAL CONTACT.—The terms ‘sexual act’ and ‘sexual contact’ have the meanings given those terms in section 2246 of title 18, United States Code.

“(f) SEVERABILITY.—If any provision of this section is held invalid, the remainder of this section shall not be affected thereby.”.

SEC. 202. CONTINUATION OF AWARDS.

Notwithstanding any other provision of this Act or the Elementary and Secondary Education Act of 1965, in the case of—

(1) a person or entity that, prior to the date of enactment of this Act, was awarded funds appropriated under the Department of Education Appropriations Act, 2001 for new teacher recruitment initiatives; or

(2) a person or agency that, prior to the date of enactment of this Act, was awarded a grant or contract under part K of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8331 et seq.),

20 USC 6301
note.

PUBLIC LAW 107-110—JAN. 8, 2002

the Secretary of Education shall continue to provide funds in accordance with the terms of such award until the date on which the award period terminates.

TITLE III—LANGUAGE INSTRUCTION FOR LIMITED ENGLISH PROFICIENT AND IMMIGRANT STUDENTS

SEC. 301. LANGUAGE INSTRUCTION FOR LIMITED ENGLISH PROFICIENT CHILDREN AND IMMIGRANT CHILDREN AND YOUTH.

Title III (20 U.S.C. 6801 et seq.) is amended to read as follows:

“TITLE III—LANGUAGE INSTRUCTION FOR LIMITED ENGLISH PROFICIENT AND IMMIGRANT STUDENTS

20 USC 6801.

“SEC. 3001. AUTHORIZATIONS OF APPROPRIATIONS; CONDITION ON EFFECTIVENESS OF PARTS.

“(a) AUTHORIZATIONS OF APPROPRIATIONS.—

“(1) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated to carry out this title, except for subpart 4 of part B, \$750,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(2) EMERGENCY IMMIGRANT EDUCATION PROGRAM.—There are authorized to be appropriated to carry out subpart 4 of part B (when such part is in effect) such sums as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“(b) CONDITIONS ON EFFECTIVENESS OF PARTS A AND B.—

“(1) PART A.—Part A shall be in effect for any fiscal year for which the amount appropriated under paragraphs (1) and (2) of subsection (a) equals or exceeds \$650,000,000.

“(2) PART B.—Part B shall be in effect only for a fiscal year for which part A is not in effect.

“(c) REFERENCES.—In any fiscal year for which part A is in effect, references in Federal law (other than this title) to part B shall be considered to be references to part A. In any fiscal year for which part B is in effect, references in Federal law (other than this title) to part A shall be considered to be references to part B.

“PART A—ENGLISH LANGUAGE ACQUISITION, LANGUAGE ENHANCEMENT, AND ACADEMIC ACHIEVEMENT ACT

“SEC. 3101. SHORT TITLE.

“This part may be cited as the ‘English Language Acquisition, Language Enhancement, and Academic Achievement Act’.

“SEC. 3102. PURPOSES.

“The purposes of this part are—

“(1) to help ensure that children who are limited English proficient, including immigrant children and youth, attain English proficiency, develop high levels of academic attainment in English, and meet the same challenging State academic content and student academic achievement standards as all children are expected to meet;

English
Language
Acquisition,
Language
Enhancement,
and Academic
Achievement Act.
Children, youth
and families.
Grants.
20 USC 6811.
20 USC 6812.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) to assist all limited English proficient children, including immigrant children and youth, to achieve at high levels in the core academic subjects so that those children can meet the same challenging State academic content and student academic achievement standards as all children are expected to meet, consistent with section 1111(b)(1);

“(3) to develop high-quality language instruction educational programs designed to assist State educational agencies, local educational agencies, and schools in teaching limited English proficient children and serving immigrant children and youth;

“(4) to assist State educational agencies and local educational agencies to develop and enhance their capacity to provide high-quality instructional programs designed to prepare limited English proficient children, including immigrant children and youth, to enter all-English instruction settings;

“(5) to assist State educational agencies, local educational agencies, and schools to build their capacity to establish, implement, and sustain language instruction educational programs and programs of English language development for limited English proficient children;

“(6) to promote parental and community participation in language instruction educational programs for the parents and communities of limited English proficient children;

“(7) to streamline language instruction educational programs into a program carried out through formula grants to State educational agencies and local educational agencies to help limited English proficient children, including immigrant children and youth, develop proficiency in English, while meeting challenging State academic content and student academic achievement standards;

“(8) to hold State educational agencies, local educational agencies, and schools accountable for increases in English proficiency and core academic content knowledge of limited English proficient children by requiring—

“(A) demonstrated improvements in the English proficiency of limited English proficient children each fiscal year; and

“(B) adequate yearly progress for limited English proficient children, including immigrant children and youth, as described in section 1111(b)(2)(B); and

“(9) to provide State educational agencies and local educational agencies with the flexibility to implement language instruction educational programs, based on scientifically based research on teaching limited English proficient children, that the agencies believe to be the most effective for teaching English.

“Subpart 1—Grants and Subgrants for English Language Acquisition and Language Enhancement

“SEC. 3111. FORMULA GRANTS TO STATES.

20 USC 6821.

“(a) IN GENERAL.—In the case of each State educational agency having a plan approved by the Secretary for a fiscal year under section 3113, the Secretary shall make a grant for the year to the agency for the purposes specified in subsection (b). The grant shall consist of the allotment determined for the State educational agency under subsection (c).

“(b) USE OF FUNDS.—

“(1) SUBGRANTS TO ELIGIBLE ENTITIES.—The Secretary may make a grant under subsection (a) only if the State educational agency involved agrees to expend at least 95 percent of the

PUBLIC LAW 107-110—JAN. 8, 2002

State educational agency's allotment under subsection (c) for a fiscal year—

“(A) to award subgrants, from allocations under section 3114, to eligible entities to carry out the activities described in section 3115 (other than subsection (e)); and

“(B) to award subgrants under section 3114(d)(1) to eligible entities that are described in that section to carry out the activities described in section 3115(e).

“(2) STATE ACTIVITIES.—Subject to paragraph (3), each State educational agency receiving a grant under subsection (a) may reserve not more than 5 percent of the agency's allotment under subsection (c) to carry out one or more of the following activities:

“(A) Professional development activities, and other activities, that assist personnel in meeting State and local certification and licensing requirements for teaching limited English proficient children.

“(B) Planning, evaluation, administration, and inter-agency coordination related to the subgrants referred to in paragraph (1).

“(C) Providing technical assistance and other forms of assistance to eligible entities that are receiving subgrants from a State educational agency under this subpart, including assistance in—

“(i) identifying and implementing language instruction educational programs and curricula that are based on scientifically based research on teaching limited English proficient children;

“(ii) helping limited English proficient children meet the same challenging State academic content and student academic achievement standards as all children are expected to meet;

“(iii) identifying or developing, and implementing, measures of English proficiency; and

“(iv) promoting parental and community participation in programs that serve limited English proficient children.

“(D) Providing recognition, which may include providing financial awards, to subgrantees that have exceeded their annual measurable achievement objectives pursuant to section 3122.

“(3) ADMINISTRATIVE EXPENSES.—From the amount reserved under paragraph (2), a State educational agency may use not more than 60 percent of such amount or \$175,000, whichever is greater, for the planning and administrative costs of carrying out paragraphs (1) and (2).

“(c) RESERVATIONS AND ALLOTMENTS.—

“(1) RESERVATIONS.—From the amount appropriated under section 3001(a) for each fiscal year, the Secretary shall reserve—

“(A) 0.5 percent or \$5,000,000 of such amount, whichever is greater, for payments to eligible entities that are defined under section 3112(a) for activities, approved by the Secretary, consistent with this subpart;

“(B) 0.5 percent of such amount for payments to outlying areas, to be allotted in accordance with their respective needs for assistance under this subpart, as determined by the Secretary, for activities, approved by the Secretary, consistent with this subpart;

“(C) 6.5 percent of such amount for national activities under sections 3131 and 3303, except that not more than 0.5 percent of such amount shall be reserved for evaluation activities conducted by the Secretary and not more than \$2,000,000 of such amount may be reserved for the National Clearinghouse for English Language Acquisition

PUBLIC LAW 107-110—JAN. 8, 2002

and Language Instruction Educational Programs described in section 3303; and

“(D) such sums as may be necessary to make continuation awards under paragraph (2).

“(2) CONTINUATION AWARDS.—

“(A) IN GENERAL.—Before making allotments to State educational agencies under paragraph (3) for any fiscal year, the Secretary shall use the sums reserved under paragraph (1)(D) to make continuation awards to recipients who received grants or fellowships for the fiscal year preceding any fiscal year described in section 3001(b)(1)(A) under—

“(i) subparts 1 and 3 of part A of title VII (as in effect on the day before the date of enactment of the No Child Left Behind Act of 2001); or

“(ii) subparts 1 and 3 of part B of this title.

“(B) USE OF FUNDS.—The Secretary shall make the awards in order to allow such recipients to receive awards for the complete period of their grants or fellowships under the appropriate subparts.

“(3) STATE ALLOTMENTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), from the amount appropriated under section 3001(a) for each fiscal year that remains after making the reservations under paragraph (1), the Secretary shall allot to each State educational agency having a plan approved under section 3113(c)—

“(i) an amount that bears the same relationship to 80 percent of the remainder as the number of limited English proficient children in the State bears to the number of such children in all States; and

“(ii) an amount that bears the same relationship to 20 percent of the remainder as the number of immigrant children and youth in the State bears to the number of such children and youth in all States.

“(B) MINIMUM ALLOTMENTS.—No State educational agency shall receive an allotment under this paragraph that is less than \$500,000.

“(C) REALLOTMENT.—If any State educational agency described in subparagraph (A) does not submit a plan to the Secretary for a fiscal year, or submits a plan (or any amendment to a plan) that the Secretary, after reasonable notice and opportunity for a hearing, determines does not satisfy the requirements of this subpart, the Secretary—

“(i) shall endeavor to make the State’s allotment available on a competitive basis to specially qualified agencies within the State to satisfy the requirements of section 3115 (and any additional requirements that the Secretary may impose), consistent with the purposes of such section, and to carry out required and authorized activities under such section; and

“(ii) shall reallocate any portion of such allotment remaining after the application of clause (i) to the remaining State educational agencies in accordance with subparagraph (A).

“(D) SPECIAL RULE FOR PUERTO RICO.—The total amount allotted to Puerto Rico for any fiscal year under subparagraph (A) shall not exceed 0.5 percent of the total amount allotted to all States for that fiscal year.

“(4) USE OF DATA FOR DETERMINATIONS.—

“(A) IN GENERAL.—In making State allotments under paragraph (3), for the purpose of determining the number of limited English proficient children in a State and in all States, and the number of immigrant children and

PUBLIC LAW 107-110—JAN. 8, 2002

youth in a State and in all States, for each fiscal year, the Secretary shall use data that will yield the most accurate, up-to-date numbers of such children and youth.

“(B) SPECIAL RULE.—

“(i) FIRST 2 YEARS.—In making determinations under subparagraph (A) for the 2 fiscal years following the date of enactment of the No Child Left Behind Act of 2001, the Secretary shall determine the number of limited English proficient children in a State and in all States, and the number of immigrant children and youth in a State and in all States, using data available from the Bureau of Census or submitted by the States to the Secretary.

“(ii) SUBSEQUENT YEARS.—For subsequent fiscal years, the Secretary shall determine the number of limited English proficient children in a State and in all States, and the number of immigrant children and youth in a State and in all States, using the more accurate of—

“(I) the data available from the American Community Survey available from the Department of Commerce; or

“(II) the number of children being assessed for English proficiency in a State as required under section 1111(b)(7).

20 USC 6822.

“SEC. 3112. NATIVE AMERICAN AND ALASKA NATIVE CHILDREN IN SCHOOL.

“(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this part for individuals served by elementary schools, secondary schools, and postsecondary schools operated predominately for Native American children (including Alaska Native children), the following shall be considered to be an eligible entity:

“(1) An Indian tribe.

“(2) A tribally sanctioned educational authority.

“(3) A Native Hawaiian or Native American Pacific Islander native language educational organization.

“(4) An elementary school or secondary school that is operated or funded by the Bureau of Indian Affairs, or a consortium of such schools.

“(5) An elementary school or secondary school operated under a contract with or grant from the Bureau of Indian Affairs, in consortium with another such school or a tribal or community organization.

“(6) An elementary school or secondary school operated by the Bureau of Indian Affairs and an institution of higher education, in consortium with an elementary school or secondary school operated under a contract with or grant from the Bureau of Indian Affairs or a tribal or community organization.

“(b) SUBMISSION OF APPLICATIONS FOR ASSISTANCE.—Notwithstanding any other provision of this part, an entity that is considered to be an eligible entity under subsection (a), and that desires to receive Federal financial assistance under this subpart, shall submit an application to the Secretary.

“(c) SPECIAL RULE.—An eligible entity described in subsection (a) that receives Federal financial assistance pursuant to this section shall not be eligible to receive a subgrant under section 3114.

20 USC 6823.

“SEC. 3113. STATE AND SPECIALLY QUALIFIED AGENCY PLANS.

“(a) PLAN REQUIRED.—Each State educational agency and specially qualified agency desiring a grant under this subpart shall submit a plan to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(b) CONTENTS.—Each plan submitted under subsection (a) shall—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) describe the process that the agency will use in making subgrants to eligible entities under section 3114(d)(1);

“(2) describe how the agency will establish standards and objectives for raising the level of English proficiency that are derived from the four recognized domains of speaking, listening, reading, and writing, and that are aligned with achievement of the challenging State academic content and student academic achievement standards described in section 1111(b)(1);

“(3) contain an assurance that—

“(A) in the case of a State educational agency, the agency consulted with local educational agencies, education-related community groups and nonprofit organizations, parents, teachers, school administrators, and researchers, in developing the annual measurable achievement objectives described in section 3122;

“(B) in the case of a specially qualified agency, the agency consulted with education-related community groups and nonprofit organizations, parents, teachers, and researchers, in developing the annual measurable achievement objectives described in section 3122;

“(C) the agency will ensure that eligible entities receiving a subgrant under this subpart comply with the requirement in section 1111(b)(7) to annually assess in English children who have been in the United States for 3 or more consecutive years;

“(D) the agency will ensure that eligible entities receiving a subgrant under this subpart annually assess the English proficiency of all limited English proficient children participating in a program funded under this subpart, consistent with section 1111(b)(7);

“(E) in awarding subgrants under section 3114, the agency will address the needs of school systems of all sizes and in all geographic areas, including school systems with rural and urban schools;

“(F) subgrants to eligible entities under section 3114(d)(1) will be of sufficient size and scope to allow such entities to carry out high-quality language instruction educational programs for limited English proficient children; and

“(G) the agency will require an eligible entity receiving a subgrant under this subpart to use the subgrant in ways that will build such recipient’s capacity to continue to offer high-quality language instruction educational programs that assist limited English proficient children in meeting challenging State academic content and student academic achievement standards once assistance under this subpart is no longer available;

“(4) describe how the agency will coordinate its programs and activities under this subpart with its other programs and activities under this Act and other Acts, as appropriate;

“(5) describe how the agency will hold local educational agencies, eligible entities, elementary schools, and secondary schools accountable for—

“(A) meeting all annual measurable achievement objectives described in section 3122;

“(B) making adequate yearly progress for limited English proficient children, as described in section 1111(b)(2)(B); and

“(C) achieving the purposes of this part; and

“(6) describe how eligible entities in the State will be given the flexibility to teach limited English proficient children—

“(A) using a language instruction curriculum that is tied to scientifically based research on teaching limited English proficient children and that has been demonstrated to be effective; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) in the manner the eligible entities determine to be the most effective.

“(c) APPROVAL.—The Secretary, after using a peer review process, shall approve a plan submitted under subsection (a) if the plan meets the requirements of this section.

“(d) DURATION OF PLAN.—

“(1) IN GENERAL.—Each plan submitted by a State educational agency or specially qualified agency and approved under subsection (c) shall—

“(A) remain in effect for the duration of the agency’s participation under this part; and

“(B) be periodically reviewed and revised by the agency, as necessary, to reflect changes to the agency’s strategies and programs carried out under this part.

“(2) ADDITIONAL INFORMATION.—

“(A) AMENDMENTS.—If the State educational agency or specially qualified agency amends the plan, the agency shall submit such amendment to the Secretary.

“(B) APPROVAL.—The Secretary shall approve such amendment to an approved plan, unless the Secretary determines that the amendment will result in the agency not meeting the requirements, or fulfilling the purposes, of this part.

“(e) CONSOLIDATED PLAN.—A plan submitted under subsection (a) may be submitted as part of a consolidated plan under section 9302.

“(f) SECRETARY ASSISTANCE.—The Secretary shall provide technical assistance, if requested, in the development of English proficiency standards, objectives, and assessments.

20 USC 6824.

“**SEC. 3114. WITHIN-STATE ALLOCATIONS.**

“(a) IN GENERAL.—After making the reservation required under subsection (d)(1), each State educational agency receiving a grant under section 3111(c)(3) shall award subgrants for a fiscal year by allocating to each eligible entity in the State having a plan approved under section 3116 an amount that bears the same relationship to the amount received under the grant and remaining after making such reservation as the population of limited English proficient children in schools served by the eligible entity bears to the population of limited English proficient children in schools served by all eligible entities in the State.

“(b) LIMITATION.—A State educational agency shall not award a subgrant from an allocation made under subsection (a) if the amount of such subgrant would be less than \$10,000.

“(c) REALLOCATION.—Whenever a State educational agency determines that an amount from an allocation made to an eligible entity under subsection (a) for a fiscal year will not be used by the entity for the purpose for which the allocation was made, the agency shall, in accordance with such rules as it determines to be appropriate, reallocate such amount, consistent with such subsection, to other eligible entities in the State that the agency determines will use the amount to carry out that purpose.

“(d) REQUIRED RESERVATION.—A State educational agency receiving a grant under this subpart for a fiscal year—

“(1) shall reserve not more than 15 percent of the agency’s allotment under section 3111(c)(3) to award subgrants to eligible entities in the State that have experienced a significant increase, as compared to the average of the 2 preceding fiscal years, in the percentage or number of immigrant children and youth, who have enrolled, during the fiscal year preceding the fiscal year for which the subgrant is made, in public and nonpublic elementary schools and secondary schools in the geographic areas under the jurisdiction of, or served by, such entities; and

“(2) in awarding subgrants under paragraph (1)—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) shall equally consider eligible entities that satisfy the requirement of such paragraph but have limited or no experience in serving immigrant children and youth; and

“(B) shall consider the quality of each local plan under section 3116 and ensure that each subgrant is of sufficient size and scope to meet the purposes of this part.

“SEC. 3115. SUBGRANTS TO ELIGIBLE ENTITIES.

20 USC 6825.

“(a) **PURPOSES OF SUBGRANTS.**—A State educational agency may make a subgrant to an eligible entity from funds received by the agency under this subpart only if the entity agrees to expend the funds to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards. In carrying out activities with such funds, the entity shall use approaches and methodologies based on scientifically based research on teaching limited English proficient children and immigrant children and youth for the following purposes:

“(1) Developing and implementing new language instruction educational programs and academic content instruction programs for such children, and such children and youth, including programs of early childhood education, elementary school programs, and secondary school programs.

“(2) Carrying out highly focused, innovative, locally designed activities to expand or enhance existing language instruction educational programs and academic content instruction programs for such children, and such children and youth.

“(3) Implementing, within an individual school, schoolwide programs for restructuring, reforming, and upgrading all relevant programs, activities, and operations relating to language instruction educational programs and academic content instruction for such children, and such children and youth.

“(4) Implementing, within the entire jurisdiction of a local educational agency, agencywide programs for restructuring, reforming, and upgrading all relevant programs, activities, and operations relating to language instruction educational programs and academic content instruction for such children, and such children and youth.

“(b) **ADMINISTRATIVE EXPENSES.**—Each eligible entity receiving funds under section 3114(a) for a fiscal year may use not more than 2 percent of such funds for the cost of administering this subpart.

“(c) **REQUIRED SUBGRANTEE ACTIVITIES.**—An eligible entity receiving funds under section 3114(a) shall use the funds—

“(1) to increase the English proficiency of limited English proficient children by providing high-quality language instruction educational programs that are based on scientifically based research demonstrating the effectiveness of the programs in increasing—

“(A) English proficiency; and

“(B) student academic achievement in the core academic subjects; and

“(2) to provide high-quality professional development to classroom teachers (including teachers in classroom settings that are not the settings of language instruction educational programs), principals, administrators, and other school or community-based organizational personnel, that is—

“(A) designed to improve the instruction and assessment of limited English proficient children;

“(B) designed to enhance the ability of such teachers to understand and use curricula, assessment measures, and instruction strategies for limited English proficient children;

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) based on scientifically based research demonstrating the effectiveness of the professional development in increasing children’s English proficiency or substantially increasing the subject matter knowledge, teaching knowledge, and teaching skills of such teachers; and

“(D) of sufficient intensity and duration (which shall not include activities such as one-day or short-term workshops and conferences) to have a positive and lasting impact on the teachers’ performance in the classroom, except that this subparagraph shall not apply to an activity that is one component of a long-term, comprehensive professional development plan established by a teacher and the teacher’s supervisor based on an assessment of the needs of the teacher, the supervisor, the students of the teacher, and any local educational agency employing the teacher.

“(d) AUTHORIZED SUBGRANTEE ACTIVITIES.—Subject to subsection (c), an eligible entity receiving funds under section 3114(a) may use the funds to achieve one of the purposes described in subsection (a) by undertaking one or more of the following activities:

“(1) Upgrading program objectives and effective instruction strategies.

“(2) Improving the instruction program for limited English proficient children by identifying, acquiring, and upgrading curricula, instruction materials, educational software, and assessment procedures.

“(3) Providing—

“(A) tutorials and academic or vocational education for limited English proficient children; and

“(B) intensified instruction.

“(4) Developing and implementing elementary school or secondary school language instruction educational programs that are coordinated with other relevant programs and services.

“(5) Improving the English proficiency and academic achievement of limited English proficient children.

“(6) Providing community participation programs, family literacy services, and parent outreach and training activities to limited English proficient children and their families—

“(A) to improve the English language skills of limited English proficient children; and

“(B) to assist parents in helping their children to improve their academic achievement and becoming active participants in the education of their children.

“(7) Improving the instruction of limited English proficient children by providing for—

“(A) the acquisition or development of educational technology or instructional materials;

“(B) access to, and participation in, electronic networks for materials, training, and communication; and

“(C) incorporation of the resources described in subparagraphs (A) and (B) into curricula and programs, such as those funded under this subpart.

“(8) Carrying out other activities that are consistent with the purposes of this section.

“(e) ACTIVITIES BY AGENCIES EXPERIENCING SUBSTANTIAL INCREASES IN IMMIGRANT CHILDREN AND YOUTH.—

“(1) IN GENERAL.—An eligible entity receiving funds under section 3114(d)(1) shall use the funds to pay for activities that provide enhanced instructional opportunities for immigrant children and youth, which may include—

“(A) family literacy, parent outreach, and training activities designed to assist parents to become active participants in the education of their children;

“(B) support for personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to immigrant children and youth;

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) provision of tutorials, mentoring, and academic or career counseling for immigrant children and youth;

“(D) identification and acquisition of curricular materials, educational software, and technologies to be used in the program carried out with funds;

“(E) basic instruction services that are directly attributable to the presence in the school district involved of immigrant children and youth, including the payment of costs of providing additional classroom supplies, costs of transportation, or such other costs as are directly attributable to such additional basic instruction services;

“(F) other instruction services that are designed to assist immigrant children and youth to achieve in elementary schools and secondary schools in the United States, such as programs of introduction to the educational system and civics education; and

“(G) activities, coordinated with community-based organizations, institutions of higher education, private sector entities, or other entities with expertise in working with immigrants, to assist parents of immigrant children and youth by offering comprehensive community services.

“(2) DURATION OF SUBGRANTS.—The duration of a subgrant made by a State educational agency under section 3114(d)(1) shall be determined by the agency in its discretion.

“(f) SELECTION OF METHOD OF INSTRUCTION.—

“(1) IN GENERAL.—To receive a subgrant from a State educational agency under this subpart, an eligible entity shall select one or more methods or forms of instruction to be used in the programs and activities undertaken by the entity to assist limited English proficient children to attain English proficiency and meet challenging State academic content and student academic achievement standards.

“(2) CONSISTENCY.—Such selection shall be consistent with sections 3125 through 3127.

“(g) SUPPLEMENT, NOT SUPPLANT.—Federal funds made available under this subpart shall be used so as to supplement the level of Federal, State, and local public funds that, in the absence of such availability, would have been expended for programs for limited English proficient children and immigrant children and youth and in no case to supplant such Federal, State, and local public funds.

“SEC. 3116. LOCAL PLANS.

20 USC 6826.

“(a) PLAN REQUIRED.—Each eligible entity desiring a subgrant from the State educational agency under section 3114 shall submit a plan to the State educational agency at such time, in such manner, and containing such information as the State educational agency may require.

“(b) CONTENTS.—Each plan submitted under subsection (a) shall—

“(1) describe the programs and activities proposed to be developed, implemented, and administered under the subgrant;

“(2) describe how the eligible entity will use the subgrant funds to meet all annual measurable achievement objectives described in section 3122;

“(3) describe how the eligible entity will hold elementary schools and secondary schools receiving funds under this subpart accountable for—

“(A) meeting the annual measurable achievement objectives described in section 3122;

“(B) making adequate yearly progress for limited English proficient children, as described in section 1111(b)(2)(B); and

“(C) annually measuring the English proficiency of limited English proficient children, so that such children

PUBLIC LAW 107-110—JAN. 8, 2002

served by the programs carried out under this part develop proficiency in English while meeting State academic content and student academic achievement standards as required by section 1111(b)(1);

“(4) describe how the eligible entity will promote parental and community participation in programs for limited English proficient children;

“(5) contain an assurance that the eligible entity consulted with teachers, researchers, school administrators, and parents, and, if appropriate, with education-related community groups and nonprofit organizations, and institutions of higher education, in developing such plan; and

“(6) describe how language instruction educational programs carried out under the subgrant will ensure that limited English proficient children being served by the programs develop English proficiency.

“(c) **TEACHER ENGLISH FLUENCY.**—Each eligible entity receiving a subgrant under section 3114 shall include in its plan a certification that all teachers in any language instruction educational program for limited English proficient children that is, or will be, funded under this part are fluent in English and any other language used for instruction, including having written and oral communications skills.

“(d) **OTHER REQUIREMENTS FOR APPROVAL.**—Each local plan shall also contain assurances that—

“(1) each local educational agency that is included in the eligible entity is complying with section 3302 prior to, and throughout, each school year;

“(2) the eligible entity annually will assess the English proficiency of all children with limited English proficiency participating in programs funded under this part;

“(3) the eligible entity has based its proposed plan on scientifically based research on teaching limited English proficient children;

“(4) the eligible entity will ensure that the programs will enable children to speak, read, write, and comprehend the English language and meet challenging State academic content and student academic achievement standards; and

“(5) the eligible entity is not in violation of any State law, including State constitutional law, regarding the education of limited English proficient children, consistent with sections 3126 and 3127.

“Subpart 2—Accountability and Administration

20 USC 6841.

“SEC. 3121. EVALUATIONS.

“(a) **IN GENERAL.**—Each eligible entity that receives a subgrant from a State educational agency under subpart 1 shall provide such agency, at the conclusion of every second fiscal year during which the subgrant is received, with an evaluation, in a form prescribed by the agency, that includes—

“(1) a description of the programs and activities conducted by the entity with funds received under subpart 1 during the two immediately preceding fiscal years;

“(2) a description of the progress made by children in learning the English language and meeting challenging State academic content and student academic achievement standards;

“(3) the number and percentage of children in the programs and activities attaining English proficiency by the end of each school year, as determined by a valid and reliable assessment of English proficiency; and

“(4) a description of the progress made by children in meeting challenging State academic content and student academic achievement standards for each of the 2 years after such children are no longer receiving services under this part.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) USE OF EVALUATION.—An evaluation provided by an eligible entity under subsection (a) shall be used by the entity and the State educational agency—

“(1) for improvement of programs and activities;

“(2) to determine the effectiveness of programs and activities in assisting children who are limited English proficient to attain English proficiency (as measured consistent with subsection (d)) and meet challenging State academic content and student academic achievement standards; and

“(3) in determining whether or not to continue funding for specific programs or activities.

“(c) EVALUATION COMPONENTS.—An evaluation provided by an eligible entity under subsection (a) shall—

“(1) provide an evaluation of children enrolled in a program or activity conducted by the entity using funds under subpart 1 (including the percentage of children) who—

“(A) are making progress in attaining English proficiency, including the percentage of children who have achieved English proficiency;

“(B) have transitioned into classrooms not tailored to limited English proficient children, and have a sufficient level of English proficiency to permit them to achieve in English and transition into classrooms not tailored to limited English proficient children;

“(C) are meeting the same challenging State academic content and student academic achievement standards as all children are expected to meet; and

“(D) are not receiving waivers for the reading or language arts assessments under section 1111(b)(3)(C); and

“(2) include such other information as the State educational agency may require.

“(d) EVALUATION MEASURES.—A State shall approve evaluation measures for use under subsection (c) that are designed to assess—

“(1) the progress of children in attaining English proficiency, including a child’s level of comprehension, speaking, listening, reading, and writing skills in English;

“(2) student attainment of challenging State student academic achievement standards on assessments described in section 1111(b)(3); and

“(3) progress in meeting the annual measurable achievement objectives described in section 3122.

“(e) SPECIAL RULE FOR SPECIALLY QUALIFIED AGENCIES.—Each specially qualified agency receiving a grant under this part shall provide the evaluations described in subsection (a) to the Secretary subject to the same requirements as apply to eligible entities providing such evaluations to State educational agencies under such subsection.

“SEC. 3122. ACHIEVEMENT OBJECTIVES AND ACCOUNTABILITY.

20 USC 6842.

“(a) ACHIEVEMENT OBJECTIVES.—

“(1) IN GENERAL.—Each State educational agency or specially qualified agency receiving a grant under subpart 1 shall develop annual measurable achievement objectives for limited English proficient children served under this part that relate to such children’s development and attainment of English proficiency while meeting challenging State academic content and student academic achievement standards as required by section 1111(b)(1).

“(2) DEVELOPMENT OF OBJECTIVES.—Such annual measurable achievement objectives shall be developed in a manner that—

“(A) reflects the amount of time an individual child has been enrolled in a language instruction educational program; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) uses consistent methods and measurements to reflect the increases described in subparagraphs (A)(i), (A)(ii), and (B) of paragraph (3).

“(3) CONTENTS.—Such annual measurable achievement objectives—

“(A) shall include—

“(i) at a minimum, annual increases in the number or percentage of children making progress in learning English;

“(ii) at a minimum, annual increases in the number or percentage of children attaining English proficiency by the end of each school year, as determined by a valid and reliable assessment of English proficiency consistent with section 1111(b)(7); and

“(iii) making adequate yearly progress for limited English proficient children as described in section 1111(b)(2)(B); and

“(B) at the discretion of the agency, may include the number or percentage of children not receiving waivers for reading or language arts assessments under section 1111(b)(3)(C), but this achievement objective shall not be applied to an eligible entity that, in a given school year—

“(i) has experienced a large increase in limited English proficient children or immigrant children and youth;

“(ii) enrolls a statistically significant number of immigrant children and youth from countries where such children and youth had little or no access to formal education; or

“(iii) has a statistically significant number of immigrant children and youth who have fled from war or natural disaster.

“(b) ACCOUNTABILITY.—

“(1) FOR STATES.—Each State educational agency receiving a grant under subpart 1 shall hold eligible entities receiving a subgrant under such subpart accountable for meeting the annual measurable achievement objectives under subsection (a), including making adequate yearly progress for limited English proficient children.

“(2) IMPROVEMENT PLAN.—If a State educational agency determines, based on the annual measurable achievement objectives described in subsection (a), that an eligible entity has failed to make progress toward meeting such objectives for 2 consecutive years, the agency shall require the entity to develop an improvement plan that will ensure that the entity meets such objectives. The improvement plan shall specifically address the factors that prevented the entity from achieving such objectives.

“(3) TECHNICAL ASSISTANCE.—During the development of the improvement plan described in paragraph (2), and throughout its implementation, the State educational agency shall—

“(A) provide technical assistance to the eligible entity;

“(B) provide technical assistance, if applicable, to schools served by such entity under subpart 1 that need assistance to enable the schools to meet the annual measurable achievement objectives described in subsection (a);

“(C) develop, in consultation with the entity, professional development strategies and activities, based on scientifically based research, that the agency will use to meet such objectives;

“(D) require such entity to utilize such strategies and activities; and

“(E) develop, in consultation with the entity, a plan to incorporate strategies and methodologies, based on scientifically based research, to improve the specific program

PUBLIC LAW 107-110—JAN. 8, 2002

or method of instruction provided to limited English proficient children.

“(4) ACCOUNTABILITY.—If a State educational agency determines that an eligible entity has failed to meet the annual measurable achievement objectives described in subsection (a) for 4 consecutive years, the agency shall—

“(A) require such entity to modify the entity’s curriculum, program, and method of instruction; or

“(B)(i) make a determination whether the entity shall continue to receive funds related to the entity’s failure to meet such objectives; and

“(ii) require such entity to replace educational personnel relevant to the entity’s failure to meet such objectives.

“(c) SPECIAL RULE FOR SPECIALLY QUALIFIED AGENCIES.—The Secretary shall hold specially qualified agencies receiving a grant under this subpart accountable for meeting the annual measurable achievement objectives described in subsection (a) in the same manner as State educational agencies hold eligible entities accountable under subsection (b).

“SEC. 3123. REPORTING REQUIREMENTS.

20 USC 6843.

“(a) STATES.—Based upon the evaluations provided to a State educational agency under section 3121, each such agency that receives a grant under this part shall prepare and submit every second year to the Secretary a report on programs and activities carried out by the State educational agency under this part and the effectiveness of such programs and activities in improving the education provided to children who are limited English proficient.

Deadline.

“(b) SECRETARY.—Every second year, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report—

“(1) on programs and activities carried out to serve limited English proficient children under this part, and the effectiveness of such programs and activities in improving the academic achievement and English proficiency of children who are limited English proficient;

“(2) on the types of language instruction educational programs used by local educational agencies or eligible entities receiving funding under this part to teach limited English proficient children;

“(3) containing a critical synthesis of data reported by eligible entities to States under section 3121(a);

“(4) containing a description of technical assistance and other assistance provided by State educational agencies under section 3111(b)(2)(C);

“(5) containing an estimate of the number of certified or licensed teachers working in language instruction educational programs and educating limited English proficient children, and an estimate of the number of such teachers that will be needed for the succeeding 5 fiscal years;

“(6) containing the major findings of scientifically based research carried out under this part;

“(7) containing the number of programs or activities, if any, that were terminated because the entities carrying out the programs or activities were not able to reach program goals;

“(8) containing the number of limited English proficient children served by eligible entities receiving funding under this part who were transitioned out of language instruction educational programs funded under this part into classrooms where instruction is not tailored for limited English proficient children; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(9) containing other information gathered from the evaluations from specially qualified agencies and other reports submitted to the Secretary under this title when applicable.

20 USC 6844.

“SEC. 3124. COORDINATION WITH RELATED PROGRAMS.

“In order to maximize Federal efforts aimed at serving the educational needs of children of limited English proficiency, the Secretary shall coordinate and ensure close cooperation with other entities carrying out programs serving language-minority and limited English proficient children that are administered by the Department and other agencies.

20 USC 6845.

“SEC. 3125. RULES OF CONSTRUCTION.

“Nothing in this part shall be construed—

“(1) to prohibit a local educational agency from serving limited English proficient children simultaneously with children with similar educational needs, in the same educational settings where appropriate;

“(2) to require a State or a local educational agency to establish, continue, or eliminate any particular type of instructional program for limited English proficient children; or

“(3) to limit the preservation or use of Native American languages.

20 USC 6846.

“SEC. 3126. LEGAL AUTHORITY UNDER STATE LAW.

“Nothing in this part shall be construed to negate or supersede State law, or the legal authority under State law of any State agency, State entity, or State public official, over programs that are under the jurisdiction of the State agency, entity, or official.

20 USC 6847.

“SEC. 3127. CIVIL RIGHTS.

“Nothing in this part shall be construed in a manner inconsistent with any Federal law guaranteeing a civil right.

20 USC 6848.

“SEC. 3128. PROGRAMS FOR NATIVE AMERICANS AND PUERTO RICO.

“Notwithstanding any other provision of this part, programs authorized under this part that serve Native American (including Native American Pacific Islander) children and children in the Commonwealth of Puerto Rico may include programs of instruction, teacher training, curriculum development, evaluation, and assessment designed for Native American children learning and studying Native American languages and children of limited Spanish proficiency, except that an outcome of programs serving such children shall be increased English proficiency among such children.

20 USC 6849.

“SEC. 3129. PROHIBITION.

“In carrying out this part, the Secretary shall neither mandate nor preclude the use of a particular curricular or pedagogical approach to educating limited English proficient children.

“Subpart 3—National Activities

20 USC 6861.

“SEC. 3131. NATIONAL PROFESSIONAL DEVELOPMENT PROJECT.

“The Secretary shall use funds made available under section 3111(c)(1)(C) to award grants on a competitive basis, for a period of not more than 5 years, to institutions of higher education (in consortia with State educational agencies or local educational agencies) to provide for professional development activities that will improve classroom instruction for limited English proficient children and assist educational personnel working with such children to meet high professional standards, including standards for certification and licensure as teachers who work in language instruction educational programs or serve limited English proficient children. Grants awarded under this subsection may be used—

“(1) for preservice professional development programs that will assist local schools and institutions of higher education

PUBLIC LAW 107-110—JAN. 8, 2002

to upgrade the qualifications and skills of educational personnel who are not certified or licensed, especially educational para-professionals;

“(2) for the development of curricula appropriate to the needs of the consortia participants involved; and

“(3) in conjunction with other Federal need-based student financial assistance programs, for financial assistance, and costs related to tuition, fees, and books for enrolling in courses required to complete the degree involved, to meet certification or licensing requirements for teachers who work in language instruction educational programs or serve limited English proficient children.

“Subpart 4—Definitions

“SEC. 3141. ELIGIBLE ENTITY.

20 USC 6871.

“In this part, the term ‘eligible entity’ means—

“(1) one or more local educational agencies; or

“(2) one or more local educational agencies, in collaboration with an institution of higher education, community-based organization, or State educational agency.

“PART B—IMPROVING LANGUAGE INSTRUCTION EDUCATIONAL PROGRAMS

Improving Language Instruction Educational Programs For Academic Achievement Act. Children, youth and families. Native Americans. Grants 20 USC 6891. 20 USC 6892.

“SEC. 3201. SHORT TITLE.

“This part may be cited as the ‘Improving Language Instruction Educational Programs For Academic Achievement Act’.

“SEC. 3202. PURPOSE.

“The purpose of this part is to help ensure that limited English proficient children master English and meet the same rigorous standards for academic achievement as all children are expected to meet, including meeting challenging State academic content and student academic achievement standards by—

“(1) promoting systemic improvement and reform of, and developing accountability systems for, educational programs serving limited English proficient children;

“(2) developing language skills and multicultural understanding;

“(3) developing the English proficiency of limited English proficient children and, to the extent possible, the native language skills of such children;

“(4) providing similar assistance to Native Americans with certain modifications relative to the unique status of Native American languages under Federal law;

“(5) developing data collection and dissemination, research, materials, and technical assistance that are focused on school improvement for limited English proficient children; and

“(6) developing programs that strengthen and improve the professional training of educational personnel who work with limited English proficient children.

“SEC. 3203. NATIVE AMERICAN CHILDREN IN SCHOOL.

20 USC 6893.

“(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this part for individuals served by elementary schools, secondary schools, and postsecondary schools operated predominately for Native American (including Alaska Native) children and youth, an Indian tribe, a tribally sanctioned educational authority, a Native Hawaiian or Native American Pacific Islander native language education organization, or an elementary school or secondary school that is operated or funded by the Bureau of Indian Affairs shall be considered to be a local educational agency.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) APPLICATION.—Notwithstanding any other provision of this part, each tribe, authority, organization, or school described in subsection (a) shall submit any application for assistance under this part directly to the Secretary along with timely comments on the need for the program proposed in the application.

20 USC 6894.

“SEC. 3204. RESIDENTS OF THE TERRITORIES AND FREELY ASSOCIATED STATES.

“For the purpose of carrying out programs under this part in the outlying areas, the term ‘local educational agency’ includes public institutions or agencies whose mission is the preservation and maintenance of native languages.

“Subpart 1—Program Development and Enhancement

20 USC 6911.

“SEC. 3211. FINANCIAL ASSISTANCE FOR LANGUAGE INSTRUCTION EDUCATIONAL PROGRAMS.

“The purpose of this subpart is to assist local educational agencies, institutions of higher education, and community-based organizations, through the grants authorized under sections 3212 and 3213—

“(1) to develop and enhance their capacity to provide high-quality instruction through language instruction educational programs or special alternative instruction programs to limited English proficient children; and

“(2) to help such children—

“(A) develop English proficiency and, to the extent possible, proficiency in their native language; and

“(B) meet the same challenging State academic content and student academic achievement standards as all children are expected to meet under section 1111(b)(1).

20 USC 6912.

“SEC. 3212. PROGRAM ENHANCEMENT ACTIVITIES.

“(a) PROGRAM AUTHORIZED.—

“(1) AUTHORITY.—

“(A) IN GENERAL.—The Secretary is authorized to award grants to eligible entities having applications approved under section 3214 to enable such entities to provide innovative, locally designed, high-quality instruction to limited English proficient children, by expanding, developing, or strengthening language instruction educational programs or special alternative instruction programs.

“(B) PERIOD.—Each grant awarded under this section shall be awarded for a period of 3 years.

“(2) AUTHORIZED ACTIVITIES.—

“(A) MANDATORY ACTIVITIES.—Grants awarded under this section shall be used for—

“(i) developing, implementing, expanding, or enhancing comprehensive preschool, elementary, or secondary education programs for limited English proficient children, that are—

“(I) aligned with State and local academic content and student academic achievement standards, and local school reform efforts; and

“(II) coordinated with related academic services for children;

“(ii) providing high-quality professional development to classroom teachers, administrators, and other school or community-based organization personnel to improve the instruction and assessment of limited English proficient children; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) annually assessing the English proficiency of all limited English proficient children served by activities carried out under this section.

“(B) PERMISSIBLE ACTIVITIES.—Grants awarded under this section may be used for—

“(i) implementing programs to upgrade the reading and other academic skills of limited English proficient children;

“(ii) developing accountability systems to monitor the academic progress of limited English proficient and formerly limited English proficient children;

“(iii) implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children;

“(iv) improving the instruction programs for limited English proficient children by identifying, acquiring, and applying effective curricula, instruction materials (including materials provided through technology), and assessments that are all aligned with State and local standards;

“(v) providing intensified instruction, including tutorials and academic, or vocational and technical, training, for limited English proficient children;

“(vi) adapting best practice models for meeting the needs of limited English proficient children;

“(vii) assisting limited English proficient children with disabilities;

“(viii) implementing applied learning activities such as service learning to enhance and support comprehensive elementary and secondary language instruction educational programs;

“(ix) acquiring or developing education technology or instruction materials for limited English proficient children, including materials in languages other than English;

“(x) participating in electronic networks for materials, training, and communication, and incorporating information derived from such participation in curricula and programs; and

“(xi) carrying out such other activities related to the purpose of this part as the Secretary may approve.

“(b) PRIORITY.—In awarding grants under this section, the Secretary may give priority to an entity that—

“(1) serves a school district—

“(A) that has a total district enrollment that is less than 10,000 students; or

“(B) with a large percentage or number of limited English proficient children; and

“(2) has limited or no experience in serving limited English proficient children.

“(c) ELIGIBLE ENTITY.—In this section, the term ‘eligible entity’ means—

“(1) one or more local educational agencies;

“(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organization, or State educational agency; or

“(3) a community-based organization or an institution of higher education that has an application approved by the local educational agency to participate in programs carried out under this subpart by enhancing early childhood education or family education programs or conducting instruction programs that supplement the educational services provided by a local educational agency.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6913.

“SEC. 3213. COMPREHENSIVE SCHOOL AND SYSTEMWIDE IMPROVEMENT ACTIVITIES.**“(a) PROGRAM AUTHORIZED.—**

“(1) AUTHORITY.—The Secretary is authorized to award grants to eligible entities having applications approved under section 3214 to enable such entities to develop and implement language instruction educational programs, and improve, reform, or upgrade programs or operations that serve significant percentages or numbers of limited English proficient children.

“(2) MANDATORY ACTIVITIES.—Grants awarded under this section shall be used for—

“(A) improving instruction programs for limited English proficient children by acquiring and upgrading curricula and related instruction materials;

“(B) aligning the activities carried out under this section with State and local school reform efforts;

“(C) providing training, aligned with State and local standards, to school personnel and participating community-based organization personnel to improve the instruction and assessment of limited English proficient children;

“(D) developing and implementing plans, coordinated with plans for programs carried out under title II of the Higher Education Act of 1965 (where applicable), and title II of this Act (where applicable), to recruit teachers trained to serve limited English proficient children;

“(E) implementing culturally and linguistically appropriate family education programs, or parent outreach and training activities, that are designed to assist parents of limited English proficient children to become active participants in the education of their children;

“(F) coordinating the activities carried out under this section with other programs, such as programs carried out under this title;

“(G) providing services to meet the full range of the educational needs of limited English proficient children;

“(H) annually assessing the English proficiency of all limited English proficient children served by the activities carried out under this section; and

“(I) developing or improving accountability systems to monitor the academic progress of limited English proficient children.

“(3) PERMISSIBLE ACTIVITIES.—Grants awarded under this section may be used for—

“(A) implementing programs to upgrade reading and other academic skills of limited English proficient children;

“(B) developing and using educational technology to improve learning, assessments, and accountability to meet the needs of limited English proficient children;

“(C) implementing scientifically based research programs to meet the needs of limited English proficient children;

“(D) providing tutorials and academic, or vocational and technical, training for limited English proficient children;

“(E) developing and implementing State and local academic content and student academic achievement standards for learning English as a second language, as well as for learning other languages;

“(F) developing and implementing programs for limited English proficient children to meet the needs of changing populations of such children;

“(G) implementing policies to ensure that limited English proficient children have access to other education programs (other than programs designed to address limited English proficiency);

PUBLIC LAW 107-110—JAN. 8, 2002

“(H) assisting limited English proficient children with disabilities;

“(I) developing and implementing programs to help children become proficient in English and other languages;

“(J) acquiring or developing education technology or instruction materials for limited English proficient children, including materials in languages other than English;

“(K) participating in electronic networks for materials, training, and communication and incorporating information derived from such participation in curricula and programs; and

“(L) carrying out such other activities related to the purpose of this part as the Secretary may approve.

“(4) SPECIAL RULE.—

“(A) PLANNING.—A recipient of a grant under this section, before carrying out activities under this section, shall plan, train personnel, develop curricula, and acquire or develop materials, but shall not use funds made available under this section for planning purposes for more than 45 days.

“(B) COMMENCEMENT OF ACTIVITIES.—The recipient shall commence carrying out activities under this section not later than the later of—

“(i) the beginning of the first school year that begins after the grant is received; or

“(ii) 30 days after the date of receipt of the grant.

“(b) AVAILABILITY OF APPROPRIATIONS.—

“(1) RESERVATION OF FUNDS FOR CONTINUED PAYMENTS.—

“(A) COVERED GRANT.—In this paragraph, the term ‘covered grant’ means a grant—

“(i) that was awarded under section 7112, 7113, 7114, or 7115 (as such sections were in effect on the day before the date of enactment of the No Child Left Behind Act of 2001); and

“(ii) for which the grant period has not ended.

“(B) RESERVATION.—For any fiscal year that is part of the grant period of a covered grant, the Secretary shall reserve funds for the payments described in subparagraph (C) from the amount appropriated for the fiscal year under section 3001(a) and made available for carrying out this section.

“(C) PAYMENTS.—The Secretary shall continue to make grant payments to each entity that received a covered grant, in accordance with the terms of that grant, for the duration of the grant period of the grant, to carry out activities in accordance with the appropriate section described in subparagraph (A)(i).

“(2) AVAILABILITY.—Of the amount appropriated for a fiscal year under section 3001(a) that is made available to carry out this section, and that remains after the Secretary reserves funds for payments under paragraph (1)—

“(A) not less than one-third of the remainder shall be used to award grants to eligible entities for activities carried out within an entire school district; and

“(B) not less than two-thirds of the remainder shall be used to award grants to eligible entities for activities carried out within individual schools.

“(c) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to an applicant that—

“(1) experiences a significant increase in the number or percentage of limited English proficient children enrolled in the applicant’s programs and has limited or no experience in serving limited English proficient children;

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) is a local educational agency that serves a school district that has a total district enrollment that is less than 10,000 students;

“(3) demonstrates that the applicant has a proven track record of success in helping limited English proficient children learn English and meet high academic standards; or

“(4) serves a school district with a large number or percentage of limited English proficient children.

“(d) ELIGIBLE ENTITIES.—In this section, the term ‘eligible entity’ means—

“(1) one or more local educational agencies; or

“(2) one or more local educational agencies, in collaboration with an institution of higher education, community-based organization, or State educational agency.

20 USC 6914.

“SEC. 3214. APPLICATIONS.

“(a) IN GENERAL.—

“(1) SECRETARY.—To receive a grant under this subpart, an eligible entity described in section 3212 or 3213 shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

Records.

“(2) STATE EDUCATIONAL AGENCY.—The eligible entity, with the exception of schools funded by the Bureau of Indian Affairs, shall submit a copy of the application submitted by the entity under this section to the State educational agency.

“(b) STATE REVIEW AND COMMENTS.—

“(1) DEADLINE.—The State educational agency, not later than 45 days after receipt of an application under this section, shall review the application and submit the written comments of the agency regarding the application to the Secretary.

“(2) COMMENTS.—

“(A) SUBMISSION OF COMMENTS.—Regarding applications submitted under this subpart, the State educational agency shall—

“(i) submit to the Secretary written comments regarding all such applications; and

“(ii) submit to each eligible entity the comments that pertain to such entity.

“(B) SUBJECT.—For purposes of this subpart, such comments shall address—

“(i) how the activities to be carried out under the grant will further the academic achievement and English proficiency of limited English proficient children served under the grant; and

“(ii) how the grant application is consistent with the State plan required under section 1111.

“(c) ELIGIBLE ENTITY COMMENTS.—An eligible entity may submit to the Secretary comments that address the comments submitted by the State educational agency.

“(d) COMMENT CONSIDERATION.—In making grants under this subpart, the Secretary shall take into consideration comments made by State educational agencies.

“(e) WAIVER.—Notwithstanding subsection (b), the Secretary is authorized to waive the review requirement specified in subsection (b) if a State educational agency can demonstrate that such review requirement may impede such agency’s ability to fulfill the requirements of participation in the program authorized in section 3224, particularly such agency’s ability to carry out data collection efforts and such agency’s ability to provide technical assistance to local educational agencies not receiving funds under this subpart.

“(f) REQUIRED DOCUMENTATION.—Such application shall include documentation that—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) the applicant has the qualified personnel required to develop, administer, and implement the program proposed in the application; and

“(2) the leadership personnel of each school participating in the program have been involved in the development and planning of the program in the school.

“(g) CONTENTS.—

“(1) IN GENERAL.—An application for a grant under this subpart shall contain the following:

“(A) A description of the need for the proposed program, including—

“(i) data on the number of limited English proficient children in the school or school district to be served;

“(ii) information on the characteristics of the children, including—

“(I) the native languages of the children;

“(II) the proficiency of the children in English and their native language;

“(III) achievement data (current as of the date of submission of the application) for the limited English proficient children in—

“(aa) reading or language arts (in English and in the native language, if applicable); and

“(bb) mathematics;

“(IV) a comparison of that data for the children with that data for the English proficient peers of the children; and

“(V) the previous schooling experiences of the children;

“(iii) the professional development needs of the instruction personnel who will provide services for the limited English proficient children under the proposed program; and

“(iv) how the services provided through the grant will supplement the basic services provided to limited English proficient children.

“(B) A description of the program to be implemented and how such program’s design—

“(i) relates to the linguistic and academic needs of the limited English proficient children to be served;

“(ii) will ensure that the services provided through the program will supplement the basic services the applicant provides to limited English proficient children;

“(iii) will ensure that the program is coordinated with other programs under this Act and other Acts;

“(iv) involves the parents of the limited English proficient children to be served;

“(v) ensures accountability in achieving high academic standards; and

“(vi) promotes coordination of services for the limited English proficient children to be served and their families.

“(C) A description, if appropriate, of the applicant’s collaborative activities with institutions of higher education, community-based organizations, local educational agencies or State educational agencies, private schools, non-profit organizations, or businesses in carrying out the proposed program.

“(D) An assurance that the applicant will not reduce the level of State and local funds that the applicant expends for language instruction educational programs or special alternative instruction programs if the applicant receives an award under this subpart.

PUBLIC LAW 107-110—JAN. 8, 2002

“(E) An assurance that the applicant will employ teachers in the proposed program who, individually or in combination, are proficient in—

“(i) English, with respect to written, as well as oral, communication skills; and

“(ii) the native language of the majority of the children who the teachers teach, if instruction in the program is in the native language as well as English.

“(F) A budget for the grant funds.

“(2) ADDITIONAL INFORMATION.—Each application for a grant under section 3213 shall—

“(A) describe—

“(i) current services (as of the date of submission of the application) the applicant provides to limited English proficient children;

“(ii) what services limited English proficient children will receive under the grant that such children will not otherwise receive;

“(iii) how funds received under this subpart will be integrated with all other Federal, State, local, and private resources that may be used to serve limited English proficient children;

“(iv) specific achievement and school retention goals for the children to be served by the proposed program and how progress toward achieving such goals will be measured; and

“(v) the current family education programs (as of the date of submission of the application) of the eligible entity, if applicable; and

“(B) provide assurances that—

“(i) the program funded with the grant will be integrated with the overall educational program of the children served through the proposed program; and

“(ii) the application has been developed in consultation with parents and other representatives of the children to be served in such program.

“(h) APPROVAL OF APPLICATIONS.—An application for a grant under this subpart may be approved only if the Secretary determines that—

“(1) the program proposed in the application will use qualified personnel, including personnel who are proficient in the language or languages used for instruction;

“(2) in designing the program, the eligible entity has, after consultation with appropriate private school officials—

“(A) taken into account the needs of children in non-profit private elementary schools and secondary schools; and

“(B) in a manner consistent with the number of such children enrolled in such schools in the area to be served, whose educational needs are of the type and whose language, and grade levels are of a similar type to the needs, language, and grade levels that the program is intended to address, provided for the participation of such children on a basis comparable to the basis on which public school children participate;

“(3)(A) student evaluation and assessment procedures in the program are valid and reliable for limited English proficient children; and

“(B) limited English proficient children with disabilities will be identified and served through the program in accordance with the requirements of the Individuals with Disabilities Education Act;

“(4) Federal funds made available for the program will be used to supplement the State and local funds that, in the absence of such Federal funds, would be expended for special

PUBLIC LAW 107-110—JAN. 8, 2002

programs for children of limited English proficient individuals, and in no case to supplant such State and local funds, except that nothing in this paragraph shall be construed to preclude a local educational agency from using funds made available under this subpart—

“(A) for activities carried out under an order of a Federal or State court respecting services to be provided to such children; or

“(B) to carry out a plan approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 with respect to services to be provided to such children;

“(5)(A) the assistance provided through the grant will contribute toward building the capacity of the eligible entity to provide a program on a regular basis, similar to the proposed program, that will be of sufficient size, scope, and quality to promise significant improvement in the education of limited English proficient children; and

“(B) the eligible entity will have the resources and commitment to continue the program of sufficient size, scope, and quality when assistance under this subpart is reduced or no longer available; and

“(6) the eligible entity will use State and national dissemination sources for program design and dissemination of results and products.

“(i) CONSIDERATION.—In determining whether to approve an application under this subpart, the Secretary shall give consideration to—

“(1) the degree to which the program for which assistance is sought involves the collaborative efforts of institutions of higher education, community-based organizations, the appropriate local educational agency and State educational agency, or businesses; and

“(2) whether the application provides for training for personnel participating in, or preparing to participate in, a program that will assist such personnel in meeting State and local certification requirements.

“SEC. 3215. CAPACITY BUILDING.

20 USC 6915.

“Each recipient of a grant under this subpart shall use the grant in ways that will build such recipient’s capacity to continue to offer high-quality language instruction educational programs and special alternative instruction programs to limited English proficient children after Federal assistance is reduced or eliminated.

“SEC. 3216. PROGRAMS FOR NATIVE AMERICANS AND PUERTO RICO.

20 USC 6916.

“Notwithstanding any other provision of this part, programs authorized under this subpart that serve Native American (including Native American Pacific Islander) children and children in the Commonwealth of Puerto Rico may include programs of instruction, teacher training, curriculum development, evaluation, and assessment designed for Native American children learning and studying Native American languages and children of limited Spanish proficiency, except that an outcome of programs serving such children shall be increased English proficiency among such children.

“SEC. 3217. EVALUATIONS.

20 USC 6917.

“(a) EVALUATION.—Each recipient of funds under this subpart for a program shall annually conduct an evaluation of the program and submit to the Secretary a report concerning the evaluation, in the form prescribed by the Secretary.

Reports.

“(b) USE OF EVALUATION.—Such evaluation shall be used by the grant recipient—

“(1) for program improvement;

“(2) to further define the program’s goals and objectives;

and

“(3) to determine program effectiveness.

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) EVALUATION REPORT COMPONENTS.—In preparing the evaluation reports, the recipient shall—

“(1) use the data provided in the application submitted by the recipient under section 3214 as baseline data against which to report academic achievement and gains in English proficiency for children in the program;

“(2) disaggregate the results of the evaluation by gender, native languages spoken by children, socioeconomic status, and whether the children have disabilities;

“(3) include data on the progress of the recipient in achieving the objectives of the program, including data demonstrating the extent to which children served by the program are meeting the challenging State academic content and student academic achievement standards, and including data comparing limited English proficient children with English proficient children with regard to school retention and academic achievement concerning—

“(A) reading and language arts;

“(B) English proficiency;

“(C) mathematics; and

“(D) the native language of the children, if the program develops native language proficiency;

“(4) include information on the extent that professional development activities carried out through the program have resulted in improved classroom practices and improved student academic achievement;

include a description of how the activities carried out through the program are coordinated and integrated with the other Federal, State, or local programs serving limited English proficient children; and

“(6) include such other information as the Secretary may require.

20 USC 6918.

“SEC. 3218. CONSTRUCTION.

“Nothing in this subpart shall be construed to prohibit a local educational agency from serving limited English proficient children simultaneously with children with similar educational needs, in the same educational settings where appropriate.

“Subpart 2—Research, Evaluation, and Dissemination

20 USC 6931.

“SEC. 3221. AUTHORITY.

“(a) IN GENERAL.—The Secretary is authorized to conduct data collection, dissemination, research, and ongoing program evaluation activities in accordance with the provisions of this subpart for the purpose of improving language instruction educational programs and special alternative instruction programs for limited English proficient children.

“(b) COMPETITIVE AWARDS.—Research and program evaluation activities carried out under this subpart shall be supported through competitive grants, contracts, and cooperative agreements awarded to institutions of higher education, nonprofit organizations, State educational agencies, and local educational agencies.

“(c) ADMINISTRATION.—The Secretary shall conduct data collection, dissemination, and ongoing program evaluation activities authorized by this subpart through the Office of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students.

20 USC 6932.

“SEC. 3222. RESEARCH.

“(a) ADMINISTRATION.—The Secretary shall conduct research activities authorized by this subpart through the Office of Educational Research and Improvement in coordination and collaboration with the Office of English Language Acquisition, Language

PUBLIC LAW 107-110—JAN. 8, 2002

Enhancement, and Academic Achievement for Limited English Proficient Students.

“(b) REQUIREMENTS.—Such research activities—

“(1) shall have a practical application to teachers, counselors, paraprofessionals, school administrators, parents, and others involved in improving the education of limited English proficient children and their families;

“(2) may include research on effective instruction practices for multilingual classes, and on effective instruction strategies to be used by a teacher or other staff member who does not know the native language of a limited English proficient child in the teacher’s or staff member’s classroom;

“(3) may include establishing (through the National Center for Education Statistics in consultation with experts in second language acquisition and scientifically based research on teaching limited English proficient children) a common definition of ‘limited English proficient child’ for purposes of national data collection; and

“(4) shall be administered by individuals with expertise in second language acquisition, scientifically based research on teaching limited English proficient children, and the needs of limited English proficient children and their families.

“(c) FIELD-INITIATED RESEARCH.—

“(1) IN GENERAL.—The Secretary shall reserve not less than 5 percent of the funds made available to carry out this section for field-initiated research conducted by recipients of grants under subpart 1 or this subpart who have received such grants within the previous 5 years. Such research may provide for longitudinal studies of limited English proficient children or teachers who serve such children, monitoring the education of such children from entry into language instruction educational programs through secondary school completion.

“(2) APPLICATIONS.—An applicant for assistance under this subsection may submit an application for such assistance to the Secretary at the same time as the applicant submits another application under subpart 1 or this subpart. The Secretary shall complete a review of such applications on a timely basis to allow the activities carried out under research and program grants to be coordinated when recipients are awarded two or more of such grants.

“(d) CONSULTATION.—The Secretary shall consult with agencies, organizations, and individuals that are engaged in research and practice on the education of limited English proficient children, language instruction educational programs, or related research, to identify areas of study and activities to be funded under this section.

“(e) DATA COLLECTION.—The Secretary shall provide for the collection of data on limited English proficient children as part of the data systems operated by the Department.

“SEC. 3223. ACADEMIC EXCELLENCE AWARDS.

20 USC 6933.

“(a) AUTHORITY.—The Secretary may make grants to State educational agencies to assist the agencies in recognizing local educational agencies and other public and nonprofit entities whose programs have—

“(1) demonstrated significant progress in assisting limited English proficient children to learn English according to age appropriate and developmentally appropriate standards; and

“(2) demonstrated significant progress in assisting limited English proficient children to meet, according to age appropriate and developmentally appropriate standards, the same challenging State academic content and student academic achievement standards as all children are expected to meet.

“(b) APPLICATIONS.—A State educational agency desiring a grant under this section shall include an application for such grant in the application submitted by the agency under section 3224(e).

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 6934.

“SEC. 3224. STATE GRANT PROGRAM.

“(a) STATE GRANT PROGRAM.—The Secretary is authorized to make an award to a State educational agency that demonstrates, to the satisfaction of the Secretary, that such agency, through such agency’s programs and other Federal education programs, effectively provides for the education of limited English proficient children within the State.

“(b) PAYMENTS.—The amount paid to a State educational agency under subsection (a) shall not exceed 5 percent of the total amount awarded to local educational agencies and entities within the State under subpart 1 for the previous fiscal year, except that in no case shall the amount paid by the Secretary to any State educational agency under this subsection for any fiscal year be less than \$100,000.

“(c) USE OF FUNDS.—

“(1) IN GENERAL.—A State educational agency shall use funds awarded under this section—

“(A) to assist local educational agencies in the State with activities that—

“(i) consist of program design, capacity building, assessment of student academic achievement, program evaluation, and development of data collection and accountability systems for limited English proficient children; and

“(ii) are aligned with State reform efforts; and

“(B) to collect data on the State’s limited English proficient populations and document the services available to all such populations.

“(2) TRAINING.—The State educational agency may also use funds provided under this section for the training of State educational agency personnel in educational issues affecting limited English proficient children.

“(3) SPECIAL RULE.—Recipients of funds under this section shall not restrict the provision of services under this section to federally funded programs.

“(d) STATE CONSULTATION.—A State educational agency receiving funds under this section shall consult with recipients of grants under this subpart and other individuals or organizations involved in the development or operation of programs serving limited English proficient children to ensure that such funds are used in a manner consistent with the requirements of this subpart.

“(e) APPLICATIONS.—A State educational agency desiring to receive funds under this section shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require.

“(f) SUPPLEMENT, NOT SUPPLANT.—Federal funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase the State funds that, in the absence of such Federal funds, would be made available for the purposes described in this section, and in no case to supplant such State funds.

“(g) REPORT TO THE SECRETARY.—A State educational agency receiving an award under this section shall provide for the annual submission of a summary report to the Secretary describing such State’s use of the funds made available through the award.

20 USC 6935.

“SEC. 3225. INSTRUCTION MATERIALS DEVELOPMENT.

“(a) IN GENERAL.—The Secretary may make grants for the development, publication, and dissemination of high-quality instruction materials—

“(1) in Native American languages (including Native Hawaiian languages and the language of Native American Pacific Islanders), and the language of natives of the outlying areas, for which instruction materials are not readily available; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) in other low-incidence languages in the United States for which instruction materials are not readily available.

“(b) PRIORITY.—In making the grants, the Secretary shall give priority to applicants for the grants who propose—

“(1) to develop instruction materials in languages indigenous to the United States or the outlying areas; and

“(2) to develop and evaluate materials, in collaboration with entities carrying out activities assisted under subpart 1 and this subpart, that are consistent with challenging State academic content and student academic achievement standards.

“Subpart 3—Professional Development

“SEC. 3231. PROFESSIONAL DEVELOPMENT GRANTS.

20 USC 6951.

“(a) PURPOSE.—The purpose of this section is to provide assistance to prepare educators to improve educational services for limited English proficient children by—

“(1) supporting professional development programs and activities to prepare teachers, pupil service personnel, administrators, and other educational personnel working in language instruction educational programs to provide effective services to limited English proficient children;

“(2) incorporating curricula and resources concerning appropriate and effective instruction and assessment methodologies specific to limited English proficient children into preservice and inservice professional development programs;

“(3) upgrading the qualifications and skills of non-certified educational personnel, including paraprofessionals, to enable such personnel to meet high professional standards for educating limited English proficient children;

“(4) improving the quality of professional development programs in schools or departments of education at institutions of higher education, for educational personnel serving, or preparing to serve, limited English proficient children; and

“(5) supporting the recruitment and training of prospective educational personnel to serve limited English proficient children by providing fellowships for undergraduate, graduate, doctoral, and post-doctoral study related to the instruction of such children.

“(b) AUTHORIZATION.—

“(1) IN GENERAL.—The Secretary is authorized to award grants under this section to—

“(A) State educational agencies;

“(B) local educational agencies;

“(C) institutions of higher education; or

“(D) consortia of one or more local educational agencies,

State educational agencies, institutions of higher education, for-profit organizations, or nonprofit organizations.

“(2) DURATION.—Each grant awarded under this section shall be awarded for a period of not more than 4 years.

“(c) AUTHORIZED ACTIVITIES.—Grants awarded under this section shall be used to conduct high-quality professional development programs and effective activities to improve the quality of instruction and services provided to limited English proficient children, including—

“(1) implementing preservice and inservice professional development programs for teachers who serve limited English proficient children, administrators, and other educational personnel who are preparing to provide educational services for limited English proficient children, including professional development programs that assist limited English proficient children to attain English proficiency;

“(2) implementing school-based collaborative efforts among teachers to improve instruction in core academic subjects, especially reading, for limited English proficient children;

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) developing and implementing programs to assist beginning teachers who serve limited English proficient children with transitioning to the teaching profession, including programs that provide mentoring and team teaching with trained and experienced teachers;

“(4) implementing programs that support effective teacher use of education technologies to improve instruction and assessment;

“(5) developing curricular materials and assessments for teachers that are appropriate to the needs of limited English proficient children, and that are aligned with challenging State academic content and student academic achievement standards, including materials and assessments that ensure limited English proficient children attain English proficiency;

“(6) integrating and coordinating activities with entities carrying out other programs consistent with the purpose of this section and supported under this Act, or other Acts as appropriate;

“(7) developing and implementing career ladder programs to upgrade the qualifications and skills of non-certified educational personnel working in, or preparing to work in, language instruction educational programs to enable such personnel to meet high professional standards, including standards for certification and licensure as teachers;

“(8) developing and implementing activities to help recruit and train secondary school students as teachers who serve limited English proficient children;

“(9) providing fellowships and assistance for costs related to enrollment in a course of study at an institution of higher education that addresses the instruction of limited English proficient children in such areas as teacher training, program administration, research, evaluation, and curriculum development, and for the support of dissertation research related to such study, except that any person receiving such a fellowship or assistance shall agree to—

“(A) work in an activity related to improving the educational services for limited English proficient children authorized under this subpart, including work as a teacher that serves limited English proficient children, for a period of time equivalent to the period of time during which such person receives assistance under this paragraph; or

“(B) repay such assistance; and

“(10) carrying out such other activities as are consistent with the purpose of this section.

“(d) APPLICATION.—

“(1) IN GENERAL.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

“(2) CONTENTS.—Each application shall—

“(A) describe the programs and activities proposed to be developed, implemented, and administered under the award;

“(B) describe how the applicant has consulted with, and assessed the needs of, public and private schools serving limited English proficient children to determine such schools’ need for, and the design of, the program for which funds are sought; and

“(C) describe how the programs and activities to be carried out under the award will be used to ensure that limited English proficient children meet challenging State academic content and student academic achievement standards and attain English proficiency.

“(3) SPECIAL RULE.—An eligible entity that proposes to conduct a master’s-level or doctoral-level program with funds

PUBLIC LAW 107-110—JAN. 8, 2002

received under this section shall include in the entity's application an assurance that such program will include a training practicum in a local elementary school or secondary school program serving limited English proficient children.

“(4) OUTREACH AND TECHNICAL ASSISTANCE.—The Secretary shall provide for outreach and technical assistance to institutions of higher education eligible for assistance under title III of the Higher Education Act of 1965, and institutions of higher education that are operated or funded by the Bureau of Indian Affairs, to facilitate the participation of such institutions in programs and activities under this section.

“(5) DISTRIBUTION RULE.—In making awards under this section, the Secretary shall ensure adequate representation of Hispanic-serving institutions that demonstrate competence and experience in carrying out the programs and activities authorized under this section and that are otherwise qualified.

“(e) PRIORITIES IN AWARDING GRANTS.—

“(1) GRANTS TO AGENCIES.—In awarding grants to State educational agencies and local educational agencies under this section, the Secretary shall give priority to agencies that propose programs and activities designed to implement professional development programs for teachers and educational personnel who are providing or preparing to provide educational services for limited English proficient children, including services provided through language instruction educational programs, that ensure such children attain English proficiency and meet challenging State academic content and student academic achievement standards.

“(2) GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.—In awarding grants to institutions of higher education under this section, the Secretary shall give priority to institutions that propose programs and activities to recruit and upgrade the qualifications and skills of certified and non-certified educational personnel by offering degree programs that prepare beginning teachers to serve limited English proficient children.

“(f) PROGRAM EVALUATIONS.—Each recipient of an award under this section for a program or activity shall annually conduct an independent evaluation of the program or activity and submit to the Secretary a report containing such evaluation. Such report shall include information on—

“(1) the program or activity conducted by the recipient to provide high-quality professional development to participants in such program or activity;

“(2) the number of participants served through the program or activity, the number of participants who completed the requirements of the program or activity, and the number of participants who took positions in an instruction setting with limited English proficient children;

“(3) the effectiveness of the program or activity in imparting the professional skills necessary for participants to achieve the objectives of the program or activity; and

“(4) the teaching effectiveness of graduates of the program or activity or other participants who have completed the program or activity.

“Subpart 4—Emergency Immigrant Education Program

“SEC. 3241. PURPOSE.

20 USC 6961.

“The purpose of this subpart is to assist eligible local educational agencies that experience unexpectedly large increases in their student population due to immigration—

“(1) to provide high-quality instruction to immigrant children and youth; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) to help such children and youth—

“(A) with their transition into American society; and

“(B) meet the same challenging State academic content and student academic achievement standards as all children are expected to meet.

20 USC 6962.

“SEC. 3242. STATE ADMINISTRATIVE COSTS.

“For any fiscal year, a State educational agency may reserve not more than 1.5 percent (2 percent if the State educational agency distributes funds received under this subpart to local educational agencies on a competitive basis) of the amount allotted to such agency under section 3244 to pay the costs of performing such agency’s administrative functions under this subpart.

20 USC 6963.

“SEC. 3243. WITHHOLDING.

Notification.

“Whenever the Secretary, after providing reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to comply with a requirement of any provision of this subpart, the Secretary shall notify that agency that further payments will not be made to the agency under this subpart or, in the discretion of the Secretary, that the State educational agency shall not make further payments under this subpart to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this subpart, or payments by the State educational agency under this subpart shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

20 USC 6964.

“SEC. 3244. STATE ALLOTMENTS.

“(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 2002 through 2008 for the purpose set forth in section 3241.

“(b) ALLOTMENTS.—

“(1) IN GENERAL.—Except as provided in subsections (c) and (d), of the amount appropriated for each fiscal year for this subpart, each State participating in the program assisted under this subpart shall receive an allotment equal to the proportion of the number of immigrant children and youth who are enrolled in public elementary schools or secondary schools under the jurisdiction of each local educational agency described in paragraph (2), and in nonpublic elementary schools or secondary schools within the district served by each such local educational agency within such State, relative to the total number of immigrant children and youth so enrolled in all the States participating in the program assisted under this subpart.

“(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—A local educational agency referred to in paragraph (1) is a local educational agency for which the sum of the number of immigrant children and youth who are enrolled in public elementary schools or secondary schools under the jurisdiction of such agency, and in nonpublic elementary schools or secondary schools within the district served by such agency, during the fiscal year for which the payments are to be made under this subpart, is equal to at least—

“(A) 500; or

“(B) 3 percent of the total number of children enrolled in such public or nonpublic schools during such fiscal year, whichever is less.

“(c) DETERMINATIONS OF NUMBER OF CHILDREN AND YOUTH.—

“(1) IN GENERAL.—Determinations by the Secretary under this section for any period with respect to the number of

PUBLIC LAW 107-110—JAN. 8, 2002

immigrant children and youth shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

“(2) SPECIAL RULE.—No such determination with respect to the number of immigrant children and youth shall operate because of an underestimate or overestimate to deprive any State educational agency of the allotment under this section that such State would otherwise have received had such determination been made on the basis of accurate data.

“(d) REALLOTMENT.—

“(1) IN GENERAL.—Whenever the Secretary determines that any amount of a payment made to a State under this subpart for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose.

“(2) FISCAL YEAR.—Any amount made available to a State from any appropriation for a fiscal year in accordance with paragraph (1) shall, for purposes of this subpart, be regarded as part of such State’s payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

“(e) RESERVATION OF FUNDS.—

“(1) IN GENERAL.—Notwithstanding any other provision of this subpart, if the amount appropriated to carry out this subpart exceeds \$50,000,000 for a fiscal year, a State educational agency may reserve not more than 20 percent of such agency’s payment under this subpart for such year to award grants, on a competitive basis, to local educational agencies within the State as follows:

“(A) AGENCIES WITH IMMIGRANT CHILDREN AND YOUTH.—At least $\frac{1}{2}$ of the funds reserved under this paragraph shall be made available to eligible local educational agencies (as described in subsection (b)(2)) within the State with the highest numbers and percentages of immigrant children and youth.

“(B) AGENCIES WITH A SUDDEN INFLUX OF CHILDREN AND YOUTH.—Funds reserved under this paragraph and not made available under subparagraph (A) may be distributed to local educational agencies within the State that are experiencing a sudden influx of immigrant children and youth and that are otherwise not eligible for assistance under this subpart.

“(2) USE OF GRANT FUNDS.—Each local educational agency receiving a grant under paragraph (1) shall use such grant funds to carry out the activities described in section 3247.

“(3) INFORMATION.—Local educational agencies receiving funds under paragraph (1) with the highest number of immigrant children and youth may make information available on serving immigrant children and youth to local educational agencies in the State with sparse numbers of such children and youth.

“SEC. 3245. STATE APPLICATIONS.

20 USC 6965.

“(a) SUBMISSION.—No State educational agency shall receive any payment under this subpart for any fiscal year unless such agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) provide that the educational programs, services, and activities for which payments under this subpart are made will be administered by or under the supervision of the agency;

“(2) provide assurances that payments under this subpart will be used for purposes set forth in sections 3241 and 3247, including a description of how local educational agencies receiving funds under this subpart will use such funds to meet such purposes and will coordinate with entities carrying out other programs and activities assisted under this Act, and other Acts as appropriate;

“(3) provide an assurance that local educational agencies receiving funds under this subpart will coordinate the use of such funds with entities carrying out programs and activities assisted under part A of title I;

“(4) provide assurances that such payments, with the exception of payments reserved under section 3244(e), will be distributed among local educational agencies within that State on the basis of the number of immigrant children and youth counted with respect to each such local educational agency under section 3244(b)(1);

“(5) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this subpart without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

“(6) provide for making such reports as the Secretary may reasonably require to perform the Secretary’s functions under this subpart;

“(7) provide assurances—

“(A) that to the extent consistent with the number of immigrant children and youth enrolled in the nonpublic elementary schools or secondary schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of such children and youth secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children and youth;

“(B) that the control of funds provided under this subpart for any materials or equipment, or property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purpose provided in this subpart, and a public agency shall administer such funds and property; and

“(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such nonpublic elementary school or secondary school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds;

“(8) provide that funds reserved under section 3244(e) be awarded on a competitive basis based on merit and need in accordance with such section; and

“(9) provide an assurance that the State educational agency and local educational agencies in the State receiving funds under this subpart will comply with the requirements of section 1120(b).

“(b) APPLICATION REVIEW.—

“(1) IN GENERAL.—The Secretary shall review all applications submitted pursuant to this section by State educational agencies.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) APPROVAL.—The Secretary shall approve any application submitted by a State educational agency that meets the requirements of this section.

“(3) DISAPPROVAL.—The Secretary shall disapprove any application submitted by a State educational agency that does not meet the requirements of this section, but shall not finally disapprove an application except after providing reasonable notice, technical assistance, and an opportunity for a hearing to the State educational agency.

“SEC. 3246. ADMINISTRATIVE PROVISIONS.

20 USC 6966.

“(a) NOTIFICATION OF AMOUNT.—The Secretary, not later than June 1 of each year, shall notify each State educational agency that has an application approved under section 3245 of the amount of such agency’s allotment under section 3244 for the succeeding year.

Deadline.

“(b) SERVICES TO IMMIGRANT CHILDREN AND YOUTH ENROLLED IN NONPUBLIC SCHOOLS.—If by reason of any provision of law a local educational agency is prohibited from providing educational services for immigrant children and youth enrolled in nonpublic elementary schools and secondary schools, as required by section 3245(a)(7), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of such children and youth enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services, subject to the requirements of this subpart, to such children and youth. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

“SEC. 3247. USES OF FUNDS.

20 USC 6967.

“(a) USE OF FUNDS.—Funds awarded under this subpart shall be used to pay for enhanced instructional opportunities for immigrant children and youth, which may include—

“(1) family literacy, parent outreach, and training activities designed to assist parents to become active participants in the education of their children;

“(2) support of personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to immigrant children and youth;

“(3) tutorials, mentoring, and academic or career counseling for immigrant children and youth;

“(4) identification and acquisition of curricular materials, educational software, and technologies;

“(5) the provision of basic instruction services that are directly attributable to the presence in the school district of immigrant children and youth, including payment of costs of providing additional classroom supplies, costs of transportation, or such other costs as are directly attributable to such additional basic instruction services; and

“(6) such other activities, related to the purpose of this subpart, as the Secretary may authorize.

“(b) CONSORTIA.—A local educational agency that receives a grant under this subpart may collaborate or form a consortium with one or more local educational agencies, institutions of higher education, and nonprofit organizations to carry out a program described in an application approved under this subpart.

“(c) SUBGRANTS.—A local educational agency that receives a grant under this subpart may, with the approval of the Secretary, make a subgrant to, or enter into a contract with, an institution of higher education, a nonprofit organization, or a consortium of such institutions or organizations to carry out a program described in an application approved under this subpart, including a program to serve out-of-school youth.

PUBLIC LAW 107-110—JAN. 8, 2002

“(d) CONSTRUCTION.—Nothing in this subpart shall be construed to prohibit a local educational agency from serving immigrant children and youth simultaneously with children and youth with similar educational needs, in the same educational settings where appropriate.

20 USC 6968.

“SEC. 3248. REPORTS.

“(a) BIENNIAL REPORT.—Each State educational agency receiving funds under this subpart shall submit, once every 2 years, a report to the Secretary concerning the expenditure of funds by local educational agencies under this subpart. Each local educational agency receiving funds under this subpart shall submit to the State educational agency such information as may be necessary for such report.

“(b) REPORT TO CONGRESS.—The Secretary shall submit, once every 2 years, a report to the appropriate committees of Congress concerning programs assisted under this subpart.

“Subpart 5—Administration

20 USC 6981.

“SEC. 3251. RELEASE TIME.

“The Secretary shall allow entities carrying out professional development programs funded under this part to use funds provided under this part for professional release time to enable individuals to participate in programs assisted under this part.

20 USC 6982.

“SEC. 3252. NOTIFICATION.

“A State educational agency, and when applicable, the State board for postsecondary education, shall be notified within 3 working days after the date an award under this part is made to an eligible entity within the State.

20 USC 6983.

“SEC. 3253. COORDINATION AND REPORTING REQUIREMENTS.

“(a) COORDINATION WITH RELATED PROGRAMS.—In order to maximize Federal efforts aimed at serving the educational needs of children and youth of limited English proficiency, the Secretary shall coordinate and ensure close cooperation with other programs serving language-minority and limited English proficient children that are administered by the Department and other agencies. The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Agriculture, the Attorney General, and the heads of other relevant agencies to identify and eliminate barriers to appropriate coordination of programs that affect language-minority and limited English proficient children and their families. The Secretary shall provide for continuing consultation and collaboration, between the Office of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students and relevant programs operated by the Department, including programs under this part and other programs under this Act, in planning, contracts, providing joint technical assistance, providing joint field monitoring activities and in other relevant activities to ensure effective program coordination to provide high-quality educational opportunities to all language-minority and limited English proficient children.

“(b) DATA.—The Secretary shall, to the extent feasible, ensure that all data collected by the Department shall include the collection and reporting of data on limited English proficient children.

“(c) PUBLICATION OF PROPOSALS.—The Secretary shall publish and disseminate all requests for proposals for programs funded under this part.

Deadline.

“(d) REPORT.—The Director shall prepare and, not later than February 1 of every other year, shall submit to the Secretary, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate a report—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) on programs and activities carried out to serve limited English proficient children under this part, and the effectiveness of such programs and activities in improving the academic achievement and English proficiency of children who are limited English proficient;

“(2) containing a critical synthesis of data reported by States under section 3224, when applicable;

“(3) containing an estimate of the number of certified or licensed teachers working in language instruction educational programs and educating limited English proficient children, and an estimate of the number of such teachers that will be needed for the succeeding 5 fiscal years;

“(4) containing the major findings of scientifically based research carried out under this part; and

“(5) containing other information gathered from the reports submitted to the Secretary under this title when applicable.

“PART C—GENERAL PROVISIONS**“SEC. 3301. DEFINITIONS.**

20 USC 7011.

“Except as otherwise provided, in this title:

“(1) CHILD.—The term ‘child’ means any individual aged 3 through 21.

“(2) COMMUNITY-BASED ORGANIZATION.—The term ‘community-based organization’ means a private nonprofit organization of demonstrated effectiveness, Indian tribe, or tribally sanctioned educational authority, that is representative of a community or significant segments of a community and that provides educational or related services to individuals in the community. Such term includes a Native Hawaiian or Native American Pacific Islander native language educational organization.

“(3) COMMUNITY COLLEGE.—The term ‘community college’ means an institution of higher education as defined in section 101 of the Higher Education Act of 1965 that provides not less than a 2-year program that is acceptable for full credit toward a bachelor’s degree, including institutions receiving assistance under the Tribally Controlled College or University Assistance Act of 1978.

“(4) DIRECTOR.—The term ‘Director’ means the Director of the Office of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students established under section 209 of the Department of Education Organization Act.

“(5) FAMILY EDUCATION PROGRAM.—The term ‘family education program’ means a language instruction educational program or special alternative instruction program that—

“(A) is designed—

“(i) to help limited English proficient adults and out-of-school youths achieve English proficiency; and

“(ii) to provide instruction on how parents and family members can facilitate the educational achievement of their children;

“(B) when feasible, uses instructional programs based on models developed under the Even Start Family Literacy Programs, which promote adult literacy and train parents to support the educational growth of their children, the Parents as Teachers Program, and the Home Instruction Program for Preschool Youngsters; and

“(C) gives preference to participation by parents and immediate family members of children attending school.

“(6) IMMIGRANT CHILDREN AND YOUTH.—The term ‘immigrant children and youth’ means individuals who—

“(A) are aged 3 through 21;

“(B) were not born in any State; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) have not been attending one or more schools in any one or more States for more than 3 full academic years.

“(7) INDIAN TRIBE.—The term ‘Indian tribe’ means any Indian tribe, band, nation, or other organized group or community, including any Native village or Regional Corporation or Village Corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

“(8) LANGUAGE INSTRUCTION EDUCATIONAL PROGRAM.—The term ‘language instruction educational program’ means an instruction course—

“(A) in which a limited English proficient child is placed for the purpose of developing and attaining English proficiency, while meeting challenging State academic content and student academic achievement standards, as required by section 1111(b)(1); and

“(B) that may make instructional use of both English and a child’s native language to enable the child to develop and attain English proficiency, and may include the participation of English proficient children if such course is designed to enable all participating children to become proficient in English and a second language.

“(9) NATIVE AMERICAN AND NATIVE AMERICAN LANGUAGE.—The terms ‘Native American’ and ‘Native American language’ shall have the meanings given such terms in section 103 of the Native American Languages Act.

“(10) NATIVE HAWAIIAN OR NATIVE AMERICAN PACIFIC ISLANDER NATIVE LANGUAGE EDUCATIONAL ORGANIZATION.—The term ‘Native Hawaiian or Native American Pacific Islander native language educational organization’ means a nonprofit organization with—

“(A) a majority of its governing board and employees consisting of fluent speakers of the traditional Native American languages used in the organization’s educational programs; and

“(B) not less than 5 years successful experience in providing educational services in traditional Native American languages.

“(11) NATIVE LANGUAGE.—The term ‘native language’, when used with reference to an individual of limited English proficiency, means—

“(A) the language normally used by such individual;

or

“(B) in the case of a child or youth, the language normally used by the parents of the child or youth.

“(12) PARAPROFESSIONAL.—The term ‘paraprofessional’ means an individual who is employed in a preschool, elementary school, or secondary school under the supervision of a certified or licensed teacher, including individuals employed in language instruction educational programs, special education, and migrant education.

“(13) SPECIALLY QUALIFIED AGENCY.—The term ‘specially qualified agency’ means an eligible entity, as defined in section 3141, in a State whose State educational agency—

“(A) does not participate in a program under subpart 1 of part A for a fiscal year; or

“(B) submits a plan (or any amendment to a plan) that the Secretary, after reasonable notice and opportunity for a hearing, determines does not satisfy the requirements of such subpart.

“(14) STATE.—The term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

PUBLIC LAW 107-110—JAN. 8, 2002

“(15) TRIBALLY SANCTIONED EDUCATIONAL AUTHORITY.—The term ‘tribally sanctioned educational authority’ means—

“(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; and

“(B) any nonprofit institution or organization that is—

“(i) chartered by the governing body of an Indian tribe to operate a school described in section 3112(a) or otherwise to oversee the delivery of educational services to members of the tribe; and

“(ii) approved by the Secretary for the purpose of carrying out programs under subpart 1 of part A for individuals served by a school described in section 3112(a).

“SEC. 3302. PARENTAL NOTIFICATION.

20 USC 7012.

“(a) IN GENERAL.—Each eligible entity using funds provided under this title to provide a language instruction educational program shall, not later than 30 days after the beginning of the school year, inform a parent or the parents of a limited English proficient child identified for participation in, or participating in, such program of—

Deadline.

“(1) the reasons for the identification of their child as limited English proficient and in need of placement in a language instruction educational program;

“(2) the child’s level of English proficiency, how such level was assessed, and the status of the child’s academic achievement;

“(3) the method of instruction used in the program in which their child is, or will be, participating, and the methods of instruction used in other available programs, including how such programs differ in content, instruction goals, and use of English and a native language in instruction;

“(4) how the program in which their child is, or will be participating will meet the educational strengths and needs of the child;

“(5) how such program will specifically help their child learn English, and meet age appropriate academic achievement standards for grade promotion and graduation;

“(6) the specific exit requirements for such program, the expected rate of transition from such program into classrooms that are not tailored for limited English proficient children, and the expected rate of graduation from secondary school for such program if funds under this title are used for children in secondary schools;

“(7) in the case of a child with a disability, how such program meets the objectives of the individualized education program of the child; and

“(8) information pertaining to parental rights that includes written guidance—

“(A) detailing—

“(i) the right that parents have to have their child immediately removed from such program upon their request; and

“(ii) the options that parents have to decline to enroll their child in such program or to choose another program or method of instruction, if available; and

“(B) assisting parents in selecting among various programs and methods of instruction, if more than one program or method is offered by the eligible entity.

“(b) SEPARATE NOTIFICATION.—In addition to providing the information required to be provided under subsection (a), each eligible entity that is using funds provided under this title to provide a language instruction educational program, and that has failed to make progress on the annual measurable achievement

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

objectives described in section 3122 for any fiscal year for which part A is in effect, shall separately inform a parent or the parents of a child identified for participation in such program, or participating in such program, of such failure not later than 30 days after such failure occurs.

“(c) RECEIPT OF INFORMATION.—The information required to be provided under subsections (a) and (b) to a parent shall be provided in an understandable and uniform format and, to the extent practicable, in a language that the parent can understand.

“(d) SPECIAL RULE APPLICABLE DURING SCHOOL YEAR.—For a child who has not been identified for participation in a language instruction educational program prior to the beginning of the school year, the eligible entity shall carry out subsections (a) through (c) with respect to the parents of the child within 2 weeks of the child being placed in such a program.

“(e) PARENTAL PARTICIPATION.—

“(1) IN GENERAL.—Each eligible entity using funds provided under this title to provide a language instruction educational program shall implement an effective means of outreach to parents of limited English proficient children to inform such parents of how they can—

“(A) be involved in the education of their children;

and

“(B) be active participants in assisting their children—

“(i) to learn English;

“(ii) to achieve at high levels in core academic subjects; and

“(iii) to meet the same challenging State academic content and student academic achievement standards as all children are expected to meet.

“(2) RECEIPT OF RECOMMENDATIONS.—The outreach described in paragraph (1) shall include holding, and sending notice of opportunities for, regular meetings for the purpose of formulating and responding to recommendations from parents described in such paragraph.

“(f) BASIS FOR ADMISSION OR EXCLUSION.—A child shall not be admitted to, or excluded from, any federally assisted education program on the basis of a surname or language-minority status.

Establishment.
20 USC 7013.

“SEC. 3303. NATIONAL CLEARINGHOUSE.

“The Secretary shall establish and support the operation of a National Clearinghouse for English Language Acquisition and Language Instruction Educational Programs, which shall collect, analyze, synthesize, and disseminate information about language instruction educational programs for limited English proficient children, and related programs. The National Clearinghouse shall—

“(1) be administered as an adjunct clearinghouse of the Educational Resources Information Center Clearinghouses system supported by the Office of Educational Research and Improvement;

“(2) coordinate activities with Federal data and information clearinghouses and entities operating Federal dissemination networks and systems;

“(3) develop a system for improving the operation and effectiveness of federally funded language instruction educational programs;

“(4) collect and disseminate information on—

“(A) educational research and processes related to the education of limited English proficient children; and

“(B) accountability systems that monitor the academic progress of limited English proficient children in language instruction educational programs, including information on academic content and English proficiency assessments for language instruction educational programs; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) publish, on an annual basis, a list of grant recipients under this title. Publication.

“SEC. 3304. REGULATIONS.

20 USC 7014.

“In developing regulations under this title, the Secretary shall consult with State educational agencies and local educational agencies, organizations representing limited English proficient individuals, and organizations representing teachers and other personnel involved in the education of limited English proficient children.”.

TITLE IV—21ST CENTURY SCHOOLS**SEC. 401. 21ST CENTURY SCHOOLS.**

Title IV (20 U.S.C. 7101 et seq.) is amended to read as follows:

“TITLE IV—21ST CENTURY SCHOOLS**“PART A—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES**

Safe and Drug-Free Schools and Communities Act.
Grants.
20 USC 7101.

“SEC. 4001. SHORT TITLE.

“This part may be cited as the ‘Safe and Drug-Free Schools and Communities Act’.

“SEC. 4002. PURPOSE.

20 USC 7102.

“The purpose of this part is to support programs that prevent violence in and around schools; that prevent the illegal use of alcohol, tobacco, and drugs; that involve parents and communities; and that are coordinated with related Federal, State, school, and community efforts and resources to foster a safe and drug-free learning environment that supports student academic achievement, through the provision of Federal assistance to—

“(1) States for grants to local educational agencies and consortia of such agencies to establish, operate, and improve local programs of school drug and violence prevention and early intervention;

“(2) States for grants to, and contracts with, community-based organizations and public and private entities for programs of drug and violence prevention and early intervention, including community-wide drug and violence prevention planning and organizing activities;

“(3) States for development, training, technical assistance, and coordination activities; and

“(4) public and private entities to provide technical assistance; conduct training, demonstrations, and evaluation; and to provide supplementary services and community-wide drug and violence prevention planning and organizing activities for the prevention of drug use and violence among students and youth.

“SEC. 4003. AUTHORIZATION OF APPROPRIATIONS.

20 USC 7103.

“There are authorized to be appropriated—

“(1) \$650,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 5 succeeding fiscal years, for State grants under subpart 1; and

“(2) such sums for fiscal year 2002, and for each of the 5 succeeding fiscal years, for national programs under subpart 2.

“Subpart 1—State Grants**“SEC. 4111. RESERVATIONS AND ALLOTMENTS.**

20 USC 7111.

“(a) RESERVATIONS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) IN GENERAL.—From the amount made available under section 4003(1) to carry out this subpart for each fiscal year, the Secretary—

“(A) shall reserve 1 percent or \$4,750,000 (whichever is greater) of such amount for grants to Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with the Secretary’s determination of their respective needs and to carry out programs described in this subpart;

“(B) shall reserve 1 percent or \$4,750,000 (whichever is greater) of such amount for the Secretary of the Interior to carry out programs described in this subpart for Indian youth; and

“(C) shall reserve 0.2 percent of such amount for Native Hawaiians to be used under section 4117 to carry out programs described in this subpart.

“(2) OTHER RESERVATIONS.—From the amount made available under section 4003(2) to carry out subpart 2 for each fiscal year, the Secretary—

“(A) may reserve not more than \$2,000,000 for the national impact evaluation required by section 4122(a);

“(B) notwithstanding section 3 of the No Child Left Behind Act of 2001, shall reserve an amount necessary to make continuation grants to grantees under the Safe Schools/Healthy Students initiative (under the same terms and conditions as provided for in the grants involved).

“(b) STATE ALLOTMENTS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall, for each fiscal year, allot among the States—

“(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

“(B) one-half of such remainder according to the ratio between the amount each State received under section 1124A for the preceding year and the sum of such amounts received by all the States.

“(2) MINIMUM.—For any fiscal year, no State shall be allotted under this subsection an amount that is less than the greater of—

“(A) one-half of 1 percent of the total amount allotted to all the States under this subsection; or

“(B) the amount such State received for fiscal year 2001 under section 4111 as such section was in effect the day preceding the date of enactment of the No Child Left Behind Act of 2001.

“(3) REALLOTMENT.—

“(A) REALLOTMENT FOR FAILURE TO APPLY.—If any State does not apply for an allotment under this subpart for a fiscal year, the Secretary shall reallocate the amount of the State’s allotment to the remaining States in accordance with this section.

“(B) REALLOTMENT OF UNUSED FUNDS.—The Secretary may reallocate any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within 2 years of such allotment. Such reallocations shall be made on the same basis as allotments are made under paragraph (1).

“(4) DEFINITION.—In this section the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(c) LIMITATION.—Amounts appropriated under section 4003(2) for a fiscal year may not be increased above the amounts appro-

PUBLIC LAW 107-110—JAN. 8, 2002

priated under such section for the previous fiscal year unless the amounts appropriated under section 4003(1) for the fiscal year involved are at least 10 percent greater than the amounts appropriated under such section 4003(1) for the previous fiscal year.

“SEC. 4112. RESERVATION OF STATE FUNDS FOR SAFE AND DRUG-FREE SCHOOLS. 20 USC 7112.

“(a) STATE RESERVATION FOR THE CHIEF EXECUTIVE OFFICER OF A STATE.—

“(1) IN GENERAL.—The chief executive officer of a State may reserve not more than 20 percent of the total amount allocated to a State under section 4111(b) for each fiscal year to award competitive grants and contracts to local educational agencies, community-based organizations (including community anti-drug coalitions) other public entities and private organizations, and consortia thereof. Such grants and contracts shall be used to carry out the comprehensive State plan described in section 4113(a) through programs or activities that complement and support activities of local educational agencies described in section 4115(b). Such officer shall award grants based on—

“(A) the quality of the program or activity proposed;

and

“(B) how the program or activity meets the principles of effectiveness described in section 4115(a).

“(2) PRIORITY.—In making such grants and contracts under this section, a chief executive officer shall give priority to programs and activities that prevent illegal drug use and violence for—

“(A) children and youth who are not normally served by State educational agencies or local educational agencies; or

“(B) populations that need special services or additional resources (such as youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teenagers, and school dropouts).

“(3) SPECIAL CONSIDERATION.—In awarding funds under paragraph (1), a chief executive officer shall give special consideration to grantees that pursue a comprehensive approach to drug and violence prevention that includes providing and incorporating mental health services related to drug and violence prevention in their program.

“(4) PEER REVIEW.—Grants or contracts awarded under this section shall be subject to a peer review process.

“(5) USE OF FUNDS.—Grants and contracts under this section shall be used to implement drug and violence prevention activities, including—

“(A) activities that complement and support local educational agency activities under section 4115, including developing and implementing activities to prevent and reduce violence associated with prejudice and intolerance;

“(B) dissemination of information about drug and violence prevention; and

“(C) development and implementation of community-wide drug and violence prevention planning and organizing.

“(6) ADMINISTRATIVE COSTS.—The chief executive officer of a State may use not more than 3 percent of the amount described in paragraph (1) for the administrative costs incurred in carrying out the duties of such officer under this section.

“(b) IN STATE DISTRIBUTION.—

“(1) IN GENERAL.—A State educational agency shall distribute not less than 93 percent of the amount made available to the State under section 4111(b), less the amount reserved under subsection (a) of this section, to its local educational agencies.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) STATE ADMINISTRATION COSTS.—

“(A) IN GENERAL.—A State educational agency may use not more than 3 percent of the amount made available to the State under section 4111(b) for each fiscal year less the amount reserved under subsection (a) of this section, for State educational agency administrative costs, including the implementation of the uniform management information and reporting system as provided for under subsection (c)(3).

“(B) ADDITIONAL AMOUNTS FOR THE UNIFORM MANAGEMENT INFORMATION SYSTEM.—In the case of fiscal year 2002, a State educational agency may, in addition to amounts provided for in subparagraph (A), use 1 percent of the amount made available to the State educational agency under section 4111(b) for each fiscal year less the amount reserved under subsection (a) of this section, for implementation of the uniform management information and reporting system as provided for under subsection (c)(3).

“(c) STATE ACTIVITIES.—

“(1) IN GENERAL.—A State educational agency may use not more than 5 percent of the amount made available to the State under section 4111(b) for each fiscal year less the amount reserved under subsection (a) of this section, for activities described in this subsection.

“(2) ACTIVITIES.—A State educational agency shall use the amounts described in paragraph (1), either directly, or through grants and contracts, to plan, develop, and implement capacity building, technical assistance and training, evaluation, program improvement services, and coordination activities for local educational agencies, community-based organizations, and other public and private entities. Such uses—

“(A) shall meet the principles of effectiveness described in section 4115(a);

“(B) shall complement and support local uses of funds under section 4115(b);

“(C) shall be in accordance with the purposes of this part; and

“(D) may include, among others activities—

“(i) identification, development, evaluation, and dissemination of drug and violence prevention strategies, programs, activities, and other information;

“(ii) training, technical assistance, and demonstration projects to address violence that is associated with prejudice and intolerance; and

“(iii) financial assistance to enhance drug and violence prevention resources available in areas that serve large numbers of low-income children, are sparsely populated, or have other special needs.

“(3) UNIFORM MANAGEMENT INFORMATION AND REPORTING SYSTEM.—

“(A) INFORMATION AND STATISTICS.—A State shall establish a uniform management information and reporting system.

“(B) USES OF FUNDS.—A State may use funds described in subparagraphs (A) and (B) of subsection (b)(2), either directly or through grants and contracts, to implement the uniform management information and reporting system described in subparagraph (A), for the collection of information on—

“(i) truancy rates;

“(ii) the frequency, seriousness, and incidence of violence and drug-related offenses resulting in suspensions and expulsions in elementary schools and secondary schools in the State;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) the types of curricula, programs, and services provided by the chief executive officer, the State educational agency, local educational agencies, and other recipients of funds under this subpart; and

“(iv) the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities.

“(C) COMPILATION OF STATISTICS.—In compiling the statistics required for the uniform management information and reporting system, the offenses described in subparagraph (B)(ii) shall be defined pursuant to the State’s criminal code, but shall not identify victims of crimes or persons accused of crimes. The collected data shall include incident reports by school officials, anonymous student surveys, and anonymous teacher surveys.

“(D) REPORTING.—The information described under subparagraph (B) shall be reported to the public and the data referenced in clauses (i) and (ii) of such subparagraph shall be reported to the State on a school-by-school basis.

“(E) LIMITATION.—Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices with respect to crimes committed on school property or school security.

“SEC. 4113. STATE APPLICATION.

20 USC 7113.

“(a) IN GENERAL.—In order to receive an allotment under section 4111(b) for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

“(1) contains a comprehensive plan for the use of funds by the State educational agency and the chief executive officer of the State to provide safe, orderly, and drug-free schools and communities through programs and activities that complement and support activities of local educational agencies under section 4115(b), that comply with the principles of effectiveness under section 4115(a), and that otherwise are in accordance with the purpose of this part;

“(2) describes how activities funded under this subpart will foster a safe and drug-free learning environment that supports academic achievement;

“(3) provides an assurance that the application was developed in consultation and coordination with appropriate State officials and others, including the chief executive officer, the chief State school officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State criminal justice planning agency, the head of the State child welfare agency, the head of the State board of education, or their designees, and representatives of parents, students, and community-based organizations;

“(4) describes how the State educational agency will coordinate such agency’s activities under this subpart with the chief executive officer’s drug and violence prevention programs under this subpart and with the prevention efforts of other State agencies and other programs, as appropriate, in accordance with the provisions in section 9306;

“(5) provides an assurance that funds reserved under section 4112(a) will not duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based drug and violence prevention activities and that those funds will be used to serve populations not normally served by the State educational agencies and local educational agencies and populations that need special services, such as school dropouts, suspended and expelled stu-

PUBLIC LAW 107-110—JAN. 8, 2002

dents, youth in detention centers, runaway or homeless children and youth, and pregnant and parenting youth;

“(6) provides an assurance that the State will cooperate with, and assist, the Secretary in conducting data collection as required by section 4122;

“(7) provides an assurance that the local educational agencies in the State will comply with the provisions of section 9501 pertaining to the participation of private school children and teachers in the programs and activities under this subpart;

“(8) provides an assurance that funds under this subpart will be used to increase the level of State, local, and other non-Federal funds that would, in the absence of funds under this subpart, be made available for programs and activities authorized under this subpart, and in no case supplant such State, local, and other non-Federal funds;

“(9) contains the results of a needs assessment conducted by the State for drug and violence prevention programs, which shall be based on ongoing State evaluation activities, including data on—

“(A) the incidence and prevalence of illegal drug use and violence among youth in schools and communities, including the age of onset, the perception of health risks, and the perception of social disapproval among such youth;

“(B) the prevalence of risk factors, including high or increasing rates of reported cases of child abuse or domestic violence;

“(C) the prevalence of protective factors, buffers, or assets; and

“(D) other variables in the school and community identified through scientifically based research;

“(10) provides a statement of the State’s performance measures for drug and violence prevention programs and activities to be funded under this subpart that will be focused on student behavior and attitudes, derived from the needs assessment described in paragraph (9), and be developed in consultation between the State and local officials, and that consist of—

“(A) performance indicators for drug and violence prevention programs and activities; and

“(B) levels of performance for each performance indicator;

“(11) describes the procedures the State will use for assessing and publicly reporting progress toward meeting the performance measures described in paragraph (10);

“(12) provides an assurance that the State application will be available for public review after submission of the application;

“(13) describes the special outreach activities that will be carried out by the State educational agency and the chief executive officer of the State to maximize the participation of community-based organizations of demonstrated effectiveness that provide services such as mentoring programs in low-income communities;

“(14) describes how funds will be used by the State educational agency and the chief executive officer of the State to support, develop, and implement community-wide comprehensive drug and violence prevention planning and organizing activities;

“(15) describes how input from parents will be sought regarding the use of funds by the State educational agency and the chief executive officer of the State;

“(16) describes how the State educational agency will review applications from local educational agencies, including how the agency will receive input from parents in such review;

“(17) describes how the State educational agency will monitor the implementation of activities under this subpart, and

PUBLIC LAW 107-110—JAN. 8, 2002

provide technical assistance for local educational agencies, community-based organizations, other public entities, and private organizations;

“(18) describes how the chief executive officer of the State will award funds under section 4112(a) and implement a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds; and

“(19) includes any other information the Secretary may require.

“(b) INTERIM APPLICATION.—

“(1) AUTHORITY.—Notwithstanding any other provision of this section, a State may submit for fiscal year 2002 a 1-year interim application and plan for the use of funds under this subpart that is consistent with the requirements of this section and contains such information as the Secretary may specify in regulations.

“(2) PURPOSE.—The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review such State’s application and comprehensive plan otherwise required by this section.

“(3) EXCEPTION.—A State may not receive a grant under this subpart for a fiscal year after fiscal year 2002 unless the Secretary has approved such State’s application and comprehensive plan as described in subsection (a).

“(c) APPROVAL PROCESS.—

“(1) DEEMED APPROVAL.—An application submitted by a State pursuant to this section shall undergo peer review by the Secretary and shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the application, that the application is not in compliance with this subpart.

“(2) DISAPPROVAL.—The Secretary shall not finally disapprove the application, except after giving the State educational agency and the chief executive officer of the State notice and an opportunity for a hearing.

“(3) NOTIFICATION.—If the Secretary finds that the application is not in compliance, in whole or in part, with this subpart, the Secretary shall—

“(A) give the State educational agency and the chief executive officer of the State notice and an opportunity for a hearing; and

“(B) notify the State educational agency and the chief executive officer of the State of the finding of noncompliance, and in such notification, shall—

“(i) cite the specific provisions in the application that are not in compliance; and

“(ii) request additional information, only as to the noncompliant provisions, needed to make the application compliant.

“(4) RESPONSE.—If the State educational agency and the chief executive officer of the State respond to the Secretary’s notification described in paragraph (3)(B) during the 45-day period beginning on the date on which the agency received the notification, and resubmit the application with the requested information described in paragraph (3)(B)(ii), the Secretary shall approve or disapprove such application prior to the later of—

“(A) the expiration of the 45-day period beginning on the date on which the application is resubmitted; or

“(B) the expiration of the 120-day period described in paragraph (1).

“(5) FAILURE TO RESPOND.—If the State educational agency and the chief executive officer of the State do not respond to the Secretary’s notification described in paragraph (3)(B)

PUBLIC LAW 107-110—JAN. 8, 2002

during the 45-day period beginning on the date on which the agency received the notification, such application shall be deemed to be disapproved.

20 USC 7114.

“SEC. 4114. LOCAL EDUCATIONAL AGENCY PROGRAM.

“(a) IN GENERAL.—

“(1) FUNDS TO LOCAL EDUCATIONAL AGENCIES.—A State shall provide the amount made available to the State under this subpart, less the amounts reserved under section 4112 to local educational agencies for drug and violence prevention and education programs and activities as follows:

“(A) 60 percent of such amount based on the relative amount such agencies received under part A of title I for the preceding fiscal year.

“(B) 40 percent of such amount based on the relative enrollments in public and private nonprofit elementary schools and secondary schools within the boundaries of such agencies.

“(2) ADMINISTRATIVE COSTS.—Of the amount received under paragraph (1), a local educational agency may use not more than 2 percent for the administrative costs of carrying out its responsibilities under this subpart.

“(3) RETURN OF FUNDS TO STATE; REALLOCATION.—

“(A) RETURN.—Except as provided in subparagraph (B), upon the expiration of the 1-year period beginning on the date on which a local educational agency receives its allocation under this subpart—

“(i) such agency shall return to the State educational agency any funds from such allocation that remain unobligated; and

“(ii) the State educational agency shall reallocate any such amount to local educational agencies that have submitted plans for using such amount for programs or activities on a timely basis.

“(B) CARRYOVER.—In any fiscal year, a local educational agency, may retain for obligation in the succeeding fiscal year—

“(i) an amount equal to not more than 25 percent of the allocation it received under this subpart for such fiscal year; or

“(ii) upon a demonstration of good cause by such agency and approval by the State educational agency, an amount that exceeds 25 percent of such allocation.

“(C) REALLOCATION.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under this subsection, or if such agency’s application under subsection (d) is disapproved by the State educational agency, the State educational agency shall reallocate such amount to one or more of its other local educational agencies.

“(b) ELIGIBILITY.—To be eligible to receive a subgrant under this subpart, a local educational agency desiring a subgrant shall submit an application to the State educational agency in accordance with subsection (d). Such an application shall be amended, as necessary, to reflect changes in the activities and programs of the local educational agency.

“(c) DEVELOPMENT.—

“(1) CONSULTATION.—

“(A) IN GENERAL.—A local educational agency shall develop its application through timely and meaningful consultation with State and local government representatives, representatives of schools to be served (including private schools), teachers and other staff, parents, students, community-based organizations, and others with relevant and demonstrated expertise in drug and violence preven-

PUBLIC LAW 107-110—JAN. 8, 2002

tion activities (such as medical, mental health, and law enforcement professionals).

“(B) CONTINUED CONSULTATION.—On an ongoing basis, the local educational agency shall consult with such representatives and organizations in order to seek advice regarding how best to coordinate such agency’s activities under this subpart with other related strategies, programs, and activities being conducted in the community.

“(2) DESIGN AND DEVELOPMENT.—To ensure timely and meaningful consultation under paragraph (1), a local educational agency at the initial stages of design and development of a program or activity shall consult, in accordance with this subsection, with appropriate entities and persons on issues regarding the design and development of the program or activity, including efforts to meet the principles of effectiveness described in section 4115(a).

“(d) CONTENTS OF APPLICATIONS.—An application submitted by a local educational agency under this section shall contain—

“(1) an assurance that the activities or programs to be funded comply with the principles of effectiveness described in section 4115(a) and foster a safe and drug-free learning environment that supports academic achievement;

“(2) a detailed explanation of the local educational agency’s comprehensive plan for drug and violence prevention, including a description of—

“(A) how the plan will be coordinated with programs under this Act, and other Federal, State, and local programs for drug and violence prevention, in accordance with section 9306;

“(B) the local educational agency’s performance measures for drug and violence prevention programs and activities, that shall consist of—

“(i) performance indicators for drug and violence prevention programs and activities; including—

“(I) specific reductions in the prevalence of identified risk factors; and

“(II) specific increases in the prevalence of protective factors, buffers, or assets if any have been identified; and

“(ii) levels of performance for each performance indicator;

“(C) how such agency will assess and publicly report progress toward attaining its performance measures;

“(D) the drug and violence prevention activity or program to be funded, including how the activity or program will meet the principles of effectiveness described in section 4115(a), and the means of evaluating such activity or program; and

“(E) how the services will be targeted to schools and students with the greatest need;

“(3) a description for how the results of the evaluations of the effectiveness of the program will be used to refine, improve, and strengthen the program;

“(4) an assurance that funds under this subpart will be used to increase the level of State, local, and other non-Federal funds that would, in the absence of funds under this subpart, be made available for programs and activities authorized under this subpart, and in no case supplant such State, local, and other non-Federal funds;

“(5) a description of the mechanisms used to provide effective notice to the community of an intention to submit an application under this subpart;

“(6) an assurance that drug and violence prevention programs supported under this subpart convey a clear and consist-

PUBLIC LAW 107-110—JAN. 8, 2002

ent message that acts of violence and the illegal use of drugs are wrong and harmful;

“(7) an assurance that the applicant has, or the schools to be served have, a plan for keeping schools safe and drug-free that includes—

“(A) appropriate and effective school discipline policies that prohibit disorderly conduct, the illegal possession of weapons, and the illegal use, possession, distribution, and sale of tobacco, alcohol, and other drugs by students;

“(B) security procedures at school and while students are on the way to and from school;

“(C) prevention activities that are designed to create and maintain safe, disciplined, and drug-free environments;

“(D) a crisis management plan for responding to violent or traumatic incidents on school grounds; and

“(E) a code of conduct policy for all students that clearly states the responsibilities of students, teachers, and administrators in maintaining a classroom environment that—

“(i) allows a teacher to communicate effectively with all students in the class;

“(ii) allows all students in the class to learn;

“(iii) has consequences that are fair, and developmentally appropriate;

“(iv) considers the student and the circumstances of the situation; and

“(v) is enforced accordingly;

“(8) an assurance that the application and any waiver request under section 4115(a)(3) will be available for public review after submission of the application; and

“(9) such other assurances, goals, and objectives identified through scientifically based research that the State may reasonably require in accordance with the purpose of this part.

“(e) REVIEW OF APPLICATION.—

“(1) IN GENERAL.—In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

“(2) CONSIDERATIONS.—In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of application and the extent to which the application meets the principles of effectiveness described in section 4115(a).

“(f) APPROVAL PROCESS.—

“(1) DEEMED APPROVAL.—An application submitted by a local educational agency pursuant to this section shall be deemed to be approved by the State educational agency unless the State educational agency makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the State educational agency received the application, that the application is not in compliance with this subpart.

“(2) DISAPPROVAL.—The State educational agency shall not finally disapprove the application, except after giving the local educational agency notice and opportunity for a hearing.

“(3) NOTIFICATION.—If the State educational agency finds that the application is not in compliance, in whole or in part, with this subpart, the State educational agency shall—

“(A) give the local educational agency notice and an opportunity for a hearing; and

“(B) notify the local educational agency of the finding of noncompliance, and in such notification, shall—

“(i) cite the specific provisions in the application that are not in compliance; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) request additional information, only as to the noncompliant provisions, needed to make the application compliant.

“(4) RESPONSE.—If the local educational agency responds to the State educational agency’s notification described in paragraph (3)(B) during the 45-day period beginning on the date on which the agency received the notification, and resubmits the application with the requested information described in paragraph (3)(B)(ii), the State educational agency shall approve or disapprove such application prior to the later of—

“(A) the expiration of the 45-day period beginning on the date on which the application is resubmitted; or

“(B) the expiration of the 120-day period described in paragraph (1).

“(5) FAILURE TO RESPOND.—If the local educational agency does not respond to the State educational agency’s notification described in paragraph (3)(B) during the 45-day period beginning on the date on which the agency received the notification, such application shall be deemed to be disapproved.

“SEC. 4115. AUTHORIZED ACTIVITIES.

20 USC 7115.

“(a) PRINCIPLES OF EFFECTIVENESS.—

“(1) IN GENERAL.—For a program or activity developed pursuant to this subpart to meet the principles of effectiveness, such program or activity shall—

“(A) be based on an assessment of objective data regarding the incidence of violence and illegal drug use in the elementary schools and secondary schools and communities to be served, including an objective analysis of the current conditions and consequences regarding violence and illegal drug use, including delinquency and serious discipline problems, among students who attend such schools (including private school students who participate in the drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

“(B) be based on an established set of performance measures aimed at ensuring that the elementary schools and secondary schools and communities to be served by the program have a safe, orderly, and drug-free learning environment;

“(C) be based on scientifically based research that provides evidence that the program to be used will reduce violence and illegal drug use;

“(D) be based on an analysis of the data reasonably available at the time, of the prevalence of risk factors, including high or increasing rates of reported cases of child abuse and domestic violence; protective factors, buffers, assets; or other variables in schools and communities in the State identified through scientifically based research; and

“(E) include meaningful and ongoing consultation with and input from parents in the development of the application and administration of the program or activity.

“(2) PERIODIC EVALUATION.—

“(A) REQUIREMENT.—The program or activity shall undergo a periodic evaluation to assess its progress toward reducing violence and illegal drug use in schools to be served based on performance measures described in section 4114(d)(2)(B).

“(B) USE OF RESULTS.—The results shall be used to refine, improve, and strengthen the program, and to refine the performance measures, and shall also be made available to the public upon request, with public notice of such availability provided.

Public
information.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) WAIVER.—A local educational agency may apply to the State for a waiver of the requirement of subsection (a)(1)(C) to allow innovative activities or programs that demonstrate substantial likelihood of success.

“(b) LOCAL EDUCATIONAL AGENCY ACTIVITIES.—

“(1) PROGRAM REQUIREMENTS.—A local educational agency shall use funds made available under section 4114 to develop, implement, and evaluate comprehensive programs and activities, which are coordinated with other school and community-based services and programs, that shall—

“(A) foster a safe and drug-free learning environment that supports academic achievement;

“(B) be consistent with the principles of effectiveness described in subsection (a)(1);

“(C) be designed to—

“(i) prevent or reduce violence; the use, possession and distribution of illegal drugs; and delinquency; and

“(ii) create a well disciplined environment conducive to learning, which includes consultation between teachers, principals, and other school personnel to identify early warning signs of drug use and violence and to provide behavioral interventions as part of classroom management efforts; and

“(D) include activities to—

“(i) promote the involvement of parents in the activity or program;

“(ii) promote coordination with community groups and coalitions, and government agencies; and

“(iii) distribute information about the local educational agency’s needs, goals, and programs under this subpart.

“(2) AUTHORIZED ACTIVITIES.—Each local educational agency, or consortium of such agencies, that receives a subgrant under this subpart may use such funds to carry out activities that comply with the principles of effectiveness described in subsection (a), such as the following:

“(A) Age appropriate and developmentally based activities that—

“(i) address the consequences of violence and the illegal use of drugs, as appropriate;

“(ii) promote a sense of individual responsibility;

“(iii) teach students that most people do not illegally use drugs;

“(iv) teach students to recognize social and peer pressure to use drugs illegally and the skills for resisting illegal drug use;

“(v) teach students about the dangers of emerging drugs;

“(vi) engage students in the learning process; and

“(vii) incorporate activities in secondary schools that reinforce prevention activities implemented in elementary schools.

“(B) Activities that involve families, community sectors (which may include appropriately trained seniors), and a variety of drug and violence prevention providers in setting clear expectations against violence and illegal use of drugs and appropriate consequences for violence and illegal use of drugs.

“(C) Dissemination of drug and violence prevention information to schools and the community.

“(D) Professional development and training for, and involvement of, school personnel, pupil services personnel, parents, and interested community members in prevention, education, early identification and intervention, mentoring,

PUBLIC LAW 107-110—JAN. 8, 2002

or rehabilitation referral, as related to drug and violence prevention.

“(E) Drug and violence prevention activities that may include the following:

“(i) Community-wide planning and organizing activities to reduce violence and illegal drug use, which may include gang activity prevention.

“(ii) Acquiring and installing metal detectors, electronic locks, surveillance cameras, or other related equipment and technologies.

“(iii) Reporting criminal offenses committed on school property.

“(iv) Developing and implementing comprehensive school security plans or obtaining technical assistance concerning such plans, which may include obtaining a security assessment or assistance from the School Security and Technology Resource Center at the Sandia National Laboratory located in Albuquerque, New Mexico.

“(v) Supporting safe zones of passage activities that ensure that students travel safely to and from school, which may include bicycle and pedestrian safety programs.

“(vi) The hiring and mandatory training, based on scientific research, of school security personnel (including school resource officers) who interact with students in support of youth drug and violence prevention activities under this part that are implemented in the school.

“(vii) Expanded and improved school-based mental health services related to illegal drug use and violence, including early identification of violence and illegal drug use, assessment, and direct or group counseling services provided to students, parents, families, and school personnel by qualified school-based mental health service providers.

“(viii) Conflict resolution programs, including peer mediation programs that educate and train peer mediators and a designated faculty supervisor, and youth anti-crime and anti-drug councils and activities.

“(ix) Alternative education programs or services for violent or drug abusing students that reduce the need for suspension or expulsion or that serve students who have been suspended or expelled from the regular educational settings, including programs or services to assist students to make continued progress toward meeting the State academic achievement standards and to reenter the regular education setting.

“(x) Counseling, mentoring, referral services, and other student assistance practices and programs, including assistance provided by qualified school-based mental health services providers and the training of teachers by school-based mental health services providers in appropriate identification and intervention techniques for students at risk of violent behavior and illegal use of drugs.

“(xi) Programs that encourage students to seek advice from, and to confide in, a trusted adult regarding concerns about violence and illegal drug use.

“(xii) Drug and violence prevention activities designed to reduce truancy.

“(xiii) Age-appropriate, developmentally-based violence prevention and education programs that address victimization associated with prejudice and intolerance, and that include activities designed to help

PUBLIC LAW 107-110—JAN. 8, 2002

students develop a sense of individual responsibility and respect for the rights of others, and to resolve conflicts without violence.

“(xiv) Consistent with the fourth amendment to the Constitution of the United States, the testing of a student for illegal drug use or the inspecting of a student’s locker for weapons or illegal drugs or drug paraphernalia, including at the request of or with the consent of a parent or legal guardian of the student, if the local educational agency elects to so test or inspect.

“(xv) Emergency intervention services following traumatic crisis events, such as a shooting, major accident, or a drug-related incident that have disrupted the learning environment.

“(xvi) Establishing or implementing a system for transferring suspension and expulsion records, consistent with section 444 of the General Education Provisions Act (20 U.S.C. 1232g), by a local educational agency to any public or private elementary school or secondary school.

“(xvii) Developing and implementing character education programs, as a component of drug and violence prevention programs, that take into account the views of parents of the students for whom the program is intended and such students, such as a program described in subpart 3 of part D of title V.

“(xviii) Establishing and maintaining a school safety hotline.

“(xix) Community service, including community service performed by expelled students, and service-learning projects.

“(xx) Conducting a nationwide background check of each local educational agency employee, regardless of when hired, and prospective employees for the purpose of determining whether the employee or prospective employee has been convicted of a crime that bears upon the employee’s fitness—

“(I) to be responsible for the safety or well-being of children;

“(II) to serve in the particular capacity in which the employee or prospective employee is or will be employed; or

“(III) to otherwise be employed by the local educational agency.

“(xxi) Programs to train school personnel to identify warning signs of youth suicide and to create an action plan to help youth at risk of suicide.

“(xxii) Programs that respond to the needs of students who are faced with domestic violence or child abuse.

“(F) The evaluation of any of the activities authorized under this subsection and the collection of objective data used to assess program needs, program implementation, or program success in achieving program goals and objectives.

“(c) LIMITATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), not more than 40 percent of the funds available to a local educational agency under this subpart may be used to carry out the activities described in clauses (ii) through (vi) of subsection (b)(2)(E), of which not more than 50 percent of such amount may be used to carry out the activities described in clauses (ii) through (v) of such subsection.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) EXCEPTION.—A local educational agency may use funds under this subpart for activities described in clauses (ii) through (v) of subsection (b)(2)(E) only if funding for these activities is not received from other Federal agencies.

“(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit the use of funds under this subpart by any local educational agency or school for the establishment or implementation of a school uniform policy if such policy is part of the overall comprehensive drug and violence prevention plan of the State involved and is supported by the State’s needs assessment and other scientifically based research information.

“SEC. 4116. REPORTING.

20 USC 7116.

“(a) STATE REPORT.—

“(1) IN GENERAL.—By December 1, 2003, and every 2 years thereafter, the chief executive officer of the State, in cooperation with the State educational agency, shall submit to the Secretary a report—

Deadline.

“(A) on the implementation and outcomes of State programs under section 4112(a)(1) and section 4112(c) and local educational agency programs under section 4115(b), as well as an assessment of their effectiveness;

“(B) on the State’s progress toward attaining its performance measures for drug and violence prevention under section 4113(a)(10); and

“(C) on the State’s efforts to inform parents of, and include parents in, violence and drug prevention efforts.

“(2) SPECIAL RULE.—The report required by this subsection shall be—

“(A) in the form specified by the Secretary;

“(B) based on the State’s ongoing evaluation activities, and shall include data on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities; and

“(C) made readily available to the public.

“(b) LOCAL EDUCATIONAL AGENCY REPORT.—

“(1) IN GENERAL.—Each local educational agency receiving funds under this subpart shall submit to the State educational agency such information that the State requires to complete the State report required by subsection (a), including a description of how parents were informed of, and participated in, violence and drug prevention efforts.

“(2) AVAILABILITY.—Information under paragraph (1) shall be made readily available to the public.

“(3) PROVISION OF DOCUMENTATION.—Not later than January 1 of each year that a State is required to report under subsection (a), the Secretary shall provide to the State educational agency all of the necessary documentation required for compliance with this section.

Deadline.

“SEC. 4117. PROGRAMS FOR NATIVE HAWAIIANS.

20 USC 7117.

“(a) GENERAL AUTHORITY.—From the funds made available pursuant to section 4111(a)(1)(C) to carry out this section, the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians for the benefit of Native Hawaiians to plan, conduct, and administer programs, or portions thereof, that are authorized by and consistent with the provisions of this subpart.

Contracts.

“(b) DEFINITION OF NATIVE HAWAIIAN.—For the purposes of this section, the term ‘Native Hawaiian’ means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 2—National Programs

20 USC 7131.

“SEC. 4121. FEDERAL ACTIVITIES.

“(a) PROGRAM AUTHORIZED.—From funds made available to carry out this subpart under section 4003(2), the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall carry out programs to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private entities and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

“(1) the development and demonstration of innovative strategies for the training of school personnel, parents, and members of the community for drug and violence prevention activities based on State and local needs;

“(2) the development, demonstration, scientifically based evaluation, and dissemination of innovative and high quality drug and violence prevention programs and activities, based on State and local needs, which may include—

“(A) alternative education models, either established within a school or separate and apart from an existing school, that are designed to promote drug and violence prevention, reduce disruptive behavior, reduce the need for repeat suspensions and expulsions, enable students to meet challenging State academic standards, and enable students to return to the regular classroom as soon as possible;

“(B) community service and service-learning projects, designed to rebuild safe and healthy neighborhoods and increase students’ sense of individual responsibility;

“(C) video-based projects developed by noncommercial telecommunications entities that provide young people with models for conflict resolution and responsible decisionmaking; and

“(D) child abuse education and prevention programs for elementary and secondary students;

“(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination;

“(4) the provision of information on violence prevention and education and school safety to the Department of Justice for dissemination;

“(5) technical assistance to chief executive officers, State agencies, local educational agencies, and other recipients of funding under this part to build capacity to develop and implement high-quality, effective drug and violence prevention programs consistent with the principles of effectiveness in section 4115(a);

“(6) assistance to school systems that have particularly severe drug and violence problems, including hiring drug prevention and school safety coordinators, or assistance to support appropriate response efforts to crisis situations;

“(7) the development of education and training programs, curricula, instructional materials, and professional training and development for preventing and reducing the incidence of crimes and conflicts motivated by hate in localities most directly affected by hate crimes;

“(8) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(9) other activities in accordance with the purpose of this part, based on State and local needs.

“(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

“SEC. 4122. IMPACT EVALUATION.

20 USC 7132.

“(a) BIENNIAL EVALUATION.—The Secretary, in consultation with the Safe and Drug-Free Schools and Communities Advisory Committee described in section 4124, shall conduct an independent biennial evaluation of the impact of programs assisted under this subpart and of other recent and new initiatives to combat violence and illegal drug use in schools. The evaluation shall report on whether community and local educational agency programs funded under this subpart—

“(1) comply with the principles of effectiveness described in section 4115(a);

“(2) have appreciably reduced the level of illegal drug, alcohol, and tobacco use, and school violence and the illegal presence of weapons at schools; and

“(3) have conducted effective parent involvement and training programs.

“(b) DATA COLLECTION.—The National Center for Education Statistics shall collect data, that is subject to independent review, to determine the incidence and prevalence of illegal drug use and violence in elementary schools and secondary schools in the States. The collected data shall include incident reports by schools officials, anonymous student surveys, and anonymous teacher surveys.

“(c) BIENNIAL REPORT.—Not later than January 1, 2003, and every 2 years thereafter, the Secretary shall submit to the President and Congress a report on the findings of the evaluation conducted under subsection (a) together with the data collected under subsection (b) and data available from other sources on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence in elementary schools and secondary schools in the States. The Secretary shall include data submitted by the States pursuant to subsection 4116(a).

Deadline.

“SEC. 4123. HATE CRIME PREVENTION.

20 USC 7133.

“(a) GRANT AUTHORIZATION.—From funds made available to carry out this subpart under section 4003(2) the Secretary may make grants to local educational agencies and community-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes.

“(b) USE OF FUNDS.—

“(1) PROGRAM DEVELOPMENT.—Grants under this section may be used to improve elementary and secondary educational efforts, including—

“(A) development of education and training programs designed to prevent and to reduce the incidence of crimes and conflicts motivated by hate;

“(B) development of curricula for the purpose of improving conflict or dispute resolution skills of students, teachers, and administrators;

“(C) development and acquisition of equipment and instructional materials to meet the needs of, or otherwise be part of, hate crime or conflict programs; and

“(D) professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes or hate-based conflicts.

“(2) APPLICATION.—In order to be eligible to receive a grant under this section for any fiscal year, a local educational agency, or a local educational agency in conjunction with a community-based organization, shall submit an application to the Secretary

PUBLIC LAW 107-110—JAN. 8, 2002

in such form and containing such information as the Secretary may reasonably require.

“(3) REQUIREMENTS.—Each application under paragraph (2) shall include—

“(A) a request for funds for the purpose described in this section;

“(B) a description of the schools and communities to be served by the grants; and

“(C) assurances that Federal funds received under this section shall be used to supplement, and not supplant, non-Federal funds.

“(4) COMPREHENSIVE PLAN.—Each application shall include a comprehensive plan that contains—

“(A) a description of the hate crime or conflict problems within the schools or the community targeted for assistance;

“(B) a description of the program to be developed or augmented by such Federal and matching funds;

“(C) assurances that such program or activity shall be administered by or under the supervision of the applicant;

“(D) procedures for the proper and efficient administration of such program; and

“(E) fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this section.

“(c) AWARD OF GRANTS.—

“(1) SELECTION OF RECIPIENTS.—The Secretary shall consider the incidence of crimes and conflicts motivated by bias in the targeted schools and communities in awarding grants under this section.

“(2) GEOGRAPHIC DISTRIBUTION.—The Secretary shall attempt, to the extent practicable, to achieve an equitable geographic distribution of grant awards.

“(3) DISSEMINATION OF INFORMATION.—The Secretary shall attempt, to the extent practicable, to make available information regarding successful hate crime prevention programs, including programs established or expanded with grants under this section.

“(d) REPORTS.—The Secretary shall submit to Congress a report every 2 years that shall contain a detailed statement regarding grants and awards, activities of grant recipients, and an evaluation of programs established under this section.

20 USC 7134.

“SEC. 4124. SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES ADVISORY COMMITTEE.

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—There is hereby established an advisory committee to be known as the ‘Safe and Drug Free Schools and Communities Advisory Committee’ (referred to in this section as the ‘Advisory Committee’) to—

“(A) consult with the Secretary under subsection (b);

“(B) coordinate Federal school- and community-based substance abuse and violence prevention programs and reduce duplicative research or services;

“(C) develop core data sets and evaluation protocols for safe and drug-free school- and community-based programs;

“(D) provide technical assistance and training for safe and drug-free school- and community-based programs;

“(E) provide for the diffusion of scientifically based research to safe and drug-free school- and community-based programs; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(F) review other regulations and standards developed under this title.

“(2) COMPOSITION.—The Advisory Committee shall be composed of representatives from—

“(A) the Department of Education;

“(B) the Centers for Disease Control and Prevention;

“(C) the National Institute on Drug Abuse;

“(D) the National Institute on Alcoholism and Alcohol Abuse;

“(E) the Center for Substance Abuse Prevention;

“(F) the Center for Mental Health Services;

“(G) the Office of Juvenile Justice and Delinquency Prevention;

“(H) the Office of National Drug Control Policy;

“(I) State and local governments, including education agencies; and

“(J) researchers and expert practitioners.

“(3) CONSULTATION.—In carrying out its duties under this section, the Advisory Committee shall annually consult with interested State and local coordinators of school- and community-based substance abuse and violence prevention programs and other interested groups.

“(b) PROGRAMS.—

“(1) IN GENERAL.—From amounts made available under section 4003(2) to carry out this subpart, the Secretary, in consultation with the Advisory Committee, shall carry out scientifically based research programs to strengthen the accountability and effectiveness of the State, chief executive officer’s, and national programs under this part.

“(2) GRANTS, CONTRACTS OR COOPERATIVE AGREEMENTS.—The Secretary shall carry out paragraph (1) directly or through grants, contracts, or cooperative agreements with public and private entities and individuals or through agreements with other Federal agencies.

“(3) COORDINATION.—The Secretary shall coordinate programs under this section with other appropriate Federal activities.

“(4) ACTIVITIES.—Activities that may be carried out under programs funded under this section may include—

“(A) the provision of technical assistance and training, in collaboration with other Federal agencies utilizing their expertise and national and regional training systems, for Governors, State educational agencies and local educational agencies to support high quality, effective programs that—

“(i) provide a thorough assessment of the substance abuse and violence problem;

“(ii) utilize objective data and the knowledge of a wide range of community members;

“(iii) develop measurable goals and objectives; and

“(iv) implement scientifically based research activities that have been shown to be effective and that meet identified needs;

“(B) the provision of technical assistance and training to foster program accountability;

“(C) the diffusion and dissemination of best practices and programs;

“(D) the development of core data sets and evaluation tools;

“(E) program evaluations;

“(F) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 501(d)(16) of the Public Health Service Act; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(G) other activities that meet unmet needs related to the purpose of this part and that are undertaken in consultation with the Advisory Committee.

20 USC 7135.

“SEC. 4125. NATIONAL COORDINATOR PROGRAM.

“(a) IN GENERAL.—From funds made available to carry out this subpart under section 4003(2), the Secretary may provide for the establishment of a National Coordinator Program under which the Secretary shall award grants to local educational agencies for the hiring of drug prevention and school safety program coordinators.

“(b) USE OF FUNDS.—Amounts received under a grant under subsection (a) shall be used by local educational agencies to recruit, hire, and train individuals to serve as drug prevention and school safety program coordinators in schools with significant drug and school safety problems. Such coordinators shall be responsible for developing, conducting, and analyzing assessments of drug and crime problems at their schools, and administering the safe and drug-free grant program at such schools.

20 USC 7136.

“SEC. 4126. COMMUNITY SERVICE GRANT PROGRAM.

“(a) IN GENERAL.—From funds made available to carry out this subpart under section 4003(2), the Secretary may make grants to States to carry out programs under which students expelled or suspended from school are required to perform community service.

“(b) ALLOCATION.—From the amount described in subsection (a), the Secretary shall allocate among the States—

“(1) one-half according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

“(2) one-half according to the ratio between the amount each State received under section 1124A for the preceding year and the sum of such amounts received by all the States.

“(c) MINIMUM.—For any fiscal year, no State shall be allotted under this section an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this section.

“(d) REALLOTMENT.—The Secretary may reallocate any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within 2 years of such allotment. Such reallocations shall be made on the same basis as allotments are made under subsection (b).

“(e) DEFINITION.—In this section, the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

Establishment.
20 USC 7137.**“SEC. 4127. SCHOOL SECURITY TECHNOLOGY AND RESOURCE CENTER.**

“(a) CENTER.—From funds made available to carry out this subpart under section 4003(2), the Secretary, the Attorney General, and the Secretary of Energy may enter into an agreement for the establishment at the Sandia National Laboratories, in partnership with the National Law Enforcement and Corrections Technology Center—Southeast and the National Center for Rural Law Enforcement in Little Rock, Arkansas, of a center to be known as the ‘School Security Technology and Resource Center’ (hereafter in this section ‘the Center’).

“(b) ADMINISTRATION.—The Center established under subsection (a) shall be administered by the Attorney General.

“(c) FUNCTIONS.—The center established under subsection (a) shall be a resource to local educational agencies for school security assessments, security technology development, evaluation and implementation, and technical assistance relating to improving school security. The Center will also conduct and publish school violence research, coalesce data from victim communities, and monitor and report on schools that implement school security strategies.

Publication.
Reports.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 4128. NATIONAL CENTER FOR SCHOOL AND YOUTH SAFETY.

20 USC 7138.

“(a) ESTABLISHMENT.—From funds made available to carry out this subpart under section 4003(2), the Secretary of Education and the Attorney General may jointly establish a National Center for School and Youth Safety (in this section referred to as the ‘Center’). The Secretary of Education and the Attorney General may establish the Center at an existing facility, if the facility has a history of performing two or more of the duties described in subsection (b). The Secretary of Education and the Attorney General shall jointly appoint a Director of the Center to oversee the operation of the Center.

“(b) DUTIES.—The Center shall carry out emergency response, anonymous student hotline, consultation, and information and outreach activities with respect to elementary and secondary school safety, including the following:

“(1) EMERGENCY RESPONSE.—The staff of the Center, and such temporary contract employees as the Director of the Center shall determine necessary, shall offer emergency assistance to local communities to respond to school safety crises. Such assistance shall include counseling for victims and the community, assistance to law enforcement to address short-term security concerns, and advice on how to enhance school safety, prevent future incidents, and respond to future incidents.

“(2) ANONYMOUS STUDENT HOTLINE.—The Center shall establish a toll-free telephone number for students to report criminal activity, threats of criminal activity, and other high-risk behaviors such as substance abuse, gang or cult affiliation, depression, or other warning signs of potentially violent behavior. The Center shall relay the reports, without attribution, to local law enforcement or appropriate school hotlines. The Director of the Center shall work with the Attorney General to establish guidelines for Center staff to work with law enforcement around the Nation to relay information reported through the hotline.

“(3) CONSULTATION.—The Center shall establish a toll-free number for the public to contact staff of the Center for consultation regarding school safety. The Director of the Center shall hire administrative staff and individuals with expertise in enhancing school safety, including individuals with backgrounds in counseling and psychology, education, law enforcement and criminal justice, and community development to assist in the consultation.

“(4) INFORMATION AND OUTREACH.—The Center shall compile information about the best practices in school violence prevention, intervention, and crisis management, and shall serve as a clearinghouse for model school safety program information. The staff of the Center shall work to ensure local governments, school officials, parents, students, and law enforcement officials and agencies are aware of the resources, grants, and expertise available to enhance school safety and prevent school crime. The staff of the Center shall give special attention to providing outreach to rural and impoverished communities.

“SEC. 4129. GRANTS TO REDUCE ALCOHOL ABUSE.

20 USC 7139.

“(a) IN GENERAL.—The Secretary, in consultation with the Administrator of the Substance Abuse and Mental Health Services Administration, may award grants from funds made available to carry out this subpart under section 4003(2), on a competitive basis, to local educational agencies to enable such agencies to develop and implement innovative and effective programs to reduce alcohol abuse in secondary schools.

“(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a local educational agency shall prepare and submit to the Secretary an application at such time, in such manner,

PUBLIC LAW 107-110—JAN. 8, 2002

and containing such information as the Secretary may require, including—

“(1) a description of the activities to be carried out under the grant;

“(2) an assurance that such activities will include one or more of the proven strategies for reducing underage alcohol abuse as determined by the Substance Abuse and Mental Health Services Administration;

“(3) an explanation of how activities to be carried out under the grant that are not described in paragraph (2) will be effective in reducing underage alcohol abuse, including references to the past effectiveness of such activities;

“(4) an assurance that the applicant will submit to the Secretary an annual report concerning the effectiveness of the programs and activities funded under the grant; and

“(5) such other information as the Secretary determines appropriate.

Procedures.

“(c) **STREAMLINING OF PROCESS FOR LOW-INCOME AND RURAL LEAS.**—The Secretary, in consultation with the Administrator of the Substance Abuse and Mental Health Services Administration, shall develop procedures to make the application process for grants under this section more user-friendly, particularly for low-income and rural local educational agencies.

“(d) **RESERVATIONS.**—

“(1) **SAMHSA.**—The Secretary may reserve 20 percent of any amount used to carry out this section to enable the Administrator of the Substance Abuse and Mental Health Services Administration to provide alcohol abuse resources and start-up assistance to local educational agencies receiving grants under this section.

“(2) **LOW-INCOME AND RURAL AREAS.**—The Secretary may reserve 25 percent of any amount used to carry out this section to award grants to low-income and rural local educational agencies.

20 USC 7140.

“**SEC. 4130. MENTORING PROGRAMS.**

“(a) **PURPOSE; DEFINITIONS.**—

“(1) **PURPOSE.**—The purpose of this section is to make assistance available to promote mentoring programs for children with greatest need—

“(A) to assist such children in receiving support and guidance from a mentor;

“(B) to improve the academic achievement of such children;

“(C) to improve interpersonal relationships between such children and their peers, teachers, other adults, and family members;

“(D) to reduce the dropout rate of such children; and

“(E) to reduce juvenile delinquency and involvement in gangs by such children.

“(2) **DEFINITIONS.**—In this part:

“(A) **CHILD WITH GREATEST NEED.**—The term ‘child with greatest need’ means a child who is at risk of educational failure, dropping out of school, or involvement in criminal or delinquent activities, or who lacks strong positive role models.

“(B) **ELIGIBLE ENTITY.**—The term ‘eligible entity’ means—

“(i) a local educational agency;

“(ii) a nonprofit, community-based organization; or

“(iii) a partnership between a local educational agency and a nonprofit, community-based organization.

“(C) **MENTOR.**—The term ‘mentor’ means a responsible adult, a postsecondary school student, or a secondary school student who works with a child—

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) to provide a positive role model for the child;
 “(ii) to establish a supportive relationship with the child; and

“(iii) to provide the child with academic assistance and exposure to new experiences and examples of opportunity that enhance the ability of the child to become a responsible adult.

“(D) STATE.—The term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(b) GRANT PROGRAM.—

“(1) IN GENERAL.—The Secretary may award grants from funds made available to carry out this subpart under section 4003(2) to eligible entities to assist such entities in establishing and supporting mentoring programs and activities for children with greatest need that—

“(A) are designed to link such children (particularly children living in rural areas, high-crime areas, or troubled home environments, or children experiencing educational failure) with mentors who—

“(i) have received training and support in mentoring;

“(ii) have been screened using appropriate reference checks, child and domestic abuse record checks, and criminal background checks; and

“(iii) are interested in working with children with greatest need; and

“(B) are intended to achieve one or more of the following goals with respect to children with greatest need:

“(i) Provide general guidance.

“(ii) Promote personal and social responsibility.

“(iii) Increase participation in, and enhance the ability to benefit from, elementary and secondary education.

“(iv) Discourage illegal use of drugs and alcohol, violence, use of dangerous weapons, promiscuous behavior, and other criminal, harmful, or potentially harmful activity.

“(v) Encourage participation in community service and community activities.

“(vi) Encourage setting goals and planning for the future, including encouragement of graduation from secondary school and planning for postsecondary education or training.

“(viii) Discourage involvement in gangs.

“(2) USE OF FUNDS.—

“(A) IN GENERAL.—Each eligible entity awarded a grant under this subsection shall use the grant funds for activities that establish or implement a mentoring program, that may include—

“(i) hiring of mentoring coordinators and support staff;

“(ii) providing for the professional development of mentoring coordinators and support staff;

“(iii) recruitment, screening, and training of mentors;

“(iv) reimbursement to schools, if appropriate, for the use of school materials or supplies in carrying out the mentoring program;

“(v) dissemination of outreach materials;

“(vi) evaluation of the mentoring program using scientifically based methods; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(vii) such other activities as the Secretary may reasonably prescribe by rule.

“(B) PROHIBITED USES.—Notwithstanding subparagraph (A), an eligible entity awarded a grant under this section may not use the grant funds—

“(i) to directly compensate mentors;

“(ii) to obtain educational or other materials or equipment that would otherwise be used in the ordinary course of the eligible entity’s operations;

“(iii) to support litigation of any kind; or

“(iv) for any other purpose reasonably prohibited by the Secretary by rule.

“(3) AVAILABILITY OF FUNDS.—Funds made available through a grant under this section shall be available for obligation for a period not to exceed 3 years.

“(4) APPLICATION.—Each eligible entity seeking a grant under this section shall submit to the Secretary an application that includes—

“(A) a description of the plan for the mentoring program the eligible entity proposes to carry out with such grant;

“(B) information on the children expected to be served by the mentoring program for which such grant is sought;

“(C) a description of the mechanism the eligible entity will use to match children with mentors based on the needs of the children;

“(D) an assurance that no mentor will be assigned to mentor so many children that the assignment will undermine the mentor’s ability to be an effective mentor or the mentor’s ability to establish a close relationship (a one-to-one relationship, where practicable) with each mentored child;

“(E) an assurance that the mentoring program will provide children with a variety of experiences and support, including—

“(i) emotional support;

“(ii) academic assistance; and

“(iii) exposure to experiences that the children might not otherwise encounter on their own;

“(F) an assurance that the mentoring program will be monitored to ensure that each child assigned a mentor benefits from that assignment and that the child will be assigned a new mentor if the relationship between the original mentor and the child is not beneficial to the child;

“(G) information regarding how mentors and children will be recruited to the mentoring program;

“(H) information regarding how prospective mentors will be screened;

“(I) information on the training that will be provided to mentors; and

“(J) information on the system that the eligible entity will use to manage and monitor information relating to the mentoring program’s—

“(i) reference checks;

“(ii) child and domestic abuse record checks;

“(iii) criminal background checks; and

“(iv) procedure for matching children with mentors.

“(5) SELECTION.—

“(A) COMPETITIVE BASIS.—In accordance with this subsection, the Secretary shall award grants to eligible entities on a competitive basis.

“(B) PRIORITY.—In awarding grants under subparagraph (A), the Secretary shall give priority to each eligible entity that—

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) serves children with greatest need living in rural areas, high-crime areas, or troubled home environments, or who attend schools with violence problems;

“(ii) provides high quality background screening of mentors, training of mentors, and technical assistance in carrying out mentoring programs; or

“(iii) proposes a school-based mentoring program.

“(C) OTHER CONSIDERATIONS.—In awarding grants under subparagraph (A), the Secretary shall also consider—

“(i) the degree to which the location of the mentoring program proposed by each eligible entity contributes to a fair distribution of mentoring programs with respect to urban and rural locations;

“(ii) the quality of the mentoring program proposed by each eligible entity, including—

“(I) the resources, if any, the eligible entity will dedicate to providing children with opportunities for job training or postsecondary education;

“(II) the degree to which parents, teachers, community-based organizations, and the local community have participated, or will participate, in the design and implementation of the proposed mentoring program;

“(III) the degree to which the eligible entity can ensure that mentors will develop longstanding relationships with the children they mentor;

“(IV) the degree to which the mentoring program will serve children with greatest need in the 4th through 8th grades; and

“(V) the degree to which the mentoring program will continue to serve children from the 9th grade through graduation from secondary school, as needed; and

“(iii) the capability of each eligible entity to effectively implement its mentoring program.

“(D) GRANT TO EACH STATE.—Notwithstanding any other provision of this subsection, in awarding grants under subparagraph (A), the Secretary shall select not less than one grant recipient from each State for which there is an eligible entity that submits an application of sufficient quality pursuant to paragraph (4).

“(6) MODEL SCREENING GUIDELINES.—

“(A) IN GENERAL.—Based on model screening guidelines developed by the Office of Juvenile Programs of the Department of Justice, the Secretary shall develop and distribute to each eligible entity awarded a grant under this section specific model guidelines for the screening of mentors who seek to participate in mentoring programs assisted under this section.

“(B) BACKGROUND CHECKS.—The guidelines developed under this subsection shall include, at a minimum, a requirement that potential mentors be subject to reference checks, child and domestic abuse record checks, and criminal background checks.

“Subpart 3—Gun Possession

“SEC. 4141. GUN-FREE REQUIREMENTS.

“(a) SHORT TITLE.—This subpart may be cited as the ‘Gun-Free Schools Act’.

“(b) REQUIREMENTS.—

“(1) IN GENERAL.—Each State receiving Federal funds under any title of this Act shall have in effect a State law requiring local educational agencies to expel from school for

Gun-Free Schools
Act.
20 USC 7151.

PUBLIC LAW 107-110—JAN. 8, 2002

a period of not less than 1 year a student who is determined to have brought a firearm to a school, or to have possessed a firearm at a school, under the jurisdiction of local educational agencies in that State, except that such State law shall allow the chief administering officer of a local educational agency to modify such expulsion requirement for a student on a case-by-case basis if such modification is in writing.

“(2) CONSTRUCTION.—Nothing in this subpart shall be construed to prevent a State from allowing a local educational agency that has expelled a student from such a student’s regular school setting from providing educational services to such student in an alternative setting.

“(3) DEFINITION.—For the purpose of this section, the term ‘firearm’ has the same meaning given such term in section 921(a) of title 18, United States Code.

“(c) SPECIAL RULE.—The provisions of this section shall be construed in a manner consistent with the Individuals with Disabilities Education Act.

“(d) REPORT TO STATE.—Each local educational agency requesting assistance from the State educational agency that is to be provided from funds made available to the State under any title of this Act shall provide to the State, in the application requesting such assistance—

“(1) an assurance that such local educational agency is in compliance with the State law required by subsection (b); and

“(2) a description of the circumstances surrounding any expulsions imposed under the State law required by subsection (b), including—

“(A) the name of the school concerned;

“(B) the number of students expelled from such school;

and

“(C) the type of firearms concerned.

“(e) REPORTING.—Each State shall report the information described in subsection (d) to the Secretary on an annual basis.

“(f) DEFINITION.—For the purpose of subsection (d), the term ‘school’ means any setting that is under the control and supervision of the local educational agency for the purpose of student activities approved and authorized by the local educational agency.

“(g) EXCEPTION.—Nothing in this section shall apply to a firearm that is lawfully stored inside a locked vehicle on school property, or if it is for activities approved and authorized by the local educational agency and the local educational agency adopts appropriate safeguards to ensure student safety.

“(h) POLICY REGARDING CRIMINAL JUSTICE SYSTEM REFERRAL.—

“(1) IN GENERAL.—No funds shall be made available under any title of this Act to any local educational agency unless such agency has a policy requiring referral to the criminal justice or juvenile delinquency system of any student who brings a firearm or weapon to a school served by such agency.

“(2) DEFINITION.—For the purpose of this subsection, the term ‘school’ has the same meaning given to such term by section 921(a) of title 18, United States Code.

“Subpart 4—General Provisions

20 USC 7161.

“SEC. 4151. DEFINITIONS.

“In this part:

“(1) CONTROLLED SUBSTANCE.—The term ‘controlled substance’ means a drug or other substance identified under Schedule I, II, III, IV, or V in section 202(c) of the Controlled Substances Act (21 U.S.C. 812(c)).

“(2) DRUG.—The term ‘drug’ includes controlled substances; the illegal use of alcohol and tobacco; and the harmful, abusive,

PUBLIC LAW 107-110—JAN. 8, 2002

or addictive use of substances, including inhalants and anabolic steroids.

“(3) DRUG AND VIOLENCE PREVENTION.—The term ‘drug and violence prevention’ means—

“(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of drugs;

“(B) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

“(4) HATE CRIME.—The term ‘hate crime’ means a crime as described in section 1(b) of the Hate Crime Statistics Act of 1990.

“(5) NONPROFIT.—The term ‘nonprofit’, as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

“(6) PROTECTIVE FACTOR, BUFFER, OR ASSET.—The terms ‘protective factor’, ‘buffer’, and ‘asset’ mean any one of a number of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, or which are grounded in a well-established theoretical model of prevention, and have been shown to prevent alcohol, tobacco, or illegal drug use, as well as violent behavior, by youth in the community, and which promote positive youth development.

“(7) RISK FACTOR.—The term ‘risk factor’ means any one of a number of characteristics of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, to be predictive of alcohol, tobacco, and illegal drug use, as well as violent behavior, by youth in the school and community.

“(8) SCHOOL-AGED POPULATION.—The term ‘school-aged population’ means the population aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

“(9) SCHOOL BASED MENTAL HEALTH SERVICES PROVIDER.—The term ‘school based mental health services provider’ includes a State licensed or State certified school counselor, school psychologist, school social worker, or other State licensed or certified mental health professional qualified under State law to provide such services to children and adolescents.

“(10) SCHOOL PERSONNEL.—The term ‘school personnel’ includes teachers, principals, administrators, counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

“(11) SCHOOL RESOURCE OFFICER.—The term ‘school resource officer’ means a career law enforcement officer, with sworn authority, deployed in community oriented policing, and assigned by the employing police department to a local educational agency to work in collaboration with schools and community based organizations to—

“(A) educate students in crime and illegal drug use prevention and safety;

“(B) develop or expand community justice initiatives for students; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) train students in conflict resolution, restorative justice, and crime and illegal drug use awareness.

20 USC 7162.

“SEC. 4152. MESSAGE AND MATERIALS.

“(a) ‘WRONG AND HARMFUL’ MESSAGE.—Drug and violence prevention programs supported under this part shall convey a clear and consistent message that the illegal use of drugs and acts of violence are wrong and harmful.

“(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this part.

20 USC 7163.

“SEC. 4153. PARENTAL CONSENT.

“Upon receipt of written notification from the parents or legal guardians of a student, the local educational agency shall withdraw such student from any program or activity funded under this part. The local educational agency shall make reasonable efforts to inform parents or legal guardians of the content of such programs or activities funded under this part, other than classroom instruction.

20 USC 7164.

“SEC. 4154. PROHIBITED USES OF FUNDS.

“No funds under this part may be used for—

“(1) construction (except for minor remodeling needed to accomplish the purposes of this part); or

“(2) medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims of, or witnesses to, crime or who illegally use drugs.

20 USC 7165.

“SEC. 4155. TRANSFER OF SCHOOL DISCIPLINARY RECORDS.

“(a) NONAPPLICATION OF PROVISIONS.—This section shall not apply to any disciplinary records with respect to a suspension or expulsion that are transferred from a private, parochial or other nonpublic school, person, institution, or other entity, that provides education below the college level.

Deadline.
Procedures.

“(b) DISCIPLINARY RECORDS.—In accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), not later than 2 years after the date of enactment of this part, each State receiving Federal funds under this Act shall provide an assurance to the Secretary that the State has a procedure in place to facilitate the transfer of disciplinary records, with respect to a suspension or expulsion, by local educational agencies to any private or public elementary school or secondary school for any student who is enrolled or seeks, intends, or is instructed to enroll, on a full- or part-time basis, in the school.

“PART B—21ST CENTURY COMMUNITY LEARNING CENTERS

20 USC 7171.

“SEC. 4201. PURPOSE; DEFINITIONS.

“(a) PURPOSE.—The purpose of this part is to provide opportunities for communities to establish or expand activities in community learning centers that—

“(1) provide opportunities for academic enrichment, including providing tutorial services to help students, particularly students who attend low-performing schools, to meet State and local student academic achievement standards in core academic subjects, such as reading and mathematics;

“(2) offer students a broad array of additional services, programs, and activities, such as youth development activities, drug and violence prevention programs, counseling programs, art, music, and recreation programs, technology education programs, and character education programs, that are designed to reinforce and complement the regular academic program of participating students; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) offer families of students served by community learning centers opportunities for literacy and related educational development.

“(b) DEFINITIONS.—In this part:

“(1) COMMUNITY LEARNING CENTER.—The term ‘community learning center’ means an entity that—

“(A) assists students in meeting State and local academic achievement standards in core academic subjects, such as reading and mathematics, by providing the students with opportunities for academic enrichment activities and a broad array of other activities (such as drug and violence prevention, counseling, art, music, recreation, technology, and character education programs) during non-school hours or periods when school is not in session (such as before and after school or during summer recess) that reinforce and complement the regular academic programs of the schools attended by the students served; and

“(B) offers families of students served by such center opportunities for literacy and related educational development.

“(2) COVERED PROGRAM.—The term ‘covered program’ means a program for which—

“(A) the Secretary made a grant under part I of title X (as such part was in effect on the day before the date of enactment of the No Child Left Behind Act of 2001); and

“(B) the grant period had not ended on that date of enactment.

“(3) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a local educational agency, community-based organization, another public or private entity, or a consortium of two or more of such agencies, organizations, or entities.

“(4) STATE.—The term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“SEC. 4202. ALLOTMENTS TO STATES.

20 USC 7172.

“(a) RESERVATION.—From the funds appropriated under section 4206 for any fiscal year, the Secretary shall reserve—

“(1) such amount as may be necessary to make continuation awards to grant recipients under covered programs (under the terms of those grants);

“(2) not more than 1 percent for national activities, which the Secretary may carry out directly or through grants and contracts, such as providing technical assistance to eligible entities carrying out programs under this part or conducting a national evaluation; and

“(3) not more than 1 percent for payments to the outlying areas and the Bureau of Indian Affairs, to be allotted in accordance with their respective needs for assistance under this part, as determined by the Secretary, to enable the outlying areas and the Bureau to carry out the purpose of this part.

“(b) STATE ALLOTMENTS.—

“(1) DETERMINATION.—From the funds appropriated under section 4206 for any fiscal year and remaining after the Secretary makes reservations under subsection (a), the Secretary shall allot to each State for the fiscal year an amount that bears the same relationship to the remainder as the amount the State received under subpart 2 of part A of title I for the preceding fiscal year bears to the amount all States received under that subpart for the preceding fiscal year, except that no State shall receive less than an amount equal to one-half of 1 percent of the total amount made available to all States under this subsection.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) REALLOTMENT OF UNUSED FUNDS.—If a State does not receive an allotment under this part for a fiscal year, the Secretary shall reallocate the amount of the State’s allotment to the remaining States in accordance with this section.

“(c) STATE USE OF FUNDS.—

“(1) IN GENERAL.—Each State that receives an allotment under this part shall reserve not less than 95 percent of the amount allotted to such State under subsection (b), for each fiscal year for awards to eligible entities under section 4204.

“(2) STATE ADMINISTRATION.—A State educational agency may use not more than 2 percent of the amount made available to the State under subsection (b) for—

“(A) the administrative costs of carrying out its responsibilities under this part;

“(B) establishing and implementing a peer review process for grant applications described in section 4204(b) (including consultation with the Governor and other State agencies responsible for administering youth development programs and adult learning activities); and

supervising the awarding of funds to eligible entities (in consultation with the Governor and other State agencies responsible for administering youth development programs and adult learning activities).

“(3) STATE ACTIVITIES.—A State educational agency may use not more than 3 percent of the amount made available to the State under subsection (b) for the following activities:

“(A) Monitoring and evaluation of programs and activities assisted under this part.

“(B) Providing capacity building, training, and technical assistance under this part.

“(C) Comprehensive evaluation (directly, or through a grant or contract) of the effectiveness of programs and activities assisted under this part.

“(D) Providing training and technical assistance to eligible entities who are applicants for or recipients of awards under this part.

20 USC 7173.

“SEC. 4203. STATE APPLICATION.

“(a) IN GENERAL.—In order to receive an allotment under section 4202 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

“(1) designates the State educational agency as the agency responsible for the administration and supervision of programs assisted under this part;

“(2) describes how the State educational agency will use funds received under this part, including funds reserved for State-level activities;

“(3) contains an assurance that the State educational agency will make awards under this part only to eligible entities that propose to serve—

“(A) students who primarily attend—

“(i) schools eligible for schoolwide programs under section 1114; or

“(ii) schools that serve a high percentage of students from low-income families; and

“(B) the families of students described in subparagraph

(A);

“(4) describes the procedures and criteria the State educational agency will use for reviewing applications and awarding funds to eligible entities on a competitive basis, which shall include procedures and criteria that take into consideration the likelihood that a proposed community learning center will help participating students meet local content and student academic achievement standards;

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) describes how the State educational agency will ensure that awards made under this part are—

“(A) of sufficient size and scope to support high-quality, effective programs that are consistent with the purpose of this part; and

“(B) in amounts that are consistent with section 4204(h);

“(6) describes the steps the State educational agency will take to ensure that programs implement effective strategies, including providing ongoing technical assistance and training, evaluation, and dissemination of promising practices;

“(7) describes how programs under this part will be coordinated with programs under this Act, and other programs as appropriate;

“(8) contains an assurance that the State educational agency—

“(A) will make awards for programs for a period of not less than 3 years and not more than 5 years; and

“(B) will require each eligible entity seeking such an award to submit a plan describing how the community learning center to be funded through the award will continue after funding under this part ends;

“(9) contains an assurance that funds appropriated to carry out this part will be used to supplement, and not supplant, other Federal, State, and local public funds expended to provide programs and activities authorized under this part and other similar programs;

“(10) contains an assurance that the State educational agency will require eligible entities to describe in their applications under section 4204(b) how the transportation needs of participating students will be addressed;

“(11) provides an assurance that the application was developed in consultation and coordination with appropriate State officials, including the chief State school officer, and other State agencies administering before and after school (or summer school) programs, the heads of the State health and mental health agencies or their designees, and representatives of teachers, parents, students, the business community, and community-based organizations;

“(12) describes the results of the State’s needs and resources assessment for before and after school activities, which shall be based on the results of on-going State evaluation activities;

“(13) describes how the State educational agency will evaluate the effectiveness of programs and activities carried out under this part, which shall include, at a minimum—

“(A) a description of the performance indicators and performance measures that will be used to evaluate programs and activities; and

“(B) public dissemination of the evaluations of programs and activities carried out under this part; and

“(14) provides for timely public notice of intent to file an application and an assurance that the application will be available for public review after submission.

“(b) DEEMED APPROVAL.—An application submitted by a State educational agency pursuant to subsection (a) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the application, that the application is not in compliance with this part.

“(c) DISAPPROVAL.—The Secretary shall not finally disapprove the application, except after giving the State educational agency notice and opportunity for a hearing.

PUBLIC LAW 107-110—JAN. 8, 2002

“(d) NOTIFICATION.—If the Secretary finds that the application is not in compliance, in whole or in part, with this part, the Secretary shall—

“(1) give the State educational agency notice and an opportunity for a hearing; and

“(2) notify the State educational agency of the finding of noncompliance, and, in such notification, shall—

“(A) cite the specific provisions in the application that are not in compliance; and

“(B) request additional information, only as to the non-compliant provisions, needed to make the application compliant.

“(e) RESPONSE.—If the State educational agency responds to the Secretary’s notification described in subsection (d)(2) during the 45-day period beginning on the date on which the agency received the notification, and resubmits the application with the requested information described in subsection (d)(2)(B), the Secretary shall approve or disapprove such application prior to the later of—

“(1) the expiration of the 45-day period beginning on the date on which the application is resubmitted; or

“(2) the expiration of the 120-day period described in subsection (b).

“(f) FAILURE TO RESPOND.—If the State educational agency does not respond to the Secretary’s notification described in subsection (d)(2) during the 45-day period beginning on the date on which the agency received the notification, such application shall be deemed to be disapproved.

20 USC 7174.

“SEC. 4204. LOCAL COMPETITIVE GRANT PROGRAM.

“(a) IN GENERAL.—A State that receives funds under this part for a fiscal year shall provide the amount made available under section 4202(c)(1) to eligible entities for community learning centers in accordance with this part.

“(b) APPLICATION.—

“(1) IN GENERAL.—To be eligible to receive an award under this part, an eligible entity shall submit an application to the State educational agency at such time, in such manner, and including such information as the State educational agency may reasonably require.

“(2) CONTENTS.—Each application submitted under paragraph (1) shall include—

“(A) a description of the before and after school or summer recess activities to be funded, including—

“(i) an assurance that the program will take place in a safe and easily accessible facility;

“(ii) a description of how students participating in the program carried out by the community learning center will travel safely to and from the center and home; and

“(iii) a description of how the eligible entity will disseminate information about the community learning center (including its location) to the community in a manner that is understandable and accessible;

“(B) a description of how the activity is expected to improve student academic achievement;

“(C) an identification of Federal, State, and local programs that will be combined or coordinated with the proposed program to make the most effective use of public resources;

“(D) an assurance that the proposed program was developed, and will be carried out, in active collaboration with the schools the students attend;

“(E) a description of how the activities will meet the principles of effectiveness described in section 4205(b);

PUBLIC LAW 107-110—JAN. 8, 2002

“(F) an assurance that the program will primarily target students who attend schools eligible for schoolwide programs under section 1114 and the families of such students;

“(G) an assurance that funds under this part will be used to increase the level of State, local, and other non-Federal funds that would, in the absence of funds under this part, be made available for programs and activities authorized under this part, and in no case supplant Federal, State, local, or non-Federal funds;

“(H) a description of the partnership between a local educational agency, a community-based organization, and another public entity or private entity, if appropriate;

“(I) an evaluation of the community needs and available resources for the community learning center and a description of how the program proposed to be carried out in the center will address those needs (including the needs of working families);

“(J) a demonstration that the eligible entity has experience, or promise of success, in providing educational and related activities that will complement and enhance the academic performance, achievement, and positive youth development of the students;

“(K) a description of a preliminary plan for how the community learning center will continue after funding under this part ends;

“(L) an assurance that the community will be given notice of an intent to submit an application and that the application and any waiver request will be available for public review after submission of the application;

“(M) if the eligible entity plans to use senior volunteers in activities carried out through the community learning center, a description of how the eligible entity will encourage and use appropriately qualified seniors to serve as the volunteers; and

“(N) such other information and assurances as the State educational agency may reasonably require.

“(c) APPROVAL OF CERTAIN APPLICATIONS.—The State educational agency may approve an application under this part for a program to be located in a facility other than an elementary school or secondary school only if the program will be at least as available and accessible to the students to be served as if the program were located in an elementary school or secondary school.

“(d) PERMISSIVE LOCAL MATCH.—

“(1) IN GENERAL.—A State educational agency may require an eligible entity to match funds awarded under this part, except that such match may not exceed the amount of the grant award and may not be derived from other Federal or State funds.

“(2) SLIDING SCALE.—The amount of a match under paragraph (1) shall be established based on a sliding fee scale that takes into account—

“(A) the relative poverty of the population to be targeted by the eligible entity; and

“(B) the ability of the eligible entity to obtain such matching funds.

“(3) IN-KIND CONTRIBUTIONS.—Each State educational agency that requires an eligible entity to match funds under this subsection shall permit the eligible entity to provide all or any portion of such match in the form of in-kind contributions.

“(4) CONSIDERATION.—Notwithstanding this subsection, a State educational agency shall not consider an eligible entity’s ability to match funds when determining which eligible entities will receive awards under this part.

PUBLIC LAW 107-110—JAN. 8, 2002

“(e) PEER REVIEW.—In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

“(f) GEOGRAPHIC DIVERSITY.—To the extent practicable, a State educational agency shall distribute funds under this part equitably among geographic areas within the State, including urban and rural communities.

“(g) DURATION OF AWARDS.—Grants under this part may be awarded for a period of not less than 3 years and not more than 5 years.

“(h) AMOUNT OF AWARDS.—A grant awarded under this part may not be made in an amount that is less than \$50,000.

“(i) PRIORITY.—

“(1) IN GENERAL.—In awarding grants under this part, a State educational agency shall give priority to applications—

“(A) proposing to target services to students who attend schools that have been identified as in need of improvement under section 1116; and

“(B) submitted jointly by eligible entities consisting of not less than 1—

“(i) local educational agency receiving funds under part A of title I; and

“(ii) community-based organization or other public or private entity.

“(2) SPECIAL RULE.—The State educational agency shall provide the same priority under paragraph (1) to an application submitted by a local educational agency if the local educational agency demonstrates that it is unable to partner with a community-based organization in reasonable geographic proximity and of sufficient quality to meet the requirements of this part.

20 USC 7175.

“SEC. 4205. LOCAL ACTIVITIES.

“(a) AUTHORIZED ACTIVITIES.—Each eligible entity that receives an award under this part may use the award funds to carry out a broad array of before and after school activities (including during summer recess periods) that advance student academic achievement, including—

“(1) remedial education activities and academic enrichment learning programs, including providing additional assistance to students to allow the students to improve their academic achievement;

“(2) mathematics and science education activities;

“(3) arts and music education activities;

“(4) entrepreneurial education programs;

“(5) tutoring services (including those provided by senior citizen volunteers) and mentoring programs;

“(6) programs that provide after school activities for limited English proficient students that emphasize language skills and academic achievement;

“(7) recreational activities;

“(8) telecommunications and technology education programs;

“(9) expanded library service hours;

“(10) programs that promote parental involvement and family literacy;

“(11) programs that provide assistance to students who have been truant, suspended, or expelled to allow the students to improve their academic achievement; and

“(12) drug and violence prevention programs, counseling programs, and character education programs.

“(b) PRINCIPLES OF EFFECTIVENESS.—

“(1) IN GENERAL.—For a program or activity developed pursuant to this part to meet the principles of effectiveness, such program or activity shall—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) be based upon an assessment of objective data regarding the need for before and after school programs (including during summer recess periods) and activities in the schools and communities;

“(B) be based upon an established set of performance measures aimed at ensuring the availability of high quality academic enrichment opportunities; and

“(C) if appropriate, be based upon scientifically based research that provides evidence that the program or activity will help students meet the State and local student academic achievement standards.

“(2) PERIODIC EVALUATION.—

“(A) IN GENERAL.—The program or activity shall undergo a periodic evaluation to assess its progress toward achieving its goal of providing high quality opportunities for academic enrichment.

“(B) USE OF RESULTS.—The results of evaluations under subparagraph (A) shall be—

“(i) used to refine, improve, and strengthen the program or activity, and to refine the performance measures; and

“(ii) made available to the public upon request, with public notice of such availability provided.

Public
information.
Notice.
20 USC 7176.

“SEC. 4206. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated—

“(1) \$1,250,000,000 for fiscal year 2002;

“(2) \$1,500,000,000 for fiscal year 2003;

“(3) \$1,750,000,000 for fiscal year 2004;

“(4) \$2,000,000,000 for fiscal year 2005;

“(5) \$2,250,000,000 for fiscal year 2006; and

“(6) \$2,500,000,000 for fiscal year 2007.

“PART C—ENVIRONMENTAL TOBACCO SMOKE

Pro-Children Act
of 2001.
20 USC 7181.

“SEC. 4301. SHORT TITLE.

“This part may be cited as the ‘Pro-Children Act of 2001’.

“SEC. 4302. DEFINITIONS.

20 USC 7182.

“As used in this part:

“(1) CHILDREN.—The term ‘children’ means individuals who have not attained the age of 18.

“(2) CHILDREN’S SERVICES.—The term ‘children’s services’ means the provision on a routine or regular basis of health, day care, education, or library services—

“(A) that are funded, after the date of enactment of the No Child Left Behind Act of 2001, directly by the Federal Government or through State or local governments, by Federal grant, loan, loan guarantee, or contract programs—

“(i) administered by either the Secretary of Health and Human Services or the Secretary of Education (other than services provided and funded solely under titles XVIII and XIX of the Social Security Act); or

“(ii) administered by the Secretary of Agriculture in the case of a clinic (as defined in part 246.2 of title 7, Code of Federal Regulations (or any corresponding similar regulation or ruling)) under section 17(b)(6) of the Child Nutrition Act of 1966; or

“(B) that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds, as determined by the appropriate head of a Federal agency in any enforcement action carried out under this part,

PUBLIC LAW 107-110—JAN. 8, 2002

except that nothing in clause (ii) of subparagraph (A) is intended to include facilities (other than clinics) where coupons are redeemed under the Child Nutrition Act of 1966.

“(3) INDOOR FACILITY.—The term ‘indoor facility’ means a building that is enclosed.

“(4) PERSON.—The term ‘person’ means any State or local subdivision of a State, agency of such State or subdivision, corporation, or partnership that owns or operates or otherwise controls and provides children’s services or any individual who owns or operates or otherwise controls and provides such services.

“(5) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

20 USC 7183.

“SEC. 4303. NONSMOKING POLICY FOR CHILDREN’S SERVICES.

“(a) PROHIBITION.—After the date of enactment of the No Child Left Behind Act of 2001, no person shall permit smoking within any indoor facility owned or leased or contracted for, and utilized, by such person for provision of routine or regular kindergarten, elementary, or secondary education or library services to children.

“(b) ADDITIONAL PROHIBITION.—

“(1) IN GENERAL.—After the date of enactment of the No Child Left Behind Act of 2001, no person shall permit smoking within any indoor facility (or portion of such a facility) owned or leased or contracted for, and utilized by, such person for the provision of regular or routine health care or day care or early childhood development (Head Start) services.

“(2) EXCEPTION.—Paragraph (1) shall not apply to—

“(A) any portion of such facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to, drugs or alcohol; and

“(B) any private residence.

“(c) FEDERAL AGENCIES.—

“(1) KINDERGARTEN, ELEMENTARY, OR SECONDARY EDUCATION OR LIBRARY SERVICES.—After the date of enactment of the No Child Left Behind Act of 2001, no Federal agency shall permit smoking within any indoor facility in the United States operated by such agency, directly or by contract, to provide routine or regular kindergarten, elementary, or secondary education or library services to children.

“(2) HEALTH OR DAY CARE OR EARLY CHILDHOOD DEVELOPMENT SERVICES.—

“(A) IN GENERAL.—After the date of enactment of the No Child Left Behind Act of 2001, no Federal agency shall permit smoking within any indoor facility (or portion of such facility) operated by such agency, directly or by contract, to provide routine or regular health or day care or early childhood development (Head Start) services to children.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to—

“(i) any portion of such facility that is used for inpatient hospital treatment of individuals dependent on, or addicted to, drugs or alcohol; and

“(ii) any private residence.

“(3) APPLICATION OF PROVISIONS.—The provisions of paragraph (2) shall also apply to the provision of such routine or regular kindergarten, elementary or secondary education or library services in the facilities described in paragraph (2) not subject to paragraph (1).

“(d) NOTICE.—The prohibitions in subsections (a) through (c) shall be published in a notice in the Federal Register by the Secretary (in consultation with the heads of other affected agencies) and by such agency heads in funding arrangements involving the provision of children’s services administered by such heads. Such

PUBLIC LAW 107-110—JAN. 8, 2002

prohibitions shall be effective 90 days after such notice is published, or 270 days after the date of enactment of the No Child Left Behind Act of 2001, whichever occurs first.

“(e) CIVIL PENALTIES.—

“(1) IN GENERAL.—Any failure to comply with a prohibition in this section shall be considered to be a violation of this section and any person subject to such prohibition who commits such violation may be liable to the United States for a civil penalty in an amount not to exceed \$1,000 for each violation, or may be subject to an administrative compliance order, or both, as determined by the Secretary. Each day a violation continues shall constitute a separate violation. In the case of any civil penalty assessed under this section, the total amount shall not exceed 50 percent of the amount of Federal funds received under any title of this Act by such person for the fiscal year in which the continuing violation occurred. For the purpose of the prohibition in subsection (c), the term ‘person’, as used in this paragraph, shall mean the head of the applicable Federal agency or the contractor of such agency providing the services to children.

“(2) ADMINISTRATIVE PROCEEDING.—A civil penalty may be assessed in a written notice, or an administrative compliance order may be issued under paragraph (1), by the Secretary only after an opportunity for a hearing in accordance with section 554 of title 5, United States Code. Before making such assessment or issuing such order, or both, the Secretary shall give written notice of the assessment or order to such person by certified mail with return receipt and provide information in the notice of an opportunity to request in writing, not later than 30 days after the date of receipt of such notice, such hearing. The notice shall reasonably describe the violation and be accompanied with the procedures for such hearing and a simple form that may be used to request such hearing if such person desires to use such form. If a hearing is requested, the Secretary shall establish by such certified notice the time and place for such hearing, which shall be located, to the greatest extent possible, at a location convenient to such person. The Secretary (or the Secretary’s designee) and such person may consult to arrange a suitable date and location where appropriate.

Notice.
Deadline.

“(3) CIRCUMSTANCES AFFECTING PENALTY OR ORDER.—In determining the amount of the civil penalty or the nature of the administrative compliance order, the Secretary shall take into account, as appropriate—

“(A) the nature, circumstances, extent, and gravity of the violation;

“(B) with respect to the violator, any good faith efforts to comply, the importance of achieving early and permanent compliance, the ability to pay or comply, the effect of the penalty or order on the ability to continue operation, any prior history of the same kind of violation, the degree of culpability, and any demonstration of willingness to comply with the prohibitions of this section in a timely manner; and

C) such other matters as justice may require.

“(4) MODIFICATION.—The Secretary may, as appropriate, compromise, modify, or remit, with or without conditions, any civil penalty or administrative compliance order. In the case of a civil penalty, the amount, as finally determined by the Secretary or agreed upon in compromise, may be deducted from any sums that the United States or the agencies or instrumentalities of the United States owe to the person against whom the penalty is assessed.

“(5) PETITION FOR REVIEW.—Any person aggrieved by a penalty assessed or an order issued, or both, by the Secretary

PUBLIC LAW 107-110—JAN. 8, 2002

Records.

under this section may file a petition for judicial review of the order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which the person resides or transacts business. Such person shall provide a copy of the petition to the Secretary or the Secretary's designee. The petition shall be filed within 30 days after the Secretary's assessment or order, or both, are final and have been provided to such person by certified mail. The Secretary shall promptly provide to the court a certified copy of the transcript of any hearing held under this section and a copy of the notice or order.

“(6) FAILURE TO COMPLY.—If a person fails to pay an assessment of a civil penalty or comply with an order, after the assessment or order, or both, are final under this section, or after a court has entered a final judgment under paragraph (5) in favor of the Secretary, the Attorney General, at the request of the Secretary, shall recover the amount of the civil penalty (plus interest at prevailing rates from the day the assessment or order, or both, are final) or enforce the order in an action brought in the appropriate district court of the United States. In such action, the validity and appropriateness of the penalty or order or the amount of the penalty shall not be subject to review.

20 USC 7184.

“SEC. 4304. PREEMPTION.

“Nothing in this part is intended to preempt any provision of law of a State or political subdivision of a State that is more restrictive than a provision of this part.”.

TITLE V—PROMOTING INFORMED PARENTAL CHOICE AND INNOVATIVE PROGRAMS

SEC. 501. INNOVATIVE PROGRAMS AND PARENTAL CHOICE PROVISIONS.

Title V (20 U.S.C. 7201 et seq.) is amended to read as follows:

“TITLE V—PROMOTING INFORMED PARENTAL CHOICE AND INNOVATIVE PROGRAMS

“PART A—INNOVATIVE PROGRAMS

20 USC 7201.

“SEC. 5101. PURPOSES, STATE AND LOCAL RESPONSIBILITY.

“(a) PURPOSES.—The purposes of this part are the following:

“(1) To support local education reform efforts that are consistent with and support statewide education reform efforts.

“(2) To provide funding to enable State educational agencies and local educational agencies to implement promising educational reform programs and school improvement programs based on scientifically based research.

“(3) To provide a continuing source of innovation and educational improvement, including support programs to provide library services and instructional and media materials.

“(4) To meet the educational needs of all students, including at-risk youth.

“(5) To develop and implement education programs to improve school, student, and teacher performance, including professional development activities and class size reduction programs.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) STATE AND LOCAL RESPONSIBILITY.—The State educational agency shall bear the basic responsibility for the administration of funds made available under this part, but it is the intent of Congress that the responsibility be carried out with a minimum of paperwork and that the responsibility for the design and implementation of programs assisted under this part be mainly that of local educational agencies, school superintendents and principals, and classroom teachers and supporting personnel, because local educational agencies and individuals have the most direct contact with students and are most likely to be able to design programs to meet the educational needs of students in their own school districts.

“Subpart 1—State and Local Programs

“SEC. 5111. ALLOTMENT TO STATES.

20 USC 7211.

“(a) IN GENERAL.—From the sums appropriated to carry out this part for each fiscal year and not reserved under subsection (b), the Secretary shall allot, and make available in accordance with this part, to each State educational agency an amount that bears the same ratio to such sums as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of 1 percent of such sums.

“(b) RESERVATION.—From the sums appropriated to carry out this part for each fiscal year, the Secretary shall reserve not more than 1 percent for payments to the outlying areas, to be allotted in accordance with their respective needs for assistance under this part.

“SEC. 5112. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

20 USC 7211a.

“(a) DISTRIBUTION RULE.—

“(1) ALLOCATION OF BASE AMOUNTS.—From the amount made available to a State educational agency under this part for a fiscal year, the State educational agency shall distribute, to local educational agencies within the State, an amount that is not less than 85 percent of the amount made available to the State educational agency under this part for fiscal year 2002, according to the relative enrollments in public and in private nonprofit schools within the jurisdictions of such local educational agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per-pupil allocations to local educational agencies that have the greatest numbers or percentages of children whose education imposes a higher-than-average cost per child, such as—

“(A) children living in areas with high concentrations of economically disadvantaged families;

“(B) children from economically disadvantaged families;

and

“(C) children living in sparsely populated areas.

“(2) ALLOCATION OF INCREASED AMOUNTS.—From the amount made available to a State educational agency under this part for a fiscal year that exceeds the amount made available to the agency under this part for fiscal year 2002, the State educational agency shall distribute 100 percent (or, in the case of a State educational agency receiving a minimum allotment under section 5111(a), not less than 50 percent, notwithstanding subsection (b)) to local educational agencies within the State, on the same basis as the State educational agency distributes amounts under paragraph (1).

“(b) LIMITATIONS AND REQUIREMENTS.—Not more than 15 percent of funds made available under section 5111 for State programs under this part for any fiscal year may be used for State administration under section 5121.

“(c) CALCULATION OF ENROLLMENTS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) IN GENERAL.—The calculation of relative enrollments under subsection (a)(1) shall be on the basis of the total of—

“(A) the number of children enrolled in public schools; and

“(B) the number of children enrolled in private non-profit schools that participated in programs assisted under this part, for the fiscal year preceding the fiscal year for which the determination is made.

“(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall diminish the responsibility of each local educational agency to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this part.

“(3) ADJUSTMENTS.—

“(A) STATE CRITERIA.—Relative enrollments calculated under subsection (a)(1) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per-pupil allocations only to local educational agencies that serve the greatest numbers or percentages of—

“(i) children living in areas with high concentrations of economically disadvantaged families;

“(ii) children from economically disadvantaged families; or

“(iii) children living in sparsely populated areas.

“(B) REVIEW OF CRITERIA.—The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs of the State’s local educational agencies based on the factors set forth in subparagraph (A).

“(d) PAYMENT OF ALLOCATIONS.—

“(1) DISTRIBUTION.—From the funds paid to a State educational agency under this subpart for a fiscal year, the State educational agency shall distribute to each eligible local educational agency that has submitted an application as required by section 5133 the amount of such local educational agency’s allocation, as determined under subsection (a).

“(2) ADDITIONAL FUNDS.—

“(A) USE.—Additional funds resulting from higher per-pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a)(1) may, in the discretion of the local educational agency, be allocated for expenditures to provide services for children enrolled in public schools and private nonprofit schools in direct proportion to the number of children described in subsection (a)(1) and enrolled in such schools within the area served by the local educational agency.

“(B) ALLOCATION.—In any fiscal year, any local educational agency that elects to allocate such additional funds in the manner described in subparagraph (A) shall allocate all additional funds to schools within the area served by the local educational agency in such manner.

“(C) RULE OF CONSTRUCTION.—Subparagraphs (A) and (B) may not be construed to require any school to limit the use of the additional funds described in subparagraph (A) to the provision of services to specific students or categories of students.

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 2—State Programs**“SEC. 5121. STATE USES OF FUNDS.**

20 USC 7213.

“A State educational agency may use funds made available for State use under section 5112(b) only for one or more of the following:

“(1) State administration of programs under this part, including—

“(A) allocating funds to local educational agencies;

“(B) planning, supervising, and processing State educational agency funds; and

“(C) monitoring and evaluating programs under this part.

“(2) Support for the planning, design, and initial implementation of charter schools as described in part B.

“(3) Statewide education reform, school improvement programs and technical assistance and direct grants to local educational agencies, which assist such agencies under section 5131.

“(4) Support for the design and implementation of high-quality yearly student assessments.

“(5) Support for implementation of challenging State and local academic achievement standards.

“(6) Support for arrangements that provide for independent analysis to measure and report on school district achievement.

“(7) Support for the program described in section 321 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (as enacted into law by section 1(a)(1) of Public Law 106-554).

“(8) Support for programs to assist in the implementation of the policy described in section 9507 which may include payment of reasonable transportation costs and tuition costs for such students.

“SEC. 5122. STATE APPLICATIONS.

20 USC 7213a.

“(a) APPLICATION REQUIREMENTS.—Any State that desires to receive assistance under this part shall submit to the Secretary an application that includes each of the following:

“(1) Designation of the State educational agency as the State agency responsible for administration and supervision of programs assisted under this part.

“(2) Provision for an annual statewide summary of how assistance under this part is contributing toward improving student academic achievement or improving the quality of education for students.

“(3) Information setting forth the allocation of funds required to implement section 5142.

“(4) A provision that the State educational agency will keep such records, and provide such information to the Secretary, as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this section).

“(5) An assurance that, apart from providing technical and advisory assistance and monitoring compliance with this part, the State educational agency has not exercised, and will not exercise, any influence in the decisionmaking processes of local educational agencies as to the expenditure made pursuant to an application submitted under section 5133.

“(6) An assurance that there is compliance with the specific requirements of this part.

“(7) Provision for timely public notice and public dissemination of the information provided under paragraph (3).

“(b) STATEWIDE SUMMARY.—The statewide summary referred to in subsection (a)(2) shall be submitted annually to the Secretary and shall be derived from the evaluation information submitted

PUBLIC LAW 107-110—JAN. 8, 2002

by local educational agencies to the State educational agency under section 5133(b)(8). The State educational agency shall determine the format and content of such summary and may include in the summary statistical measures, such as the number of students served by each type of innovative assistance program described in section 5131 and the number of teachers trained.

“(c) PERIOD OF APPLICATION.—An application submitted by the State educational agency under subsection (a) shall be for a period not to exceed 3 years. The agency may amend the application annually, as may be necessary to reflect changes, without filing a new application.

“(d) AUDIT RULE.—A local educational agency that receives less than an average of \$10,000 under this part for any 3 consecutive fiscal years shall not be audited more frequently than once every 5 years.

“Subpart 3—Local Innovative Education Programs

20 USC 7215.

“SEC. 5131. LOCAL USES OF FUNDS.

“(a) INNOVATIVE ASSISTANCE PROGRAMS.—Funds made available to local educational agencies under section 5112 shall be used for innovative assistance programs, which may include any of the following:

“(1) Programs to recruit, train, and hire highly qualified teachers to reduce class size, especially in the early grades, and professional development activities carried out in accordance with title II, that give teachers, principals, and administrators the knowledge and skills to provide students with the opportunity to meet challenging State or local academic content standards and student academic achievement standards.

“(2) Technology activities related to the implementation of school-based reform efforts, including professional development to assist teachers and other school personnel (including school library media personnel) regarding how to use technology effectively in the classrooms and the school library media centers involved.

“(3) Programs for the development or acquisition and use of instructional and educational materials, including library services and materials (including media materials), academic assessments, reference materials, computer software and hardware for instructional use, and other curricular materials that are tied to high academic standards, that will be used to improve student academic achievement, and that are part of an overall education reform program.

“(4) Promising education reform projects, including magnet schools.

“(5) Programs to improve the academic achievement of educationally disadvantaged elementary school and secondary school students, including activities to prevent students from dropping out of school.

“(6) Programs to improve the literacy skills of adults, especially the parents of children served by the local educational agency, including adult education and family literacy programs.

“(7) Programs to provide for the educational needs of gifted and talented children.

“(8) The planning, design, and initial implementation of charter schools as described in part B.

“(9) School improvement programs or activities under sections 1116 and 1117.

“(10) Community service programs that use qualified school personnel to train and mobilize young people to measurably strengthen their communities through nonviolence, responsibility, compassion, respect, and moral courage.

PUBLIC LAW 107-110—JAN. 8, 2002

“(11) Activities to promote consumer, economic, and personal finance education, such as disseminating information on and encouraging use of the best practices for teaching the basic principles of economics and promoting the concept of achieving financial literacy through the teaching of personal financial management skills (including the basic principles involved with earning, spending, saving, and investing).

“(12) Activities to promote, implement, or expand public school choice.

“(13) Programs to hire and support school nurses.

“(14) Expansion and improvement of school-based mental health services, including early identification of drug use and violence, assessment, and direct individual or group counseling services provided to students, parents, and school personnel by qualified school-based mental health services personnel.

“(15) Alternative educational programs for those students who have been expelled or suspended from their regular educational setting, including programs to assist students to reenter the regular educational setting upon return from treatment or alternative educational programs.

“(16) Programs to establish or enhance prekindergarten programs for children.

“(17) Academic intervention programs that are operated jointly with community-based organizations and that support academic enrichment, and counseling programs conducted during the school day (including during extended school day or extended school year programs), for students most at risk of not meeting challenging State academic achievement standards or not completing secondary school.

“(18) Programs for cardiopulmonary resuscitation (CPR) training in schools.

“(19) Programs to establish smaller learning communities.

“(20) Activities that encourage and expand improvements throughout the area served by the local educational agency that are designed to advance student academic achievement.

“(21) Initiatives to generate, maintain, and strengthen parental and community involvement.

“(22) Programs and activities that expand learning opportunities through best-practice models designed to improve classroom learning and teaching.

“(23) Programs to provide same-gender schools and classrooms (consistent with applicable law).

“(24) Service learning activities.

“(25) School safety programs, including programs to implement the policy described in section 9507 and which may include payment of reasonable transportation costs and tuition costs for such students.

“(26) Programs that employ research-based cognitive and perceptual development approaches and rely on a diagnostic-prescriptive model to improve students' learning of academic content at the preschool, elementary, and secondary levels.

“(27) Supplemental educational services, as defined in section 1116(e).

“(b) REQUIREMENTS.—The innovative assistance programs described in subsection (a) shall be—

“(1) tied to promoting challenging academic achievement standards;

“(2) used to improve student academic achievement; and

“(3) part of an overall education reform strategy.

“(c) GUIDELINES.—Not later than 120 days after the date of enactment of the No Child Left Behind Act of 2001, the Secretary shall issue guidelines for local educational agencies seeking funding for programs described in subsection (a)(23). Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 7215a.

“SEC. 5132. ADMINISTRATIVE AUTHORITY.

“In order to conduct the programs authorized by this part, each State educational agency or local educational agency may use funds made available under this part to make grants to, and to enter into contracts with, local educational agencies, institutions of higher education, libraries, museums, and other public and private nonprofit agencies, organizations, and institutions.

20 USC 7215b.

“SEC. 5133. LOCAL APPLICATIONS.

“(a) SUBMISSION OF APPLICATION.—A local educational agency may receive an allocation of funds under this part for any year for which the agency submits an application under this section that the State educational agency certifies under subsection (b).

“(b) CERTIFICATION AND CONTENTS OF APPLICATION.—The State educational agency shall certify each application submitted under subsection (a) that includes each of the following:

“(1) A description of locally identified needs relative to the purposes of this part and to the innovative assistance programs described in section 5131.

“(2) A statement that sets forth the planned allocation of funds, based on the needs identified in subparagraph (A), among innovative assistance programs described in section 5131, a description of the programs that the local educational agency intends to support, and a description of the reasons for the selection of such programs.

“(3) Information setting forth the allocation of such funds required to implement section 5142.

“(4) A description of how assistance under this part will contribute to improving student academic achievement or improving the quality of education for students.

“(5) An assurance that the local educational agency will comply with this part, including the provisions of section 5142 concerning the participation of children enrolled in private nonprofit schools.

“(6) An assurance that the local educational agency will keep such records, and provide such information to the State educational agency, as may be reasonably required for fiscal audit and program evaluation (consistent with the responsibilities of the State educational agency under this part).

“(7) Provision, in the allocation of funds for the assistance authorized by this part and in the planning, design, and implementation of such innovative assistance programs, for systematic consultation with parents of children attending elementary schools and secondary schools in the area served by the local educational agency, with teachers and administrative personnel in such schools, and with such other groups involved in the implementation of this part (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

“(8) An assurance that—

“(A) programs carried out under this part will be evaluated annually;

“(B) the evaluation will be used to make decisions about appropriate changes in programs for the subsequent year;

“(C) the evaluation will describe how assistance under this part affected student academic achievement and will include, at a minimum, information and data on the use of funds, the types of services furnished, and the students served under this part; and

“(D) the evaluation will be submitted to the State educational agency at the time and in the manner requested by the State educational agency.

“(9) If the local educational agency seeks funds under section 5131(a)(23), a description of how the agency will comply

PUBLIC LAW 107-110—JAN. 8, 2002

with the guidelines issued by the Secretary regarding same-gender schools and classrooms under section 5131(c).

“(c) PERIOD OF APPLICATION.—An application submitted by a local educational agency under subsection (a) may seek allocations under this part for a period not to exceed 3 fiscal years. The agency may amend the application annually, as may be necessary to reflect changes, without the filing of a new application.

“(d) LOCAL EDUCATIONAL AGENCY DISCRETION.—

“(1) IN GENERAL.—Subject to the limitations and requirements of this part, a local educational agency shall have complete discretion in determining how funds made available to carry out this subpart will be divided among programs described in section 5131.

“(2) LIMITATION.—In exercising the discretion described in paragraph (1), a local educational agency shall ensure that expenditures under this subpart carry out the purposes of this part and are used to meet the educational needs within the schools served by the local educational agency.

“Subpart 4—General Provisions

“SEC. 5141. MAINTENANCE OF EFFORT.

20 USC 7217.

“(a) IN GENERAL.—Except as provided in subsection (b), a State educational agency is entitled to receive its full allotment of funds under this part for any fiscal year only if the Secretary determines that either the combined fiscal effort per student or the aggregate expenditures within the State, with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the determination is made, was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

“(b) REDUCTION OF FUNDS.—The Secretary shall reduce the amount of the allotment of funds under this part in any fiscal year in the exact proportion by which the State educational agency fails to meet the requirements of subsection (a) by falling below 90 percent of the fiscal effort per student or aggregate expenditures (using the measure most favorable to the State educational agency), and no such lesser amount shall be used for computing the effort or expenditures required under paragraph (1) for subsequent years.

“(c) WAIVER.—The Secretary may waive, for 1 fiscal year only, the requirements of this section, if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State educational agency.

“SEC. 5142. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

20 USC 7217a.

“(a) PARTICIPATION ON EQUITABLE BASIS.—

“(1) IN GENERAL.—To the extent consistent with the number of children in the school district of a local educational agency that is eligible to receive funds under this part, or that serves the area in which a program assisted under this part is located, who are enrolled in private nonprofit elementary schools and secondary schools, or, with respect to instructional or personnel training programs funded by the State educational agency from funds made available for State educational agency use, the local educational agency, after consultation with appropriate private school officials—

“(A) shall provide, as may be necessary, for the benefit of such children in such schools—

“(i) secular, neutral, and nonideological services, materials, and equipment, including the participation of the teachers of such children (and other educational

PUBLIC LAW 107-110—JAN. 8, 2002

personnel serving such children) in training programs; and

“(ii) the repair, minor remodeling, or construction of public facilities (consistent with subsection (c)); or
“(B) if such services, materials, and equipment are not feasible or necessary in one or more such private schools, as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this part.

“(2) OTHER PROVISIONS FOR SERVICES.—If no program is carried out under paragraph (1) in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in the district are provided with services and materials to the same extent as would have occurred if the local educational agency had received funds under this part.

“(3) APPLICATION OF REQUIREMENTS.—The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs carried out under this part by a State educational agency or local educational agency, whether directly or through grants to, or contracts with, other public or private agencies, institutions, or organizations.

“(b) EQUAL EXPENDITURES.—

“(1) IN GENERAL.—Expenditures for programs under subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this part for children enrolled in the public schools of the local educational agency.

“(2) CONCENTRATED PROGRAMS.—Taking into account the needs of the individual children and other factors that relate to the expenditures referred to in paragraph (1), and when funds available to a local educational agency under this part are used to concentrate programs on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs.

“(c) ADMINISTRATIVE REQUIREMENTS.—

“(1) FUNDS AND PROPERTY.—The control of funds provided under this part, and title to materials, equipment, and property repaired, remodeled, or constructed with such funds, shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property.

“(2) PROVISION OF SERVICES.—Services provided under this part shall be provided by employees of a public agency or through contract by such a public agency with a person, association, agency, or corporation that, in the provision of such services, is independent of the private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such a public agency. The funds provided under this part shall not be commingled with State or local funds.

“(d) WAIVER.—

“(1) STATE PROHIBITION.—If a State educational agency or local educational agency is prohibited, by reason of any provision of law, from providing for the participation in programs of children enrolled in private elementary schools and secondary schools as required by subsections (a) through (c),

PUBLIC LAW 107-110—JAN. 8, 2002

the Secretary shall waive such requirements for the agency involved and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section.

“(2) FAILURE TO COMPLY.—If the Secretary determines that a State educational agency or a local educational agency has substantially failed, or is unwilling, to provide for the participation on an equitable basis of children enrolled in private elementary schools and secondary schools as required by subsections (a) through (c), the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section.

“(e) WITHHOLDING OF ALLOTMENT OR ALLOCATION.—Pending final resolution of any investigation or complaint that could result in a waiver under subsection (d)(1) or (d)(2), the Secretary may withhold from the allotment or allocation of the affected State educational agency or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of services to be provided by the Secretary under such subsection.

“(f) DURATION OF DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State educational agency or local educational agency to meet the requirements of subsections (a) through (c).

“(g) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services under subsection (d), the Secretary shall, after consultation with the appropriate public school and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State educational agency under this part.

“(h) REVIEW OF DETERMINATION.—

“(1) WRITTEN OBJECTIONS.—The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary’s designee to show cause why that action should not be taken.

“(2) COURT ACTION.—If a State educational agency or local educational agency is dissatisfied with the Secretary’s final action after a proceeding under paragraph (1), such agency may, not later than 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based the action, as provided in section 2112 of title 28, United States Code.

Deadline.

Records.

“(3) REMAND TO SECRETARY.—The findings of fact by the Secretary with respect to a proceeding under paragraph (1), if supported by substantial evidence, shall be conclusive. The court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may make new or modified findings of fact and may modify the Secretary’s previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive, if supported by substantial evidence.

“(4) COURT REVIEW.—Upon the filing of a petition under paragraph (2), the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

PUBLIC LAW 107-110—JAN. 8, 2002

- Applicability. “(i) **PRIOR DETERMINATION.**—Any bypass determination by the Secretary under title VI (as such title was in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001) shall, to the extent consistent with the purposes of this part, apply to programs under this part.
- 20 USC 7217b. “**SEC. 5143. FEDERAL ADMINISTRATION.**
- “**(a) TECHNICAL ASSISTANCE.**—The Secretary, upon request, shall provide technical assistance to State educational agencies and local educational agencies under this part.
- “**(b) RULEMAKING.**—The Secretary shall issue regulations under this part only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this part.
- “**(c) AVAILABILITY OF APPROPRIATIONS.**—Notwithstanding any other provision of law, unless expressly in limitation of this subsection, funds appropriated in any fiscal year to carry out programs under this part shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.
- 20 USC 7217c. “**SEC. 5144. SUPPLEMENT, NOT SUPPLANT.**
- “Funds made available under this part shall be used to supplement, and not supplant, any other Federal, State, or local education funds.
- 20 USC 7217d. “**SEC. 5145. DEFINITIONS.**
- “In this part:
- “**(1) LOCAL EDUCATIONAL AGENCY.**—The term ‘local educational agency’ means a local educational agency or a consortium of such agencies.
- “**(2) PUBLIC SCHOOL.**—The term ‘public school’ means a public elementary school or a public secondary school.
- “**(3) SCHOOL-AGE POPULATION.**—The term ‘school-age population’ means the population aged 5 through 17.
- “**(4) STATE.**—The term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.
- 20 USC 7217e. “**SEC. 5146. AUTHORIZATION OF APPROPRIATIONS.**
- “There are authorized to be appropriated to carry out this part—
- “**(1)** \$450,000,000 for fiscal year 2002;
- “**(2)** \$475,000,000 for fiscal year 2003;
- “**(3)** \$500,000,000 for fiscal year 2004;
- “**(4)** \$525,000,000 for fiscal year 2005;
- “**(5)** \$550,000,000 for fiscal year 2006; and
- “**(6)** \$600,000,000 for fiscal year 2007.

“PART B—PUBLIC CHARTER SCHOOLS

“Subpart 1—Charter School Programs

- 20 USC 7221. “**SEC. 5201. PURPOSE.**
- “It is the purpose of this subpart to increase national understanding of the charter schools model by—
- “**(1)** providing financial assistance for the planning, program design, and initial implementation of charter schools;
- “**(2)** evaluating the effects of such schools, including the effects on students, student academic achievement, staff, and parents;
- “**(3)** expanding the number of high-quality charter schools available to students across the Nation; and
- “**(4)** encouraging the States to provide support to charter schools for facilities financing in an amount more nearly

PUBLIC LAW 107-110—JAN. 8, 2002

commensurate to the amount the States have typically provided for traditional public schools.

“SEC. 5202. PROGRAM AUTHORIZED.

20 USC 7221a.

“(a) **IN GENERAL.**—The Secretary may award grants to State educational agencies having applications approved pursuant to section 5203 to enable such agencies to conduct a charter school grant program in accordance with this subpart.

“(b) **SPECIAL RULE.**—If a State educational agency elects not to participate in the program authorized by this subpart or does not have an application approved under section 5203, the Secretary may award a grant to an eligible applicant that serves such State and has an application approved pursuant to section 5203(c).

“(c) **PROGRAM PERIODS.**—

“(1) **GRANTS TO STATES.**—Grants awarded to State educational agencies under this subpart shall be for a period of not more than 3 years.

“(2) **GRANTS TO ELIGIBLE APPLICANTS.**—Grants awarded by the Secretary to eligible applicants or subgrants awarded by State educational agencies to eligible applicants under this subpart shall be for a period of not more than 3 years, of which the eligible applicant may use—

“(A) not more than 18 months for planning and program design;

“(B) not more than 2 years for the initial implementation of a charter school; and

“(C) not more than 2 years to carry out dissemination activities described in section 5204(f)(6)(B).

“(d) **LIMITATION.**—A charter school may not receive—

“(1) more than one grant for activities described in subparagraphs (A) and (B) of subsection (c)(2); or

“(2) more than one grant for activities under subparagraph (C) of subsection (c)(2).

“(e) **PRIORITY TREATMENT.**—

“(1) **IN GENERAL.**—In awarding grants under this subpart for fiscal year 2002 or any succeeding fiscal year from any funds appropriated under section 5211 (other than funds reserved to carry out section 5205(b)), the Secretary shall give priority to States to the extent that the States meet the criteria described in paragraph (2) and one or more of the criteria described in subparagraph (A), (B), or (C) of paragraph (3).

“(2) **REVIEW AND EVALUATION PRIORITY CRITERIA.**—The criteria referred to in paragraph (1) are that the State provides for periodic review and evaluation by the authorized public chartering agency of each charter school, at least once every 5 years unless required more frequently by State law, to determine whether the charter school is meeting the terms of the school’s charter, and is meeting or exceeding the student academic achievement requirements and goals for charter schools as set forth under State law or the school’s charter.

“(3) **PRIORITY CRITERIA.**—The criteria referred to in paragraph (1) are the following:

“(A) The State has demonstrated progress, in increasing the number of high-quality charter schools that are held accountable in the terms of the schools’ charters for meeting clear and measurable objectives for the educational progress of the students attending the schools, in the period prior to the period for which a State educational agency or eligible applicant applies for a grant under this subpart.

“(B) The State—

“(i) provides for one authorized public chartering agency that is not a local educational agency, such as a State chartering board, for each individual or entity seeking to operate a charter school pursuant to such State law; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) in the case of a State in which local educational agencies are the only authorized public chartering agencies, allows for an appeals process for the denial of an application for a charter school.

“(C) The State ensures that each charter school has a high degree of autonomy over the charter school’s budgets and expenditures.

“(f) AMOUNT CRITERIA.—In determining the amount of a grant to be awarded under this subpart to a State educational agency, the Secretary shall take into consideration the number of charter schools that are operating, or are approved to open, in the State.

20 USC 7221b.

“SEC. 5203. APPLICATIONS.

“(a) APPLICATIONS FROM STATE AGENCIES.—Each State educational agency desiring a grant from the Secretary under this subpart shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

“(b) CONTENTS OF A STATE EDUCATIONAL AGENCY APPLICATION.—Each application submitted pursuant to subsection (a) shall—

“(1) describe the objectives of the State educational agency’s charter school grant program and a description of how such objectives will be fulfilled, including steps taken by the State educational agency to inform teachers, parents, and communities of the State educational agency’s charter school grant program; and

“(2) describe how the State educational agency—

“(A) will inform each charter school in the State regarding—

“(i) Federal funds that the charter school is eligible to receive; and

“(ii) Federal programs in which the charter school may participate;

“(B) will ensure that each charter school in the State receives the charter school’s commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the charter school; and

“(C) will disseminate best or promising practices of charter schools to each local educational agency in the State; and

“(3) contain assurances that the State educational agency will require each eligible applicant desiring to receive a subgrant to submit an application to the State educational agency containing—

“(A) a description of the educational program to be implemented by the proposed charter school, including—

“(i) how the program will enable all students to meet challenging State student academic achievement standards;

“(ii) the grade levels or ages of children to be served; and

“(iii) the curriculum and instructional practices to be used;

“(B) a description of how the charter school will be managed;

“(C) a description of—

“(i) the objectives of the charter school; and

“(ii) the methods by which the charter school will determine its progress toward achieving those objectives;

“(D) a description of the administrative relationship between the charter school and the authorized public chartering agency;

PUBLIC LAW 107-110—JAN. 8, 2002

“(E) a description of how parents and other members of the community will be involved in the planning, program design, and implementation of the charter school;

“(F) a description of how the authorized public chartering agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school has met the objectives described in subparagraph (C)(i);

“(G) a request and justification for waivers of any Federal statutory or regulatory provisions that the eligible applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;

“(H) a description of how the subgrant funds or grant funds, as appropriate, will be used, including a description of how such funds will be used in conjunction with other Federal programs administered by the Secretary;

“(I) a description of how students in the community will be—

“(i) informed about the charter school; and

“(ii) given an equal opportunity to attend the charter school;

“(J) an assurance that the eligible applicant will annually provide the Secretary and the State educational agency such information as may be required to determine if the charter school is making satisfactory progress toward achieving the objectives described in subparagraph (C)(i);

“(K) an assurance that the eligible applicant will cooperate with the Secretary and the State educational agency in evaluating the program assisted under this subpart;

“(L) a description of how a charter school that is considered a local educational agency under State law, or a local educational agency in which a charter school is located, will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act;

“(M) if the eligible applicant desires to use subgrant funds for dissemination activities under section 5202(c)(2)(C), a description of those activities and how those activities will involve charter schools and other public schools, local educational agencies, developers, and potential developers; and

“(N) such other information and assurances as the Secretary and the State educational agency may require.

“(c) ELIGIBLE APPLICANT APPLICATION.—Each eligible applicant desiring a grant pursuant to section 5202(b) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(d) CONTENTS OF ELIGIBLE APPLICANT APPLICATION.—Each application submitted pursuant to subsection (c) shall contain—

“(1) the information and assurances described in subparagraphs (A) through (N) of subsection (b)(3), except that for purposes of this subsection subparagraphs (J), (K), and (N) of such subsection shall be applied by striking ‘and the State educational agency’ each place such term appears;

“(2) assurances that the State educational agency—

“(A) will grant, or will obtain, waivers of State statutory or regulatory requirements; and

“(B) will assist each subgrantee in the State in receiving a waiver under section 5204(e); and

“(3) assurances that the eligible applicant has provided its authorized public chartering authority timely notice, and a copy, of the application, except that the State educational agency (or the Secretary, in the case of an application submitted

PUBLIC LAW 107-110—JAN. 8, 2002

to the Secretary) may waive the requirement of this paragraph in the case of an application for a precharter planning grant or subgrant if the authorized public chartering authority to which a charter school proposal will be submitted has not been determined at the time the grant or subgrant application is submitted.

20 USC 7221c.

“SEC. 5204. ADMINISTRATION.

“(a) SELECTION CRITERIA FOR STATE EDUCATIONAL AGENCIES.—The Secretary shall award grants to State educational agencies under this subpart on the basis of the quality of the applications submitted under section 5203(b), after taking into consideration such factors as—

“(1) the contribution that the charter schools grant program will make to assisting educationally disadvantaged and other students in meeting State academic content standards and State student academic achievement standards;

“(2) the degree of flexibility afforded by the State educational agency to charter schools under the State’s charter schools law;

“(3) the ambitiousness of the objectives for the State charter school grant program;

“(4) the quality of the strategy for assessing achievement of those objectives;

“(5) the likelihood that the charter school grant program will meet those objectives and improve educational results for students;

“(6) the number of high-quality charter schools created under this subpart in the State; and

“(7) in the case of State educational agencies that propose to use grant funds to support dissemination activities under subsection (f)(6)(B), the quality of those activities and the likelihood that those activities will improve student academic achievement.

“(b) SELECTION CRITERIA FOR ELIGIBLE APPLICANTS.—The Secretary shall award grants to eligible applicants under this subpart on the basis of the quality of the applications submitted under section 5203(c), after taking into consideration such factors as—

“(1) the quality of the proposed curriculum and instructional practices;

“(2) the degree of flexibility afforded by the State educational agency and, if applicable, the local educational agency to the charter school;

“(3) the extent of community support for the application;

“(4) the ambitiousness of the objectives for the charter school;

“(5) the quality of the strategy for assessing achievement of those objectives;

“(6) the likelihood that the charter school will meet those objectives and improve educational results for students; and

“(7) in the case of an eligible applicant that proposes to use grant funds to support dissemination activities under subsection (f)(6)(B), the quality of those activities and the likelihood that those activities will improve student achievement.

“(c) PEER REVIEW.—The Secretary, and each State educational agency receiving a grant under this subpart, shall use a peer review process to review applications for assistance under this subpart.

“(d) DIVERSITY OF PROJECTS.—The Secretary and each State educational agency receiving a grant under this subpart, shall award grants and subgrants under this subpart in a manner that, to the extent possible, ensures that such grants and subgrants—

“(1) are distributed throughout different areas of the Nation and each State, including urban and rural areas; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) will assist charter schools representing a variety of educational approaches, such as approaches designed to reduce school size.

“(e) WAIVERS.—The Secretary may waive any statutory or regulatory requirement over which the Secretary exercises administrative authority except any such requirement relating to the elements of a charter school described in section 5210(1), if—

“(1) the waiver is requested in an approved application under this subpart; and

“(2) the Secretary determines that granting such a waiver will promote the purpose of this subpart.

“(f) USE OF FUNDS.—

“(1) STATE EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant under this subpart shall use such grant funds to award subgrants to one or more eligible applicants in the State to enable such applicant to plan and implement a charter school in accordance with this subpart, except that the State educational agency may reserve not more than 10 percent of the grant funds to support dissemination activities described in paragraph (6).

“(2) ELIGIBLE APPLICANTS.—Each eligible applicant receiving funds from the Secretary or a State educational agency shall use such funds to plan and implement a charter school, or to disseminate information about the charter school and successful practices in the charter school, in accordance with this subpart.

“(3) ALLOWABLE ACTIVITIES.—An eligible applicant receiving a grant or subgrant under this subpart may use the grant or subgrant funds only for—

(A) post-award planning and design of the educational program, which may include—

“(i) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

“(ii) professional development of teachers and other staff who will work in the charter school; and

(B) initial implementation of the charter school, which may include—

“(i) informing the community about the school;

“(ii) acquiring necessary equipment and educational materials and supplies;

“(iii) acquiring or developing curriculum materials; and

“(iv) other initial operational costs that cannot be met from State or local sources.

“(4) ADMINISTRATIVE EXPENSES.—

“(A) STATE EDUCATIONAL AGENCY ADMINISTRATIVE EXPENSES.—Each State educational agency receiving a grant pursuant to this subpart may reserve not more than 5 percent of such grant funds for administrative expenses associated with the charter school grant program assisted under this subpart.

“(B) LOCAL ADMINISTRATIVE EXPENSES.—A local educational agency may not deduct funds for administrative fees or expenses from a subgrant awarded to an eligible applicant, unless the eligible applicant enters voluntarily into a mutually agreed upon arrangement for administrative services with the relevant local educational agency. Absent such approval, the local educational agency shall distribute all such subgrant funds to the eligible applicant without delay.

“(5) REVOLVING LOAN FUNDS.—Each State educational agency receiving a grant pursuant to this subpart may reserve not more than 10 percent of the grant funds for the establishment of a revolving loan fund. Such fund may be used to

PUBLIC LAW 107-110—JAN. 8, 2002

make loans to eligible applicants that have received a subgrant under this subpart, under such terms as may be determined by the State educational agency, for the initial operation of the charter school grant program of the eligible applicant until such time as the recipient begins receiving ongoing operational support from State or local financing sources.

“(6) DISSEMINATION.—

“(A) IN GENERAL.—A charter school may apply for funds under this subpart, whether or not the charter school has applied for or received funds under this subpart for planning, program design, or implementation, to carry out the activities described in subparagraph (B) if the charter school has been in operation for at least 3 consecutive years and has demonstrated overall success, including—

“(i) substantial progress in improving student academic achievement;

“(ii) high levels of parent satisfaction; and

“(iii) the management and leadership necessary to overcome initial start-up problems and establish a thriving, financially viable charter school.

“(B) ACTIVITIES.—A charter school described in subparagraph (A) may use funds reserved under paragraph (1) to assist other schools in adapting the charter school’s program (or certain aspects of the charter school’s program), or to disseminate information about the charter school, through such activities as—

“(i) assisting other individuals with the planning and start-up of one or more new public schools, including charter schools, that are independent of the assisting charter school and the assisting charter school’s developers, and that agree to be held to at least as high a level of accountability as the assisting charter school;

“(ii) developing partnerships with other public schools, including charter schools, designed to improve student academic achievement in each of the schools participating in the partnership;

“(iii) developing curriculum materials, assessments, and other materials that promote increased student achievement and are based on successful practices within the assisting charter school; and

“(iv) conducting evaluations and developing materials that document the successful practices of the assisting charter school and that are designed to improve student performance in other schools.

“(g) TRIBALLY CONTROLLED SCHOOLS.—Each State that receives a grant under this subpart and designates a tribally controlled school as a charter school shall not consider payments to a school under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2507) in determining—

“(1) the eligibility of the school to receive any other Federal, State, or local aid; or

“(2) the amount of such aid.

20 USC 7221d.

“SEC. 5205. NATIONAL ACTIVITIES.

“(a) IN GENERAL.—The Secretary shall reserve for each fiscal year the greater of 5 percent or \$5,000,000 of the amount appropriated to carry out this subpart, except that in no fiscal year shall the total amount so reserved exceed \$8,000,000, to carry out the following activities:

“(1) To provide charter schools, either directly or through State educational agencies, with—

“(A) information regarding—

“(i) Federal funds that charter schools are eligible to receive; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) other Federal programs in which charter schools may participate; and

“(B) assistance in applying for Federal education funds that are allocated by formula, including assistance with filing deadlines and submission of applications.

“(2) To provide for other evaluations or studies that include the evaluation of the impact of charter schools on student academic achievement, including information regarding—

“(A) students attending charter schools reported on the basis of race, age, disability, gender, limited English proficiency, and previous enrollment in public school; and

“(B) the professional qualifications of teachers within a charter school and the turnover of the teaching force.

“(3) To provide—

“(A) information to applicants for assistance under this subpart;

“(B) assistance to applicants for assistance under this subpart with the preparation of applications under section 5203;

“(C) assistance in the planning and startup of charter schools;

“(D) training and technical assistance to existing charter schools; and

“(E) for the dissemination to other public schools of best or promising practices in charter schools.

“(4) To provide (including through the use of one or more contracts that use a competitive bidding process) for the collection of information regarding the financial resources available to charter schools, including access to private capital, and to widely disseminate to charter schools any such relevant information and model descriptions of successful programs.

“(5) To carry out evaluations of, technical assistance for, and information dissemination regarding, the per-pupil facilities aid programs. In carrying out the evaluations, the Secretary may carry out one or more evaluations of State programs assisted under this subsection, which shall, at a minimum, address—

“(A) how, and the extent to which, the programs promote educational equity and excellence; and

“(B) the extent to which charter schools supported through the programs are—

“(i) held accountable to the public;

“(ii) effective in improving public education; and

“(iii) open and accessible to all students.

“(b) PER-PUPIL FACILITIES AID PROGRAMS.—

“(1) DEFINITION OF PER-PUPIL FACILITIES AID PROGRAM.— In this subsection, the term ‘per-pupil facilities aid program’ means a program in which a State makes payments, on a per-pupil basis, to charter schools to provide the schools with financing—

“(A) that is dedicated solely for funding charter school facilities; or

“(B) a portion of which is dedicated for funding charter school facilities.

“(2) GRANTS.—

“(A) IN GENERAL.—From the amount made available to carry out this subsection under paragraphs (2) and (3)(B) of section 5211(b) for any fiscal year, the Secretary shall make grants, on a competitive basis, to States to pay for the Federal share of the cost of establishing or enhancing, and administering per-pupil facilities aid programs.

“(B) PERIOD.—The Secretary shall award grants under this subsection for periods of not more than 5 years.

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) FEDERAL SHARE.—The Federal share of the cost described in subparagraph (A) for a per-pupil facilities aid program shall be not more than—

“(i) 90 percent of the cost, for the first fiscal year for which the program receives assistance under this subsection;

“(ii) 80 percent in the second such year;

“(iii) 60 percent in the third such year;

“(iv) 40 percent in the fourth such year; and

“(v) 20 percent in the fifth such year.

“(3) USE OF FUNDS.—

“(A) IN GENERAL.—A State that receives a grant under this subsection shall use the funds made available through the grant to establish or enhance, and administer, a per-pupil facilities aid program for charter schools in the State.

“(B) EVALUATIONS; TECHNICAL ASSISTANCE; DISSEMINATION.—From the amount made available to a State through a grant under this subsection for a fiscal year, the State may reserve not more than 5 percent to carry out evaluations, to provide technical assistance, and to disseminate information.

“(C) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this subsection shall be used to supplement, and not supplant, State and local public funds expended to provide per pupil facilities aid programs, operations financing programs, or other programs, for charter schools.

“(4) REQUIREMENTS.—

“(A) VOLUNTARY PARTICIPATION.—No State may be required to participate in a program carried out under this subsection.

“(B) STATE LAW.—To be eligible to receive a grant under this subsection, a State shall establish or enhance, and administer, a per-pupil facilities aid program for charter schools in the State, that—

“(i) is specified in State law; and

“(ii) provides annual financing, on a per-pupil basis, for charter school facilities.

“(5) APPLICATIONS.—To be eligible to receive a grant under this subsection, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(6) PRIORITIES.—In making grants under this subsection, the Secretary shall give priority to States that meet the criteria described in paragraph (2), and subparagraphs (A), (B), and (C) of paragraph (3), of section 5202(e).

“(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require charter schools to collect any data described in subsection (a).

20 USC 7221e.

“SEC. 5206. FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

“(a) IN GENERAL.—For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures as are necessary to ensure that every charter school receives the Federal funding for which the charter school is eligible not later than 5 months after the charter school first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that charter school are not fully and completely determined until that charter school actually opens. The measures similarly shall ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which the charter school is eligible not later than 5 months after such expansion.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) ADJUSTMENT AND LATE OPENINGS.—

“(1) IN GENERAL.—The measures described in subsection (a) shall include provision for appropriate adjustments, through recovery of funds or reduction of payments for the succeeding year, in cases where payments made to a charter school on the basis of estimated or projected enrollment data exceed the amounts that the school is eligible to receive on the basis of actual or final enrollment data.

“(2) RULE.—For charter schools that first open after November 1 of any academic year, the State, in accordance with guidance provided by the Secretary and applicable Federal statutes and regulations, shall ensure that such charter schools that are eligible for the funds described in subsection (a) for such academic year have a full and fair opportunity to receive those funds during the charter schools’ first year of operation.

“SEC. 5207. SOLICITATION OF INPUT FROM CHARTER SCHOOL OPERATORS. 20 USC 7221f.

“To the extent practicable, the Secretary shall ensure that administrators, teachers, and other individuals directly involved in the operation of charter schools are consulted in the development of any rules or regulations required to implement this subpart, as well as in the development of any rules or regulations relevant to charter schools that are required to implement part A of title I, the Individuals with Disabilities Education Act, or any other program administered by the Secretary that provides education funds to charter schools or regulates the activities of charter schools.

“SEC. 5208. RECORDS TRANSFER. 20 USC 7221g.

“State educational agencies and local educational agencies, to the extent practicable, shall ensure that a student’s records and, if applicable, a student’s individualized education program as defined in section 602(11) of the Individuals with Disabilities Education Act, are transferred to a charter school upon the transfer of the student to the charter school, and to another public school upon the transfer of the student from a charter school to another public school, in accordance with applicable State law.

“SEC. 5209. PAPERWORK REDUCTION. 20 USC 7221h.

“To the extent practicable, the Secretary and each authorized public chartering agency shall ensure that implementation of this subpart results in a minimum of paperwork for any eligible applicant or charter school.

“SEC. 5210. DEFINITIONS. 20 USC 7221i.

“In this subpart:

“(1) CHARTER SCHOOL.—The term ‘charter school’ means a public school that—

“(A) in accordance with a specific State statute authorizing the granting of charters to schools, is exempt from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

“(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

“(C) operates in pursuit of a specific set of educational objectives determined by the school’s developer and agreed to by the authorized public chartering agency;

“(D) provides a program of elementary or secondary education, or both;

“(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

PUBLIC LAW 107-110—JAN. 8, 2002

“(F) does not charge tuition;

“(G) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

“(H) is a school to which parents choose to send their children, and that admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

“(I) agrees to comply with the same Federal and State audit requirements as do other elementary schools and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;

“(J) meets all applicable Federal, State, and local health and safety requirements;

“(K) operates in accordance with State law; and

“(L) has a written performance contract with the authorized public chartering agency in the State that includes a description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assessments mutually agreeable to the authorized public chartering agency and the charter school.

“(2) DEVELOPER.—The term ‘developer’ means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

“(3) ELIGIBLE APPLICANT.—The term ‘eligible applicant’ means a developer that has—

“(A) applied to an authorized public chartering authority to operate a charter school; and

“(B) provided adequate and timely notice to that authority under section 5203(d)(3).

“(4) AUTHORIZED PUBLIC CHARTERING AGENCY.—The term ‘authorized public chartering agency’ means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school.

20 USC 7221j.

“SEC. 5211. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated to carry out this subpart \$300,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) RESERVATION.—From the amount appropriated under subsection (a) for each fiscal year, the Secretary shall reserve—

“(1) \$200,000,000 to carry out this subpart, other than section 5205(b); and

“(2) any funds in excess of \$200,000,000, that do not exceed \$300,000,000, to carry out section 5205(b); and

“(3)(A) 50 percent of any funds in excess of \$300,000,000 to carry out this subpart, other than section 5205(b); and

“(B) 50 percent of any funds in excess of \$300,000,000 to carry out section 5205(b).

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 2—Credit Enhancement Initiatives To Assist Charter School Facility Acquisition, Construction, and Renovation**“SEC. 5221. PURPOSE.**

20 USC 7223.

“The purpose of this subpart is to provide grants to eligible entities to permit the eligible entities to demonstrate innovative credit enhancement initiatives that assist charter schools to address the cost of acquiring, constructing, and renovating facilities.

“SEC. 5222. GRANTS TO ELIGIBLE ENTITIES.

20 USC 7223a.

“(a) GRANTS.—The Secretary shall use 100 percent of the amount available to carry out this subpart to award not less than three grants to eligible entities that have applications approved under this subpart to demonstrate innovative methods of assisting charter schools to address the cost of acquiring, constructing, and renovating facilities by enhancing the availability of loans or bond financing.

“(b) GRANTEE SELECTION.—

“(1) EVALUATION OF APPLICATION.—The Secretary shall evaluate each application submitted under section 5223, and shall determine whether the application is sufficient to merit approval.

“(2) DISTRIBUTION OF GRANTS.—The Secretary shall award at least one grant to an eligible entity described in section 5230(2)(A), at least one grant to an eligible entity described in section 5230(2)(B), and at least one grant to an eligible entity described in section 5230(2)(C), if applications are submitted that permit the Secretary to do so without approving an application that is not of sufficient quality to merit approval.

“(c) GRANT CHARACTERISTICS.—Grants under this subpart shall be of a sufficient size, scope, and quality so as to ensure an effective demonstration of an innovative means of enhancing credit for the financing of charter school acquisition, construction, or renovation.

“(d) SPECIAL RULE.—In the event the Secretary determines that the funds made available under this subpart are insufficient to permit the Secretary to award not less than three grants in accordance with subsections (a) through (c), such three-grant minimum and subsection (b)(2) shall not apply, and the Secretary may determine the appropriate number of grants to be awarded in accordance with subsection (c).

“SEC. 5223. APPLICATIONS.

20 USC 7223b.

“(a) IN GENERAL.—To receive a grant under this subpart, an eligible entity shall submit to the Secretary an application in such form as the Secretary may reasonably require.

“(b) CONTENTS.—An application submitted under subsection (a) shall contain—

“(1) a statement identifying the activities proposed to be undertaken with funds received under this subpart, including how the eligible entity will determine which charter schools will receive assistance, and how much and what types of assistance charter schools will receive;

“(2) a description of the involvement of charter schools in the application’s development and the design of the proposed activities;

“(3) a description of the eligible entity’s expertise in capital market financing;

“(4) a description of how the proposed activities will leverage the maximum amount of private-sector financing capital relative to the amount of government funding used and otherwise enhance credit available to charter schools;

“(5) a description of how the eligible entity possesses sufficient expertise in education to evaluate the likelihood of success

PUBLIC LAW 107-110—JAN. 8, 2002

of a charter school program for which facilities financing is sought;

“(6) in the case of an application submitted by a State governmental entity, a description of the actions that the entity has taken, or will take, to ensure that charter schools within the State receive the funding the charter schools need to have adequate facilities; and

“(7) such other information as the Secretary may reasonably require.

20 USC 7223c.

“SEC. 5224. CHARTER SCHOOL OBJECTIVES.

“An eligible entity receiving a grant under this subpart shall use the funds deposited in the reserve account established under section 5225(a) to assist one or more charter schools to access private sector capital to accomplish one or both of the following objectives:

“(1) The acquisition (by purchase, lease, donation, or otherwise) of an interest (including an interest held by a third party for the benefit of a charter school) in improved or unimproved real property that is necessary to commence or continue the operation of a charter school.

“(2) The construction of new facilities, or the renovation, repair, or alteration of existing facilities, necessary to commence or continue the operation of a charter school.

20 USC 7223d.

“SEC. 5225. RESERVE ACCOUNT.

“(a) USE OF FUNDS.—To assist charter schools to accomplish the objectives described in section 5224, an eligible entity receiving a grant under this subpart shall, in accordance with State and local law, directly or indirectly, alone or in collaboration with others, deposit the funds received under this subpart (other than funds used for administrative costs in accordance with section 5226) in a reserve account established and maintained by the eligible entity for this purpose. Amounts deposited in such account shall be used by the eligible entity for one or more of the following purposes:

“(1) Guaranteeing, insuring, and reinsuring bonds, notes, evidences of debt, loans, and interests therein, the proceeds of which are used for an objective described in section 5224.

“(2) Guaranteeing and insuring leases of personal and real property for an objective described in section 5224.

“(3) Facilitating financing by identifying potential lending sources, encouraging private lending, and other similar activities that directly promote lending to, or for the benefit of, charter schools.

“(4) Facilitating the issuance of bonds by charter schools, or by other public entities for the benefit of charter schools, by providing technical, administrative, and other appropriate assistance (including the recruitment of bond counsel, underwriters, and potential investors and the consolidation of multiple charter school projects within a single bond issue).

“(b) INVESTMENT.—Funds received under this subpart and deposited in the reserve account established under subsection (a) shall be invested in obligations issued or guaranteed by the United States or a State, or in other similarly low-risk securities.

“(c) REINVESTMENT OF EARNINGS.—Any earnings on funds received under this subpart shall be deposited in the reserve account established under subsection (a) and used in accordance with such subsection.

20 USC 7223e.

“SEC. 5226. LIMITATION ON ADMINISTRATIVE COSTS.

“An eligible entity may use not more than 0.25 percent of the funds received under this subpart for the administrative costs of carrying out its responsibilities under this subpart.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 5227. AUDITS AND REPORTS.

20 USC 7223f.

“(a) **FINANCIAL RECORD MAINTENANCE AND AUDIT.**—The financial records of each eligible entity receiving a grant under this subpart shall be maintained in accordance with generally accepted accounting principles and shall be subject to an annual audit by an independent public accountant.

“(b) **REPORTS.**—

“(1) **GRANTEE ANNUAL REPORTS.**—Each eligible entity receiving a grant under this subpart annually shall submit to the Secretary a report of its operations and activities under this subpart.

“(2) **CONTENTS.**—Each annual report submitted under paragraph (1) shall include—

“(A) a copy of the most recent financial statements, and any accompanying opinion on such statements, prepared by the independent public accountant reviewing the financial records of the eligible entity;

“(B) a copy of any report made on an audit of the financial records of the eligible entity that was conducted under subsection (a) during the reporting period;

“(C) an evaluation by the eligible entity of the effectiveness of its use of the Federal funds provided under this subpart in leveraging private funds;

“(D) a listing and description of the charter schools served during the reporting period;

“(E) a description of the activities carried out by the eligible entity to assist charter schools in meeting the objectives set forth in section 5224; and

“(F) a description of the characteristics of lenders and other financial institutions participating in the activities undertaken by the eligible entity under this subpart during the reporting period.

“(3) **SECRETARIAL REPORT.**—The Secretary shall review the reports submitted under paragraph (1) and shall provide a comprehensive annual report to Congress on the activities conducted under this subpart.

“SEC. 5228. NO FULL FAITH AND CREDIT FOR GRANTEE OBLIGATIONS.

20 USC 7223g.

“No financial obligation of an eligible entity entered into pursuant to this subpart (such as an obligation under a guarantee, bond, note, evidence of debt, or loan) shall be an obligation of, or guaranteed in any respect by, the United States. The full faith and credit of the United States is not pledged to the payment of funds which may be required to be paid under any obligation made by an eligible entity pursuant to any provision of this subpart.

“SEC. 5229. RECOVERY OF FUNDS.

20 USC 7223h.

“(a) **IN GENERAL.**—The Secretary, in accordance with chapter 37 of title 31, United States Code, shall collect—

“(1) all of the funds in a reserve account established by an eligible entity under section 5225(a) if the Secretary determines, not earlier than 2 years after the date on which the eligible entity first received funds under this subpart, that the eligible entity has failed to make substantial progress in carrying out the purposes described in section 5225(a); or

“(2) all or a portion of the funds in a reserve account established by an eligible entity under section 5225(a) if the Secretary determines that the eligible entity has permanently ceased to use all or a portion of the funds in such account to accomplish any purpose described in section 5225(a).

“(b) **EXERCISE OF AUTHORITY.**—The Secretary shall not exercise the authority provided in subsection (a) to collect from any eligible entity any funds that are being properly used to achieve one or more of the purposes described in section 5225(a).

PUBLIC LAW 107-110—JAN. 8, 2002

Applicability. “(c) PROCEDURES.—The provisions of sections 451, 452, and 458 of the General Education Provisions Act shall apply to the recovery of funds under subsection (a).

“(d) CONSTRUCTION.—This section shall not be construed to impair or affect the authority of the Secretary to recover funds under part D of the General Education Provisions Act.

20 USC 7223i. **“SEC. 5230. DEFINITIONS.**

“In this subpart:

“(1) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given such term in section 5210.

“(2) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a public entity, such as a State or local governmental entity;

“(B) a private nonprofit entity; or

“(C) a consortium of entities described in subparagraphs (A) and (B).

20 USC 7223j. **“SEC. 5231. AUTHORIZATION OF APPROPRIATIONS.**

“For the purpose of carrying out this subpart, there are authorized to be appropriated \$150,000,000 for fiscal year 2002 and such sums as may be necessary for fiscal year 2003.

“Subpart 3—Voluntary Public School Choice Programs

20 USC 7225. **“SEC. 5241. GRANTS.**

“(a) AUTHORIZATION.—From funds made available under section 5248 to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible entities to enable the entities to establish or expand a program of public school choice (referred to in this subpart as a ‘program’) in accordance with this subpart.

“(b) DURATION.—Grants awarded under subsection (a) may be awarded for a period of not more than 5 years.

20 USC 7225a. **“SEC. 5242. USES OF FUNDS.**

“(a) REQUIRED USE OF FUNDS.—An eligible entity that receives a grant under this subpart shall use the grant funds to provide students selected to participate in the program with transportation services or the cost of transportation to and from the public elementary schools and secondary schools, including charter schools, that the students choose to attend under the program.

“(b) PERMISSIBLE USES OF FUNDS.—An eligible entity that receives a grant under this subpart may use the grant funds for—

“(1) planning or designing a program (for not more than 1 year);

“(2) the cost of making tuition transfer payments to public elementary schools or secondary schools to which students transfer under the program;

“(3) the cost of capacity-enhancing activities that enable high-demand public elementary schools or secondary schools to accommodate transfer requests under the program;

“(4) the cost of carrying out public education campaigns to inform students and parents about the program; and

“(5) other costs reasonably necessary to implement the program.

“(c) NONPERMISSIBLE USES OF FUNDS.—An eligible entity that receives a grant under this subpart may not use the grant funds for school construction.

“(d) ADMINISTRATIVE EXPENSES.—The eligible entity may use not more than 5 percent of the funds made available through the grant for any fiscal year for administrative expenses.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 5243. APPLICATIONS.

20 USC 7225b.

“(a) **SUBMISSION.**—An eligible entity that desires a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(b) **CONTENTS.**—An application submitted under subsection (a) shall include—

“(1) a description of the program for which the eligible entity seeks funds and the goals for such program;

“(2) a description of how and when parents of students will be given the notice required under section 5245(a)(2);

“(3) a description of how students will be selected for the program;

“(4) a description of how the program will be coordinated with, and will complement and enhance, other related Federal and non-Federal projects;

“(5) if the program is to be carried out by a partnership, the name of each partner and a description of the partner’s responsibilities; and

“(6) such other information as the Secretary may require.

“SEC. 5244. PRIORITIES.

20 USC 7225c.

“In awarding grants under this subpart, the Secretary shall give priority to an eligible entity—

“(1) whose program would provide the widest variety of choices to all students in participating schools;

“(2) whose program would, through various choice options, have the most impact in allowing students in low-performing schools to attend higher-performing schools; and

“(3) that is a partnership that seeks to implement an interdistrict approach to carrying out a program.

“SEC. 5245. REQUIREMENTS AND VOLUNTARY PARTICIPATION.

20 USC 7225d.

“(a) **PARENT AND COMMUNITY INVOLVEMENT AND NOTICE.**—In carrying out a program under this subpart, an eligible entity shall—

“(1) develop the program with—

“(A) the involvement of parents and others in the community to be served; and

“(B) individuals who will carry out the program, including administrators, teachers, principals, and other staff; and

“(2) provide to parents of students in the area to be served by the program with prompt notice of—

“(A) the existence of the program;

“(B) the program’s availability; and

“(C) a clear explanation of how the program will operate.

“(b) **SELECTION OF STUDENTS.**—An eligible entity that receives a grant under this subpart shall select students to participate in a program on the basis of a lottery, if more students apply for admission to the program than can be accommodated.

“(c) **VOLUNTARY PARTICIPATION.**—Student participation in a program funded under this subpart shall be voluntary.

“SEC. 5246. EVALUATIONS.

20 USC 7225e.

“(a) **IN GENERAL.**—From the amount made available to carry out this subpart for any fiscal year, the Secretary may reserve not more than 5 percent—

“(1) to carry out evaluations;

“(2) to provide technical assistance; and

“(3) to disseminate information.

“(b) **EVALUATIONS.**—In carrying out the evaluations under subsection (a), the Secretary shall, at a minimum, address—

“(1) how, and the extent to which, the programs promote educational equity and excellence;

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) the characteristics of the students participating in the programs; and

“(3) the effect of the programs on the academic achievement of students participating in the programs, particularly students who move from schools identified under section 1116 to schools not so identified, and on the overall quality of participating schools and districts.

20 USC 7225f.

“SEC. 5247. DEFINITIONS.

“In this subpart:

“(1) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given such term in section 5210.

“(2) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) one or more State educational agencies;

“(B) one or more local educational agencies; or

“(C) a partnership of—

“(i) one or more—

“(I) State educational agencies; and

“(II) local educational agencies or other public, for-profit, or nonprofit entities; or

“(ii) one or more—

“(I) local educational agencies; and

“(II) public, for-profit, or nonprofit entities.

“(3) LOW-PERFORMING SCHOOL.—The term ‘low-performing school’ means a public elementary school or secondary school that has failed to make adequate yearly progress, as described in section 1111(b), for two or more consecutive years.

20 USC 7225g.

“SEC. 5248. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this subpart \$100,000,000 for fiscal year 2002 and each of the 5 succeeding fiscal years.

“PART C—MAGNET SCHOOLS ASSISTANCE

20 USC 7231.

“SEC. 5301. FINDINGS AND PURPOSE.

“(a) FINDINGS.—Congress makes the following findings:

“(1) Magnet schools are a significant part of the Nation’s effort to achieve voluntary desegregation in our Nation’s schools.

“(2) The use of magnet schools has increased dramatically since the inception of the magnet schools assistance program under this Act, with approximately 2,000,000 students nationwide attending such schools, of whom more than 65 percent are non-white.

“(3) Magnet schools offer a wide range of distinctive programs that have served as models for school improvement efforts.

“(4) It is in the best interests of the United States—

“(A) to continue the Federal Government’s support of local educational agencies that are implementing court-ordered desegregation plans and local educational agencies that are voluntarily seeking to foster meaningful interaction among students of different racial and ethnic backgrounds, beginning at the earliest stage of such students’ education;

“(B) to ensure that all students have equitable access to a high quality education that will prepare all students to function well in a technologically oriented and a highly competitive economy comprised of people from many different racial and ethnic backgrounds; and

“(C) to continue to desegregate and diversify schools by supporting magnet schools, recognizing that segregation exists between minority and nonminority students as well as among students of different minority groups.

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) Desegregation efforts through magnet school programs are a significant part of our Nation’s effort to achieve voluntary desegregation in schools and help to ensure equal educational opportunities for all students.

“(b) PURPOSE.—The purpose of this part is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to eligible local educational agencies for—

“(1) the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students, which shall include assisting in the efforts of the United States to achieve voluntary desegregation in public schools;

“(2) the development and implementation of magnet school programs that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet challenging State academic content standards and student academic achievement standards;

“(3) the development and design of innovative educational methods and practices that promote diversity and increase choices in public elementary schools and public secondary schools and public educational programs;

“(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the attainment of tangible and marketable vocational, technological, and professional skills of students attending such schools;

“(5) improving the capacity of local educational agencies, including through professional development, to continue operating magnet schools at a high performance level after Federal funding for the magnet schools is terminated; and

“(6) ensuring that all students enrolled in the magnet school programs have equitable access to high quality education that will enable the students to succeed academically and continue with postsecondary education or productive employment.

“SEC. 5302. DEFINITION.

20 USC 7231a.

“For the purpose of this part, the term ‘magnet school’ means a public elementary school, public secondary school, public elementary education center, or public secondary education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

“SEC. 5303. PROGRAM AUTHORIZED.

20 USC 7231b.

“The Secretary, in accordance with this part, is authorized to award grants to eligible local educational agencies, and consortia of such agencies where appropriate, to carry out the purpose of this part for magnet schools that are—

“(1) part of an approved desegregation plan; and

“(2) designed to bring students from different social, economic, ethnic, and racial backgrounds together.

“SEC. 5304. ELIGIBILITY.

20 USC 7231c.

“A local educational agency, or consortium of such agencies where appropriate, is eligible to receive a grant under this part to carry out the purpose of this part if such agency or consortium—

“(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, that requires the desegregation of minority-group-segregated children or faculty in the elementary schools and secondary schools of such agency; or

“(2) without having been required to do so, has adopted and is implementing, or will, if a grant is awarded to such local educational agency, or consortium of such agencies, under this part, adopt and implement a plan that has been approved

PUBLIC LAW 107-110—JAN. 8, 2002

by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

20 USC 7231d.

“SEC. 5305. APPLICATIONS AND REQUIREMENTS.

“(a) APPLICATIONS.—An eligible local educational agency, or consortium of such agencies, desiring to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

“(b) INFORMATION AND ASSURANCES.—Each application submitted under subsection (a) shall include—

“(1) a description of—

“(A) how a grant awarded under this part will be used to promote desegregation, including how the proposed magnet school programs will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

“(B) the manner and extent to which the magnet school program will increase student academic achievement in the instructional area or areas offered by the school;

“(C) how the applicant will continue the magnet school program after assistance under this part is no longer available, and, if applicable, an explanation of why magnet schools established or supported by the applicant with grant funds under this part cannot be continued without the use of grant funds under this part;

“(D) how grant funds under this part will be used—

“(i) to improve student academic achievement for all students attending the magnet school programs; and

“(ii) to implement services and activities that are consistent with other programs under this Act, and other Acts, as appropriate; and

“(E) the criteria to be used in selecting students to attend the proposed magnet school program; and

“(2) assurances that the applicant will—

“(A) use grant funds under this part for the purposes specified in section 5301(b);

“(B) employ highly qualified teachers in the courses of instruction assisted under this part;

“(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

“(i) the hiring, promotion, or assignment of employees of the applicant or other personnel for whom the applicant has any administrative responsibility;

“(ii) the assignment of students to schools, or to courses of instruction within the schools, of such applicant, except to carry out the approved plan; and

“(iii) designing or operating extracurricular activities for students;

“(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

“(E) give students residing in the local attendance area of the proposed magnet school program equitable consideration for placement in the program, consistent with desegregation guidelines and the capacity of the applicant to accommodate the students.

“(c) SPECIAL RULE.—No grant shall be awarded under this part unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 5306. PRIORITY.

20 USC 7231e.

“In awarding grants under this part, the Secretary shall give priority to applicants that—

“(1) demonstrate the greatest need for assistance, based on the expense or difficulty of effectively carrying out approved desegregation plans and the magnet school program for which the grant is sought;

“(2) propose to carry out new magnet school programs, or significantly revise existing magnet school programs; and

“(3) propose to select students to attend magnet school programs by methods such as lottery, rather than through academic examination.

“SEC. 5307. USE OF FUNDS.

20 USC 7231f.

“(a) IN GENERAL.—Grant funds made available under this part may be used by an eligible local educational agency, or consortium of such agencies—

“(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

“(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation of materials, equipment, and computers, necessary to conduct programs in magnet schools;

“(3) for the compensation, or subsidization of the compensation, of elementary school and secondary school teachers who are highly qualified, and instructional staff where applicable, who are necessary to conduct programs in magnet schools;

“(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

“(A) are designed to make available the special curriculum that is offered by the magnet school program to students who are enrolled in the school but who are not enrolled in the magnet school program; and

“(B) further the purpose of this part;

“(5) for activities, which may include professional development, that will build the recipient’s capacity to operate magnet school programs once the grant period has ended;

“(6) to enable the local educational agency, or consortium of such agencies, to have more flexibility in the administration of a magnet school program in order to serve students attending a school who are not enrolled in a magnet school program; and

“(7) to enable the local educational agency, or consortium of such agencies, to have flexibility in designing magnet schools for students in all grades.

“(b) SPECIAL RULE.—Grant funds under this part may be used for activities described in paragraphs (2) and (3) of subsection (a) only if the activities are directly related to improving student academic achievement based on the State’s challenging academic content standards and student academic achievement standards or directly related to improving student reading skills or knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational, technological, and professional skills.

“SEC. 5308. PROHIBITION.

20 USC 7231g.

“Grants under this part may not be used for transportation or any activity that does not augment academic improvement.

“SEC. 5309. LIMITATIONS.

20 USC 7231h.

“(a) DURATION OF AWARDS.—A grant under this part shall be awarded for a period that shall not exceed 3 fiscal years.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) **LIMITATION ON PLANNING FUNDS.**—A local educational agency, or consortium of such agencies, may expend for planning (professional development shall not be considered to be planning for purposes of this subsection) not more than 50 percent of the grant funds received under this part for the first year of the program and not more than 15 percent of such funds for each of the second and third such years.

“(c) **AMOUNT.**—No local educational agency, or consortium of such agencies, awarded a grant under this part shall receive more than \$4,000,000 under this part for any 1 fiscal year.

Deadline.

“(d) **TIMING.**—To the extent practicable, the Secretary shall award grants for any fiscal year under this part not later than July 1 of the applicable fiscal year.

20 USC 7231i.

“SEC. 5310. EVALUATIONS.

“(a) **RESERVATION.**—The Secretary may reserve not more than 2 percent of the funds appropriated under section 5311(a) for any fiscal year to carry out evaluations, provide technical assistance, and carry out dissemination projects with respect to magnet school programs assisted under this part.

“(b) **CONTENTS.**—Each evaluation described in subsection (a), at a minimum, shall address—

“(1) how and the extent to which magnet school programs lead to educational quality and improvement;

“(2) the extent to which magnet school programs enhance student access to a high quality education;

“(3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students; and

“(4) the extent to which magnet school programs differ from other school programs in terms of the organizational characteristics and resource allocations of such magnet school programs.

Public information.

“(c) **DISSEMINATION.**—The Secretary shall collect and disseminate to the general public information on successful magnet school programs.

20 USC 7231j.

“SEC. 5311. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

“(a) **AUTHORIZATION.**—For the purpose of carrying out this part, there are authorized to be appropriated \$125,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) **AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.**—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds \$75,000,000, the Secretary shall give priority in using such amounts in excess of \$75,000,000 to awarding grants to local educational agencies or consortia of such agencies that did not receive a grant under this part in the preceding fiscal year.

“PART D—FUND FOR THE IMPROVEMENT OF EDUCATION

20 USC 7241.

“SEC. 5401. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part the following amounts:

“(1) \$550,000,000 for fiscal year 2002.

“(2) \$575,000,000 for fiscal year 2003.

“(3) \$600,000,000 for fiscal year 2004.

“(4) \$625,000,000 for fiscal year 2005.

“(5) \$650,000,000 for fiscal year 2006.

“(6) \$675,000,000 for fiscal year 2007.

PUBLIC LAW 107-110—JAN. 8, 2002

**“Subpart 1—Fund for the Improvement of
Education****“SEC. 5411. PROGRAMS AUTHORIZED.**

20 USC 7243.

“(a) AUTHORIZATION.—The Secretary is authorized to support nationally significant programs to improve the quality of elementary and secondary education at the State and local levels and help all children meet challenging State academic content and student academic achievement standards. The Secretary may carry out such programs directly, or through grants to, or contracts with—

“(1) States or local educational agencies;

“(2) institutions of higher education; and

“(3) other public and private agencies, organizations, and institutions.

“(b) USES OF FUNDS.—Funds made available under section 5401 to carry out this subpart may be used for any of the following programs:

“(1) Activities to promote systemic education reform at the State and local levels, including scientifically based research, development, and evaluation designed to improve—

“(A) student academic achievement at the State and local level; and

“(B) strategies for effective parent and community involvement.

“(2) Programs at the State and local levels that are designed to yield significant results, including programs to explore approaches to public school choice and school-based decision-making.

“(3) Recognition programs, which may include financial awards to States, local educational agencies, and schools that have made the greatest progress, based on the Secretary’s determination or on a nomination by the State in which the school is located (or in the case of a Bureau funded school, by the Secretary of the Interior) in—

“(A) improving the academic achievement of economically disadvantaged students and students from major racial and ethnic minority groups; and

“(B) closing the academic achievement gap for those groups of students farthest away from the proficient level on the academic assessments administered by the State under section 1111.

“(4) Scientifically based studies and evaluations of education reform strategies and innovations, and the dissemination of information on the effectiveness of such strategies and innovations.

“(5) Identification and recognition of exemplary schools and programs, such as Blue Ribbon Schools, including programs to evaluate the effectiveness of using the best practices of exemplary or Blue Ribbon Schools to improve academic achievement.

“(6) Activities to support Scholar-Athlete Games programs, including the World Scholar-Athlete Games and the U.S. Scholar-Athlete Games.

“(7) Programs to promote voter participation in American elections through programs, such as the National Student/Parent Mock Election and Kids Voting USA.

“(8) Demonstrations relating to the planning and evaluation of the effectiveness of programs under which local educational agencies or schools contract with private management organizations to reform a school or schools.

“(9) Other programs that meet the purposes of this Act.

“(c) BASIS OF AWARDS.—The Secretary is authorized to—

“(1) make awards under this subpart on the basis of competitions announced by the Secretary; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) support meritorious unsolicited proposals for awards under this subpart.

“(d) EFFECTIVENESS OF PROGRAMS.—The Secretary shall ensure that programs supported under this subpart are designed so that their effectiveness is readily ascertainable, and shall ensure that such effectiveness is assessed using rigorous, scientifically based research and evaluations.

20 USC 7243a.

“SEC. 5412. APPLICATIONS.

“(a) SUBMISSION.—To be eligible for an award under this subpart, an entity shall submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.

“(b) CONTENTS.—Each application submitted under subsection (a) shall—

“(1) establish clear objectives, which are based on scientifically based research, for the proposed program; and

“(2) describe the activities the applicant will carry out in order to meet the objectives described in paragraph (1).

“(c) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for awards under this subpart and in recognizing States, local educational agencies, and schools under section 5411(b)(3), only if funds are used for such recognition programs. The Secretary may use funds appropriated under this subpart for the cost of such peer review.

20 USC 7243b.

“SEC. 5413. PROGRAM REQUIREMENTS.

“(a) EVALUATIONS.—A recipient of an award under this subpart shall—

“(1) evaluate the effectiveness of the program funded under the award in achieving the objectives stated in applications submitted under section 5412; and

“(2) report to the Secretary such information as may be required to determine the effectiveness of such program, including evidence of progress toward meeting such objectives.

Public
information.
Notice.

“(b) DISSEMINATION OF EVALUATION RESULTS.—The Secretary shall provide for the dissemination of the evaluations of programs funded under this subpart by making the evaluations publicly available upon request, and shall provide public notice that the evaluations are so available.

“(c) MATCHING FUNDS.—The Secretary may require recipients of awards under this subpart to provide matching funds from non-Federal sources, and shall permit the recipients to match funds in whole or in part with in-kind contributions.

“(d) SPECIAL RULE FOR RECOGNITION PROGRAMS.—The application requirements of section 5412(b), and the evaluation requirements of subsections (a) and (b) of this section, do not apply to recognition programs under section 5411(b)(3).

20 USC 7243c.

“SEC. 5414. STUDIES OF NATIONAL SIGNIFICANCE.

“(a) STUDIES.—The Secretary shall conduct the following studies of national significance:

“(1) UNHEALTHY PUBLIC SCHOOL BUILDINGS.—A study regarding the health and learning impacts of environmentally unhealthy public school buildings on students and teachers. The study shall include the following information:

“(A) The characteristics of those public elementary school and secondary school buildings that contribute to unhealthy school environments.

“(B) The health and learning impacts of environmental unhealthy public school buildings on students that are attending or that have attended such schools.

“(C) Recommendations to Congress on how to assist schools that are out of compliance with Federal or State health and safety codes, and a cost estimate of bringing

PUBLIC LAW 107-110—JAN. 8, 2002

up environmentally unhealthy public school buildings to minimum Federal health and safety building standards.

“(2) EXPOSURE TO VIOLENT ENTERTAINMENT.—A study regarding how exposure to violent entertainment (such as in movies, music, television, Internet content, video games, and arcade games) affects children’s cognitive development and educational achievement.

“(3) SEXUAL ABUSE IN SCHOOLS.—A study regarding the prevalence of sexual abuse in schools, including recommendations and legislative remedies for addressing the problem of sexual abuse in schools.

“(b) COMPLETION DATE.—The studies under subsection (a) shall be completed not later than 18 months after the date of enactment of the No Child Left Behind Act of 2001.

“(c) PUBLIC DISSEMINATION.—The Secretary shall make the study conducted under subsection (a)(1) available to the public through the Educational Resources Information Center National Clearinghouse for Educational Facilities of the Department.

“Subpart 2—Elementary and Secondary School Counseling Programs

“SEC. 5421. ELEMENTARY AND SECONDARY SCHOOL COUNSELING PROGRAMS. 20 USC 7245.

“(a) GRANTS AUTHORIZED.—

“(1) IN GENERAL.—The Secretary is authorized to award grants to local educational agencies to enable such agencies to establish or expand elementary school and secondary school counseling programs that comply with the requirements of subsection (c)(2).

“(2) SPECIAL CONSIDERATION.—In awarding grants under this section, the Secretary shall give special consideration to applications describing programs that—

“(A) demonstrate the greatest need for new or additional counseling services among children in the schools served by the local educational agency, in part by providing information on current ratios of students to school counselors, students to school social workers, and students to school psychologists;

“(B) propose the most promising and innovative approaches for initiating or expanding school counseling; and

“(C) show the greatest potential for replication and dissemination.

“(3) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall ensure an equitable geographic distribution among the regions of the United States and among local educational agencies located in urban, rural, and suburban areas.

“(4) DURATION.—A grant under this section shall be awarded for a period not to exceed 3 years.

“(5) MAXIMUM GRANT.—A grant awarded under this section shall not exceed \$400,000 for any fiscal year.

“(6) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, or local funds used for providing school-based counseling and mental health services to students.

“(b) APPLICATIONS.—

“(1) IN GENERAL.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(2) CONTENTS.—Each application for a grant under this section shall—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) describe the school population to be targeted by the program, the particular counseling needs of such population, and the current school counseling resources available for meeting such needs;

“(B) describe the activities, services, and training to be provided by the program and the specific approaches to be used to meet the needs described in subparagraph (A);

“(C) describe the methods to be used to evaluate the outcomes and effectiveness of the program;

“(D) describe how the local educational agency will involve community groups, social service agencies, and other public and private entities in collaborative efforts to enhance the program and promote school-linked services integration;

“(E) document that the local educational agency has the personnel qualified to develop, implement, and administer the program;

“(F) describe how diverse cultural populations, if applicable, will be served through the program;

“(G) assure that the funds made available under this subpart for any fiscal year will be used to supplement, and not supplant, any other Federal, State, or local funds used for providing school-based counseling and mental health services to students; and

“(H) assure that the applicant will appoint an advisory board composed of interested parties, including parents, teachers, school administrators, counseling services providers described in subsection (c)(2)(D), and community leaders, to advise the local educational agency on the design and implementation of the program.

“(c) USE OF FUNDS.—

“(1) IN GENERAL.—The Secretary is authorized to award grants to local educational agencies to enable the local educational agencies to initiate or expand elementary school or secondary school counseling programs that comply with the requirements of paragraph (2).

“(2) REQUIREMENTS.—Each program funded under this section shall—

“(A) be comprehensive in addressing the counseling and educational needs of all students;

“(B) use a developmental, preventive approach to counseling;

“(C) increase the range, availability, quantity, and quality of counseling services in the elementary schools and secondary schools of the local educational agency;

“(D) expand counseling services through qualified school counselors, school social workers, school psychologists, other qualified psychologists, or child and adolescent psychiatrists;

“(E) use innovative approaches to increase children’s understanding of peer and family relationships, work and self, decisionmaking, or academic and career planning, or to improve peer interaction;

“(F) provide counseling services in settings that meet the range of student needs;

“(G) include in-service training appropriate to the activities funded under this Act for teachers, instructional staff, and appropriate school personnel, including in-service training in appropriate identification and early intervention techniques by school counselors, school social workers, school psychologists, other qualified psychologists, and child and adolescent psychiatrists;

PUBLIC LAW 107-110—JAN. 8, 2002

“(H) involve parents of participating students in the design, implementation, and evaluation of the counseling program;

“(I) involve community groups, social service agencies, or other public or private entities in collaborative efforts to enhance the program and promote school-linked integration of services;

“(J) evaluate annually the effectiveness and outcomes of the counseling services and activities assisted under this section;

“(K) ensure a team approach to school counseling in the schools served by the local educational agency by working toward ratios recommended by the American School Health Association of one school counselor to 250 students, one school social worker to 800 students, and one school psychologist to 1,000 students; and

“(L) ensure that school counselors, school psychologists, other qualified psychologists, school social workers, or child and adolescent psychiatrists paid from funds made available under this section spend a majority of their time counseling students or in other activities directly related to the counseling process.

“(d) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 4 percent of the amounts made available under this section for any fiscal year may be used for administrative costs to carry out this section.

“(e) DEFINITIONS.—For the purpose of this section—

“(1) the term ‘child and adolescent psychiatrist’ means an individual who—

“(A) possesses State medical licensure; and

“(B) has completed residency training programs in both general psychiatry and child and adolescent psychiatry;

“(2) the term ‘other qualified psychologist’ means an individual who has demonstrated competence in counseling children in a school setting and who—

“(A) is licensed in psychology by the State in which the individual works; and

“(B) practices in the scope of the individual’s education, training, and experience with children in school settings;

“(3) the term ‘school counselor’ means an individual who has documented competence in counseling children and adolescents in a school setting and who—

“(A) is licensed by the State or certified by an independent professional regulatory authority;

“(B) in the absence of such State licensure or certification, possesses national certification in school counseling or a specialty of counseling granted by an independent professional organization; or

“(C) holds a minimum of a master’s degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs or the equivalent;

“(4) the term ‘school psychologist’ means an individual who—

“(A) has completed a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours are in the school setting;

“(B) is licensed or certified in school psychology by the State in which the individual works; or

“(C) in the absence of such State licensure or certification, possesses national certification by the National School Psychology Certification Board; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) the term ‘school social worker’ means an individual who—

“(A) holds a master’s degree in social work from a program accredited by the Council on Social Work Education; and

“(B)(i) is licensed or certified by the State in which services are provided; or

“(ii) in the absence of such State licensure or certification, possesses a national credential or certification as a school social work specialist granted by an independent professional organization.

Deadline.

“(f) REPORT.—Not later than 2 years after assistance is made available to local educational agencies under subsection (c), the Secretary shall make publicly available a report—

“(1) evaluating the programs assisted pursuant to each grant under this subpart; and

“(2) outlining the information from local educational agencies regarding the ratios of students to—

“(A) school counselors;

“(B) school social workers; and

“(C) school psychologists.

“(g) SPECIAL RULE.—

“(1) AMOUNT EQUALS OR EXCEEDS \$40,000,000.—If the amount of funds made available by the Secretary for this subpart equals or exceeds \$40,000,000, the Secretary shall award not less than \$40,000,000 in grants to local educational agencies to enable the agencies to establish or expand counseling programs in elementary schools.

“(2) AMOUNT LESS THAN \$40,000,000.—If the amount of funds made available by the Secretary for this subpart is less than \$40,000,000, the Secretary shall award grants to local educational agencies only to establish or expand counseling programs in elementary schools.

“Subpart 3—Partnerships in Character Education

20 USC 7247.

“SEC. 5431. PARTNERSHIPS IN CHARACTER EDUCATION PROGRAM.

“(a) PROGRAM AUTHORIZED.—

“(1) IN GENERAL.—The Secretary is authorized to award grants to eligible entities for the design and implementation of character education programs that—

“(A) are able to be integrated into classroom instruction and to be consistent with State academic content standards; and

“(B) are able to be carried out in conjunction with other educational reform efforts.

“(2) ELIGIBLE ENTITY.—In this section, the term ‘eligible entity’ means—

“(A) a State educational agency in partnership with—

“(i) one or more local educational agencies; or

“(ii) one or more—

“(I) local educational agencies; and

“(II) nonprofit organizations or entities, including an institution of higher education;

“(B) a local educational agency or consortium of local educational agencies; or

“(C) a local educational agency in partnership with one or more nonprofit organizations or entities, including an institution of higher education.

“(3) DURATION.—Each grant under this section shall be awarded for a period not to exceed 5 years, of which the eligible entity may not use more than 1 year for planning and program design.

“(4) AMOUNT OF GRANTS FOR STATE EDUCATIONAL AGENCIES.—Subject to the availability of appropriations, the amount

PUBLIC LAW 107-110—JAN. 8, 2002

of a grant made by the Secretary to a State educational agency under this section shall not be less than \$500,000 if the State educational agency—

“(A) is in a partnership described in paragraph (2)(A);

and

“(B) meets such requirements as the Secretary may establish under this section.

“(b) CONTRACTS UNDER PROGRAM.—

“(1) EVALUATION.—Each eligible entity awarded a grant under this section may contract with outside sources, including institutions of higher education and private and nonprofit organizations, for the purposes of—

“(A) evaluating the program for which the assistance is made available;

“(B) measuring the integration of such program into the curriculum and teaching methods of schools where the program is carried out; and

“(C) measuring the success of such program in fostering the elements of character selected by the recipient under subsection (c).

“(2) MATERIALS AND PROGRAM DEVELOPMENT.—Each eligible entity awarded a grant under this section may contract with outside sources, including institutions of higher education and private and nonprofit organizations, for assistance in—

“(A) developing secular curricula, materials, teacher training, and other activities related to character education; and

“(B) integrating secular character education into the curricula and teaching methods of schools where the program is carried out.

“(c) ELEMENTS OF CHARACTER.—

“(1) SELECTION.—

“(A) IN GENERAL.—Each eligible entity awarded a grant under this section may select the elements of character that will be taught under the program for which the grant was awarded.

“(B) CONSIDERATION OF VIEWS.—In selecting elements of character under subparagraph (A), the eligible entity shall consider the views of the parents of the students to be taught under the program and the views of the students.

“(2) EXAMPLE ELEMENTS.—Elements of character selected under this subsection may include any of the following:

“(A) Caring.

“(B) Civic virtue and citizenship.

“(C) Justice and fairness.

“(D) Respect.

“(E) Responsibility.

“(F) Trustworthiness.

“(G) Giving.

“(H) Any other elements deemed appropriate by the eligible entity.

“(d) USE OF FUNDS BY STATE EDUCATIONAL AGENCY RECIPIENTS.—Of the total funds received in any fiscal year under this section by an eligible entity that is a State educational agency—

“(1) not more than 3 percent of such funds may be used for administrative purposes; and

“(2) the remainder of such funds may be used for—

“(A) collaborative initiatives with and between local educational agencies and schools;

“(B) the preparation or purchase of materials, and teacher training;

“(C) providing assistance to local educational agencies, schools, or institutions of higher education; and

“(D) technical assistance and evaluation.

PUBLIC LAW 107-110—JAN. 8, 2002

“(e) APPLICATION.—

“(1) IN GENERAL.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

“(2) REQUIRED INFORMATION.—Each application for a grant under this section shall include (together with any other information that the Secretary may require) information that—

“(A) demonstrates that the program for which the grant is sought has clear objectives that are based on scientifically based research;

“(B) describes any partnerships or collaborative efforts among the organizations and entities of the eligible entity;

“(C) describes the activities that will be carried out with the grant funds and how such activities will meet the objectives described in subparagraph (A), including—

“(i) how parents, students, students with disabilities (including those with mental or physical disabilities), and other members of the community, including members of private and nonprofit organizations, will be involved in the design and implementation of the program and how the eligible entity will work with the larger community to increase the reach and promise of the program;

“(ii) curriculum and instructional practices that will be used or developed; and

“(iii) methods of teacher training and parent education that will be used or developed;

“(D) describes how the program for which the grant is sought will be linked to other efforts to improve academic achievement, including—

“(i) broader educational reforms that are being instituted by the eligible entity or its partners; and

“(ii) State academic content standards;

“(E) in the case of an eligible entity that is a State educational agency, describes how the State educational agency—

“(i) will provide technical and professional assistance to its local educational agency partners in the development and implementation of character education programs; and

“(ii) will assist other interested local educational agencies that are not members of the original partnership in designing and establishing character education programs;

“(F) describes how the eligible entity will evaluate the success of its program—

“(i) based on the objectives described in subparagraph (A); and

“(ii) in cooperation with any national evaluation conducted pursuant to subsection (h)(2)(B)(iii); and

“(G) assures that the eligible entity annually will provide to the Secretary such information as may be required to determine the effectiveness of the program.

“(f) SELECTION OF RECIPIENTS.—

“(1) PEER REVIEW.—

“(A) IN GENERAL.—In selecting eligible entities to receive grants under this section from among the applicants for such grants, the Secretary shall use a peer review process that includes the participation of experts in the field of character education and development.

“(B) USE OF FUNDS.—The Secretary may use funds appropriated under this section for the cost of carrying out peer reviews under this paragraph.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) SELECTION CRITERIA.—Each selection under paragraph (1) shall be made on the basis of the quality of the application submitted, taking into consideration such factors as—

“(A) the extent to which the program fosters character in students and the potential for improved student academic achievement;

“(B) the extent and ongoing nature of parental, student, and community involvement;

“(C) the quality of the plan for measuring and assessing success; and

“(D) the likelihood that the objectives of the program will be achieved.

“(3) EQUITABLE DISTRIBUTION.—In making selections under this subsection, the Secretary shall ensure, to the extent practicable under paragraph (2), that the programs assisted under this section are equitably distributed among the geographic regions of the United States, and among urban, suburban, and rural areas.

“(g) PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.—Each eligible entity that receives a grant under this section shall provide, to the extent feasible and appropriate, for the participation in programs and activities under this section of students and teachers in private elementary schools and secondary schools.

“(h) EVALUATION AND PROGRAM DEVELOPMENT.—

“(1) STATE AND LOCAL REPORTING AND EVALUATION.—Each eligible entity receiving a grant under this section shall submit to the Secretary a comprehensive evaluation of the program assisted under this section, including its impact on students, students with disabilities (including those with mental or physical disabilities), teachers, administrators, parents, and others—

“(A) by the end of the second year of the program;

and

“(B) not later than 1 year after completion of the grant period.

Deadline.

“(2) NATIONAL RESEARCH, DISSEMINATION, AND EVALUATION.—

“(A) IN GENERAL.—

“(i) AUTHORIZATION.—The Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with, State educational agencies or local educational agencies, institutions of higher education, tribal organizations, or other public or private agencies or organizations to carry out research, development, dissemination, technical assistance, and evaluation activities that support or inform State and local character education programs.

“(ii) RESERVATION OF FUNDS.—The Secretary shall reserve not more than 5 percent of the funds made available under this section to carry out this paragraph.

“(B) USES.—Funds made available under subparagraph (A) may be used for the following:

“(i) Conducting research and development activities that focus on matters such as—

“(I) the extent to which schools are undertaking character education initiatives;

“(II) the effectiveness of instructional models for all students, including students with disabilities (including those with mental or physical disabilities);

“(III) materials and curricula for use by programs in character education;

“(IV) models of professional development in character education;

PUBLIC LAW 107-110—JAN. 8, 2002

“(V) the development of measures of effectiveness for character education programs (which may include the factors described in paragraph (3)); and

“(VI) the effectiveness of State and local programs receiving funds under this section.

“(ii) Providing technical assistance to State and local programs, particularly on matters of program evaluation.

“(iii) Conducting evaluations of State and local programs receiving funding under this section, that may be conducted through a national clearinghouse under clause (iv).

“(iv) Compiling and disseminating, through a national clearinghouse or other means—

“(I) information on model character education programs;

“(II) information about high quality character education materials and curricula;

“(III) research findings in the area of character education and character development; and

“(IV) any other information that will be useful to character education program participants nationwide, including educators, parents, and administrators.

“(C) PARTNERSHIPS.—In carrying out national activities under this paragraph, the Secretary may enter into partnerships with national nonprofit character education organizations and institutions of higher education with expertise and successful experience in implementing—

“(i) character education programs that had an effective impact on schools, students, students with disabilities (including those with mental or physical disabilities), and teachers; or

“(ii) character education program evaluation and research.

“(D) PARTNERSHIP FOR ACTIVITIES UNDER SUBPARAGRAPH (B)(iv).—In carrying out national activities under subparagraph (B)(iv), the Secretary may enter into a partnership with a national nonprofit character education organization that will disseminate information to educators, parents, administrators, and others nationwide, including information about the range of model character education programs, materials, and curricula.

“(E) REPORT.—Each entity awarded a grant or entering into a contract or cooperative agreement under this paragraph shall submit an annual report to the Secretary that—

“(i) describes the entity’s progress in carrying out research, development, dissemination, evaluation, and technical assistance under this paragraph;

“(ii) identifies unmet and future information needs in the field of character education; and

“(iii) if applicable, describes the progress of the entity in carrying out the requirements of subparagraph (B)(iv), including a listing of—

“(I) the number of requests for information received by the entity in the course of carrying out such requirements;

“(II) the types of organizations making such requests; and

“(III) the types of information requested.

“(3) FACTORS.—Factors that may be considered in evaluating the success of programs funded under this section include the following:

“(A) Discipline issues.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) Student academic achievement.

“(C) Participation in extracurricular activities.

“(D) Parental and community involvement.

“(E) Faculty and administration involvement.

“(F) Student and staff morale.

“(G) Overall improvements in school climate for all students, including students with disabilities (including those with mental or physical disabilities).

“(i) PERMISSIVE MATCH.—

“(1) IN GENERAL.—The Secretary may require eligible entities to match funds awarded under this section with non-Federal funds, except that the amount of the match may not exceed the amount of the grant award.

“(2) SLIDING SCALE.—The amount of a match under paragraph (1) shall be established based on a sliding scale that takes into account—

“(A) the poverty of the population to be targeted by the eligible entity; and

“(B) the ability of the eligible entity to obtain funding for the match.

“(3) IN-KIND CONTRIBUTIONS.—The Secretary shall permit eligible entities to match funds in whole or in part with in-kind contributions.

“(4) CONSIDERATION.—Notwithstanding this subsection, the Secretary in making awards under this section shall not consider the ability of an eligible entity to match funds.

“Subpart 4—Smaller Learning Communities

“SEC. 5441. SMALLER LEARNING COMMUNITIES.

20 USC 7249.

“(a) GRANT AUTHORITY.—The Secretary is authorized to award grants to local educational agencies to enable the agencies to create a smaller learning community or communities.

“(b) APPLICATION.—Each local educational agency desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. The application shall include descriptions of the following:

“(1) Strategies and methods the local educational agency will use to create the smaller learning community or communities.

“(2) Curriculum and instructional practices, including any particular themes or emphases, to be used in the smaller learning environment.

“(3) The extent of involvement of teachers and other school personnel in investigating, designing, implementing, and sustaining the smaller learning community or communities.

“(4) The process to be used for involving students, parents, and other stakeholders in the development and implementation of the smaller learning community or communities.

“(5) Any cooperation or collaboration among community agencies, organizations, businesses, and others to develop or implement a plan to create the smaller learning community or communities.

“(6) The training and professional development activities that will be offered to teachers and others involved in the activities assisted under this subpart.

“(7) The objectives of the activities assisted under this subpart, including a description of how such activities will better enable all students to reach challenging State academic content standards and State student academic achievement standards.

“(8) The methods by which the local educational agency will assess progress in meeting the objectives described in paragraph (7).

PUBLIC LAW 107-110—JAN. 8, 2002

“(9) If the smaller learning community or communities exist as a school-within-a-school, the relationship, including governance and administration, of the smaller learning community to the remainder of the school.

“(10) The administrative and managerial relationship between the local educational agency and the smaller learning community or communities, including how such agency will demonstrate a commitment to the continuity of the smaller learning community or communities (including the continuity of student and teacher assignment to a particular learning community).

“(11) How the local educational agency will coordinate or use funds provided under this subpart with other funds provided under this Act or other Federal laws.

“(12) The grade levels or ages of students who will participate in the smaller learning community or communities.

“(13) The method of placing students in the smaller learning community or communities, such that students are not placed according to ability or any other measure, but are placed at random or by their own choice, and not pursuant to testing or other judgments.

“(c) AUTHORIZED ACTIVITIES.—Funds under this section may be used for one or more of the following:

“(1) To study—

“(A) the feasibility of creating the smaller learning community or communities; and

“(B) effective and innovative organizational and instructional strategies that will be used in the smaller learning community or communities.

“(2) To research, develop, and implement—

“(A) strategies for creating the smaller learning community or communities; and

“(B) strategies for effective and innovative changes in curriculum and instruction, geared to challenging State academic content standards and State student academic achievement standards.

“(3) To provide professional development for school staff in innovative teaching methods that—

“(A) challenge and engage students; and

“(B) will be used in the smaller learning community or communities.

“(4) To develop and implement strategies to include parents, business representatives, local institutions of higher education, community-based organizations, and other community members in the smaller learning communities as facilitators of activities that enable teachers to participate in professional development activities and provide links between students and their community.

“Subpart 5—Reading Is Fundamental— Inexpensive Book Distribution Program

20 USC 7251.

“SEC. 5451. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

“(a) PURPOSE.—The purpose of this subpart is to establish and implement a model partnership between a governmental entity and a private entity, to help prepare young children for reading and to motivate older children to read, through the distribution of inexpensive books. Local reading motivation programs assisted under this section shall use such assistance to provide books, training for volunteers, motivational activities, and other essential literacy resources and shall assign the highest priority to serving the youngest and neediest children in the United States.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) AUTHORIZATION.—The Secretary is authorized to enter into a contract with Reading Is Fundamental (RIF) (hereafter in this section referred to as the ‘contractor’) to support and promote programs, which include the distribution of inexpensive books to young and school-age children, that motivate children to read. Contracts.

“(c) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (b) shall contain each of the following:

“(1) A provision that the contractor will enter into subcontracts with local private nonprofit groups or organizations, or with public agencies, under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books, by gift (to the extent feasible) or by loan, to children from birth through secondary school age, including children in family literacy programs.

“(2) A provision that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs.

“(3) A provision that, in selecting subcontractors for initial funding, the contractor will give priority to programs that will serve a substantial number or percentage of children with special needs, such as the following:

“(A) Low-income children, particularly in high-poverty areas.

“(B) Children at risk of school failure.

“(C) Children with disabilities.

“(D) Foster children.

“(E) Homeless children.

“(F) Migrant children.

children without access to libraries.

“(H) Institutionalized or incarcerated children.

“(I) Children whose parents are institutionalized or incarcerated.

“(4) A provision that the contractor will provide such training and technical assistance to subcontractors as may be necessary to carry out the purpose of this subpart.

“(5) A provision that the contractor will annually report to the Secretary the number, and a description, of programs funded under paragraph (3).

“(6) Such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

“(d) RESTRICTION ON PAYMENTS.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contract under this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

“(e) SPECIAL RULES FOR CERTAIN SUBCONTRACTORS.—

“(1) FUNDS FROM OTHER FEDERAL SOURCES.—Subcontractors operating programs under this section in low-income communities with a substantial number or percentage of children with special needs, as described in subsection (c)(3), may use funds from other Federal sources to pay the non-Federal share of the cost of the program, if those funds do not comprise more than 50 percent of the non-Federal share of the funds used for the cost of acquiring and distributing books.

“(2) WAIVER AUTHORITY.—Notwithstanding subsection (c), the contractor may waive, in whole or in part, the requirement in subsection (c)(1) for a subcontractor, if the subcontractor demonstrates that it would otherwise not be able to participate in the program, and enters into an agreement with the contrac-

PUBLIC LAW 107-110—JAN. 8, 2002

tor with respect to the amount of the non-Federal share to which the waiver will apply. In a case in which such a waiver is granted, the requirement in subsection (c)(2) shall not apply.

“(f) MULTI-YEAR CONTRACTS.—The contractor may enter into a multi-year subcontract under this section, if—

“(1) the contractor believes that such subcontract will provide the subcontractor with additional leverage in seeking local commitments; and

“(2) the subcontract does not undermine the finances of the national program.

“(g) FEDERAL SHARE DEFINED.—In this section, the term ‘Federal share’ means, with respect to the cost to a subcontractor of purchasing books to be paid for under this section, 75 percent of such costs to the subcontractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the subcontractor.

“Subpart 6—Gifted and Talented Students

Jacob K. Javits
Gifted and
Talented
Students
Education Act of
2001.
20 USC 7253.
20 USC 7253a.

“SEC. 5461. SHORT TITLE.

“This subpart may be cited as the ‘Jacob K. Javits Gifted and Talented Students Education Act of 2001’.

“SEC. 5462. PURPOSE.

“The purpose of this subpart is to initiate a coordinated program of scientifically based research, demonstration projects, innovative strategies, and similar activities designed to build and enhance the ability of elementary schools and secondary schools nationwide to meet the special educational needs of gifted and talented students.

20 USC 7253b.

“SEC. 5463. RULE OF CONSTRUCTION.

Nothing in this subpart shall be construed to prohibit a recipient of funds under this subpart from serving gifted and talented students simultaneously with students with similar educational needs, in the same educational settings, where appropriate.

20 USC 7253c.

“SEC. 5464. AUTHORIZED PROGRAMS.

“(a) ESTABLISHMENT OF PROGRAM.—

“(1) IN GENERAL.—The Secretary (after consultation with experts in the field of the education of gifted and talented students) is authorized to make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, other public agencies, and other private agencies and organizations (including Indian tribes and Indian organizations (as such terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) and Native Hawaiian organizations) to assist such agencies, institutions, and organizations in carrying out programs or projects authorized by this subpart that are designed to meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students and in the use, where appropriate, of gifted and talented services, materials, and methods for all students.

“(2) APPLICATION.—Each entity seeking assistance under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall describe how—

“(A) the proposed gifted and talented services, materials, and methods can be adapted, if appropriate, for use by all students; and

“(B) the proposed programs can be evaluated.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) USE OF FUNDS.—Programs and projects assisted under this section may include each of the following:

“(1) Conducting—

“(A) scientifically based research on methods and techniques for identifying and teaching gifted and talented students and for using gifted and talented programs and methods to serve all students; and

“(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purpose of this subpart.

“(2) Carrying out professional development (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students.

“(3) Establishing and operating model projects and exemplary programs for serving gifted and talented students, including innovative methods for identifying and educating students who may not be served by traditional gifted and talented programs (such as summer programs, mentoring programs, service learning programs, and cooperative programs involving business, industry, and education).

“(4) Implementing innovative strategies, such as cooperative learning, peer tutoring, and service learning.

“(5) Carrying out programs of technical assistance and information dissemination, including assistance and information with respect to how gifted and talented programs and methods, where appropriate, may be adapted for use by all students.

“(6) Making materials and services available through State regional educational service centers, institutions of higher education, or other entities.

“(7) Providing funds for challenging, high-level course work, disseminated through technologies (including distance learning), for individual students or groups of students in schools and local educational agencies that would not otherwise have the resources to provide such course work.

“(c) SPECIAL RULE.—To the extent that funds appropriated to carry out this subpart for a fiscal year beginning with fiscal year 2002 exceed such funds appropriated for fiscal year 2001, the Secretary shall use such excess funds to award grants, on a competitive basis, to State educational agencies, local educational agencies, or both, to implement activities described in subsection (b).

“(d) CENTER FOR RESEARCH AND DEVELOPMENT.—

“(1) IN GENERAL.—The Secretary (after consultation with experts in the field of the education of gifted and talented students) shall establish a National Research Center for the Education of Gifted and Talented Children and Youth through grants to, or contracts with, one or more institutions of higher education or State educational agencies, or a combination or consortium of such institutions and agencies and other public or private agencies and organizations, for the purpose of carrying out activities described in subsection (b).

“(2) DIRECTOR.—The National Center shall be headed by a Director. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with institutions of higher education, State educational agencies, local educational agencies, or other public or private agencies and organizations.

“(3) FUNDING.—The Secretary may use not more than 30 percent of the funds made available under this subpart for fiscal year 2001 to carry out this subsection.

“(e) COORDINATION.—Scientifically based research activities supported under this subpart—

“(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such

PUBLIC LAW 107-110—JAN. 8, 2002

activities are coordinated with and enhance the research and development activities supported by such Office; and

“(2) may include collaborative scientifically based research activities which are jointly funded and carried out with such Office.

20 USC 7253d.

“SEC. 5465. PROGRAM PRIORITIES.

“(a) GENERAL PRIORITY.—In carrying out this subpart, the Secretary shall give highest priority to programs and projects designed to develop new information that—

“(1) improves the capability of schools to plan, conduct, and improve programs to identify and serve gifted and talented students; and

“(2) assists schools in the identification of, and provision of services to, gifted and talented students (including economically disadvantaged individuals, individuals with limited English proficiency, and individuals with disabilities) who may not be identified and served through traditional assessment methods.

“(b) SERVICE PRIORITY.—The Secretary shall ensure that not less than 50 percent of the applications approved under section 5464(a)(2) in a fiscal year address the priority described in subsection (a)(2).

20 USC 7253e.

“SEC. 5466. GENERAL PROVISIONS.

“(a) PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.—In making grants and entering into contracts under this subpart, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of students and teachers in private nonprofit elementary schools and secondary schools, including the participation of teachers and other personnel in professional development programs serving such students.

“(b) REVIEW, DISSEMINATION, AND EVALUATION.—The Secretary shall—

“(1) use a peer review process in reviewing applications under this subpart;

“(2) ensure that information on the activities and results of programs and projects funded under this subpart is disseminated to appropriate State educational agencies, local educational agencies, and other appropriate organizations, including nonprofit private organizations; and

Deadline.

“(3) evaluate the effectiveness of programs under this subpart in accordance with section 9601, in terms of the impact on students traditionally served in separate gifted and talented programs and on other students, and submit the results of such evaluation to Congress not later than 2 years after the date of enactment of the No Child Left Behind Act of 2001.

“(c) PROGRAM OPERATIONS.—The Secretary shall ensure that the programs under this subpart are administered within the Department by a person who has recognized professional qualifications and experience in the field of the education of gifted and talented students and who shall—

“(1) administer and coordinate the programs authorized under this subpart;

“(2) serve as a focal point of national leadership and information on the educational needs of gifted and talented students and the availability of educational services and programs designed to meet such needs;

“(3) assist the Assistant Secretary for Educational Research and Improvement in identifying research priorities that reflect the needs of gifted and talented students; and

“(4) shall disseminate, and consult on, the information developed under this subpart with other offices within the Department.

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 7—Star Schools Program

Star Schools Act.

“SEC. 5471. SHORT TITLE.

20 USC 7255.

“This subpart may be cited as the ‘Star Schools Act’.

“SEC. 5472. PURPOSES.

20 USC 7255a.

“The purposes of this subpart are the following:

“(1) To encourage improved instruction in mathematics, science, and foreign languages as well as other subjects (such as literacy skills and vocational education).

“(2) To serve underserved populations, including disadvantaged, illiterate, limited English proficient populations, and individuals with disabilities through a Star Schools program under which grants are made to eligible telecommunication partnerships to enable such partnerships—

“(A) to develop, construct, acquire, maintain, and operate telecommunications audio and visual facilities and equipment;

“(B) to develop and acquire educational and instructional programming; and

“(C) to obtain technical assistance for the use of such facilities and instructional programming.

“SEC. 5473. GRANT PROGRAM AUTHORIZED.

20 USC 7255b.

“(a) AUTHORIZATION.—The Secretary, in conjunction with the Office of Educational Technology, is authorized to make grants, in accordance with the provisions of this subpart, to eligible entities to pay the Federal share of the cost of the following:

“(1) Development, construction, acquisition, maintenance, and operation of telecommunications facilities and equipment.

“(2) Development and acquisition of live, interactive instructional programming.

“(3) Development and acquisition of preservice and inservice teacher training programs based on established research regarding teacher-to-teacher mentoring, and ongoing, in-class instruction.

“(4) Establishment of teleconferencing facilities and resources for making interactive training available to teachers.

“(5) Obtaining technical assistance.

“(6) Coordination of the design and connectivity of telecommunications networks to reach the greatest number of schools.

“(b) DURATION AND AMOUNT.—

“(1) IN GENERAL.—A grant under this section may not exceed—

“(A) 5 years in duration (subject to subsection (c));

and

“(B) \$10,000,000 in any single fiscal year.

“(c) RENEWAL.—

“(1) IN GENERAL.—Grants awarded under subsection (a) may be renewed for a single additional period of 3 years.

“(2) CONTINUING ELIGIBILITY.—In order to be eligible to receive a grant renewal under this subsection, a grant recipient shall demonstrate, to the satisfaction of the Secretary, in an addendum to its application submitted under section 5474, that the grant recipient will—

“(A) continue to provide services in the subject areas and geographic areas assisted with funds received under this subpart for the previous grant period; and

“(B) use all grant funds received under this subpart for the 3 year renewal period to provide expanded services by—

“(i) increasing the number of students, schools, or school districts served by the courses of instruction assisted under this part in the previous fiscal year;

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) providing new courses of instruction; and

“(iii) serving new populations of underserved individuals, such as children or adults who are disadvantaged, have limited English proficiency, are individuals with disabilities, are illiterate, or lack secondary school diplomas or their recognized equivalent.

“(3) SUPPLEMENT, NOT SUPPLANT.—Grant funds received under this subsection shall be used to supplement, and not supplant, services provided by the grant recipient under this subpart in the previous fiscal year.

“(d) RESERVATIONS.—

“(1) INSTRUCTIONAL PROGRAMMING.—At least 25 percent of the funds made available to the Secretary for any fiscal year under this subpart shall be used for the cost of instructional programming.

“(2) LOCAL EDUCATIONAL AGENCY ASSISTANCE.—At least 50 percent of the funds available in any fiscal year under this subpart shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programming, for local educational agencies that are eligible to receive assistance under part A of title I.

“(e) FEDERAL SHARE.—

“(1) AMOUNT.—The Federal share of the cost of projects funded under this section shall not exceed the following amounts:

“(A) 75 percent for the first and second years for which an eligible telecommunications partnership receives a grant under this subpart.

“(B) 60 percent for the third and fourth such years.

“(C) 50 percent for the fifth such year.

“(2) REDUCTION OR WAIVER.—The Secretary may reduce or waive the corresponding non-Federal share under paragraph (1) upon a showing of financial hardship.

“(f) REQUIRED LOCAL EDUCATIONAL AGENCY PARTICIPATION.—The Secretary is authorized to make a grant under this section to any eligible entity, if at least one local educational agency is participating in the proposed program.

“(g) ASSISTANCE OBTAINING SATELLITE TIME.—The Secretary may assist recipients of grants made under this section in acquiring satellite time, where appropriate, as economically as possible.

20 USC 7255c.

“SEC. 5474. APPLICATIONS.

“(a) SUBMISSION.—Each eligible entity that desires to receive a grant under section 5473 shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

“(b) CONTENTS.—An application submitted under subsection (a) shall include each of the following:

“(1) A description of how the proposed program will assist all students to have an opportunity to meet challenging State academic achievement standards, how such program will assist State and local educational reform efforts, and how such program will contribute to creating a high-quality system of educational development.

“(2) A description of the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

“(A) the design, development, construction, acquisition, maintenance, and operation of State or multistate educational telecommunications networks and technology resource centers;

“(B) microwave, fiber optics, cable, and satellite transmission equipment or any combination thereof;

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) reception facilities;

“(D) satellite time;

“(E) production facilities;

“(F) other telecommunications equipment capable of serving a wide geographic area;

“(G) the provision of training services to instructors who will be using the facilities and equipment for which assistance is sought, including training in using such facilities and equipment and training in integrating programs into the classroom curriculum; and

“(H) the development of educational and related programming for use on a telecommunications network.

“(3) In the case of an application for assistance for instructional programming, a description of the types of programming that will be developed to enhance instruction and training and provide an assurance that such programming will be designed in consultation with professionals (including classroom teachers) who are experts in the applicable subject matter and grade level.

“(4) A description of how the eligible entity has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible entity will increase the availability of courses of instruction in English, mathematics, science, foreign languages, arts, history, geography, or other disciplines.

“(5) A description of the professional development policies for teachers and other school personnel to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought.

“(6) A description of the manner in which historically underserved students (such as students from low-income families, limited English proficient students, students with disabilities, or students who have low literacy skills) and their families, will participate in the benefits of the telecommunications facilities, equipment, technical assistance, and programming assisted under this subpart.

“(7) A description of how existing telecommunications equipment, facilities, and services, where available, will be used.

“(8) An assurance that the financial interest of the United States in the telecommunications facilities and equipment will be protected for the useful life of such facilities and equipment.

“(9) An assurance that a significant portion of any facilities and equipment, technical assistance, and programming for which assistance is sought for elementary schools and secondary schools will be made available to schools or local educational agencies that have a high number or percentage of children eligible to be counted under part A of title I.

“(10) An assurance that the applicant will use the funds provided under this subpart to supplement, and not supplant, funds available for the purposes of this subpart.

“(11) A description of how funds received under this subpart will be coordinated with funds received for educational technology in the classroom.

“(12) A description of the activities or services for which assistance is sought, such as—

“(A) providing facilities, equipment, training services, and technical assistance;

“(B) making programs accessible to students with disabilities through mechanisms such as closed captioning and descriptive video services;

“(C) linking networks around issues of national importance (such as elections) or to provide information about employment opportunities, job training, or student and other social service programs;

PUBLIC LAW 107-110—JAN. 8, 2002

“(D) sharing curriculum resources between networks and development of program guides which demonstrate cooperative, cross-network listing of programs for specific curriculum areas;

“(E) providing teacher and student support services, including classroom and training support materials which permit student and teacher involvement in the live interactive distance learning telecasts;

“(F) incorporating community resources, such as libraries and museums, into instructional programs;

“(G) providing professional development for teachers, including, as appropriate, training to early childhood development and Head Start teachers and staff and vocational education teachers and staff, and adult and family educators;

“(H) providing programs for adults to maximize the use of telecommunications facilities and equipment;

“(I) providing teacher training on proposed or established models of exemplary academic content standards in mathematics and science and other disciplines as such standards are developed; and

“(J) providing parent education programs during and after the regular school day which reinforce a student’s course of study and actively involve parents in the learning process.

“(13) A description of how the proposed program as a whole will be financed and how arrangements for future financing will be developed before the program expires.

“(14) An assurance that a significant portion of any facilities, equipment, technical assistance, and programming for which assistance is sought for elementary schools and secondary schools will be made available to schools in local educational agencies that have a high percentage of children counted for the purpose of part A of title I.

“(15) An assurance that the applicant will provide such information and cooperate in any evaluation that the Secretary may conduct under this subpart.

“(16) Such additional assurances as the Secretary may reasonably require.

“(c) APPROVAL.—In approving applications submitted under subsection (a) for grants under section 5473, the Secretary shall—

“(1) to the extent feasible, ensure an equitable geographic distribution of services provided under this subpart.

“(2) give priority to applications describing programs that—

“(A) propose high-quality plans, will provide instruction consistent with State academic content standards, or will otherwise provide significant and specific assistance to States and local educational agencies undertaking systemic education reform;

“(B) will provide services to programs serving adults, especially parents, with low levels of literacy;

“(C) will serve schools with significant numbers of children counted for the purposes of part A of title I;

“(D) ensure that the eligible entity will—

“(i) serve the broadest range of institutions, programs providing instruction outside of the school setting, programs serving adults, especially parents, with low levels of literacy, institutions of higher education, teacher training centers, research institutes, and private industry;

“(ii) have substantial academic and teaching capabilities, including the capability of training, retraining, and inservice upgrading of teaching skills and the capability to provide professional development;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) provide a comprehensive range of courses for educators to teach instructional strategies for students with different skill levels;

“(iv) provide training to participating educators in ways to integrate telecommunications courses into existing school curriculum;

“(v) provide instruction for students, teachers, and parents;

“(vi) serve a multistate area; and

“(vii) give priority to the provision of equipment and linkages to isolated areas; and

“(E) involve a telecommunications entity (such as a satellite, cable, telephone, computer, or public or private television stations) participating in the eligible entity and donating equipment or in-kind services for telecommunications linkages.

“SEC. 5475. OTHER GRANT ASSISTANCE.

20 USC 7255d.

“(a) SPECIAL STATEWIDE NETWORK.—

“(1) IN GENERAL.—The Secretary, in conjunction with the Office of Educational Technology, may provide assistance to a statewide telecommunications network if such network—

“(A) provides 2-way full-motion interactive video and audio communications;

“(B) links together public colleges and universities and secondary schools throughout the State; and

“(C) meets any other requirements determined appropriate by the Secretary.

“(2) MATCHING CONTRIBUTION.—A statewide telecommunications network assisted under paragraph (1) shall contribute, either directly or through private contributions, non-Federal funds equal to not less than 50 percent of the cost of such network.

“(b) SPECIAL LOCAL NETWORK.—

“(1) IN GENERAL.—The Secretary is authorized to provide assistance, on a competitive basis, to a local educational agency, or a consortium of such agencies, to enable such agency or consortium to establish a high-technology demonstration program.

“(2) PROGRAM REQUIREMENTS.—A high-technology demonstration program assisted under paragraph (1) shall—

“(A) include 2-way full-motion interactive video, audio, and text communications;

“(B) link together elementary schools and secondary schools, colleges, and universities;

“(C) provide parent participation and family programs;

“(D) include a staff development program; and

“(E) have a significant contribution and participation from business and industry.

“(3) MATCHING REQUIREMENT.—A local educational agency or consortium receiving a grant under paragraph (1) shall provide, either directly or through private contributions, non-Federal matching funds equal to not less than 50 percent of the amount of the grant.

“(c) TELECOMMUNICATIONS PROGRAMS FOR CONTINUING EDUCATION.—

“(1) AUTHORITY.—The Secretary is authorized to award grants, on a competitive basis, to eligible entities to develop and operate one or more programs that provide online access to educational resources in support of continuing education and curriculum requirements relevant to achieving a secondary school diploma or its recognized equivalent. The program authorized by this subsection shall be designed to advance adult literacy, secondary school completion, and the acquisition of specified competency by the end of the 12th grade.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) APPLICATIONS.—Each eligible entity desiring a grant under this subsection shall submit an application to the Secretary. The application shall include each of the following:

“(A) A demonstration that the applicant will use publicly funded or free public telecommunications infrastructure to deliver video, voice, and data in an integrated service to support and assist in the acquisition of a secondary school diploma or its recognized equivalent.

“(B) An assurance that the content of the materials to be delivered is consistent with the accreditation requirements of the State for which such materials are used.

“(C) To the extent feasible, materials developed in the Federal departments and agencies and under appropriate federally funded programs.

“(D) An assurance that the applicant has the technological and substantive experience to carry out the program.

“(E) Such additional assurances as the Secretary may reasonably require.

20 USC 7255e.

“SEC. 5476. ADMINISTRATIVE PROVISIONS.

“(a) LEADERSHIP, EVALUATION, AND PEER REVIEW.—

“(1) RESERVATION OF FUNDS.—The Secretary may reserve not more than 5 percent of the amount made available to carry out this subpart for a fiscal year for national leadership, evaluation, and peer review activities, which the Secretary may carry out directly or through grants, contracts, and cooperative agreements.

“(2) LEADERSHIP.—Funds reserved for leadership activities under paragraph (1) may be used for—

“(A) disseminating information, including lists and descriptions of services available from grant recipients under this subpart; and

“(B) other activities designed to enhance the quality of distance learning activities nationwide.

“(3) EVALUATION.—Funds reserved for evaluation activities under paragraph (1) may be used to conduct independent evaluations of the activities assisted under this subpart and of distance learning in general, including—

“(A) analyses of distance learning efforts (including such efforts that are, or are not, assisted under this subpart); and

“(B) comparisons of the effects (including student outcomes) of different technologies in distance learning efforts.

“(4) PEER REVIEW.—Funds reserved for peer review activities under paragraph (1) may be used for peer review of—

“(A) applications for grants under this subpart; and

“(B) activities assisted under this subpart.

“(b) COORDINATION.—The Department, the National Science Foundation, the Department of Agriculture, the Department of Commerce, and any other Federal department or agency operating a telecommunications network for educational purposes, shall coordinate the activities assisted under this subpart with the activities of such department or agency relating to a telecommunications network for educational purposes.

“(c) FUNDS FROM OTHER AGENCIES.—The Secretary may accept funds from other Federal departments or agencies to carry out the purposes of this subpart, including funds for the purchase of equipment.

“(d) AVAILABILITY OF FUNDS.—Funds made available to carry out this subpart shall remain available until expended.

“(e) CLOSED CAPTIONING AND DESCRIPTIVE VIDEO.—The Secretary shall encourage each entity receiving funds under this subpart to provide—

“(1) closed captioning of the verbal content of the entity’s programming, as appropriate; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) descriptive video of the visual content of the entity’s programming, as appropriate.

“SEC. 5477. DEFINITIONS.

20 USC 7255f.

“In this subpart:

“(1) EDUCATIONAL INSTITUTION.—The term ‘educational institution’ means an institution of higher education, a local educational agency, or a State educational agency.

“(2) ELIGIBLE ENTITY.—The term ‘eligible entity’ includes any of the following that is organized on a Statewide or multistate basis:

“(A) A public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interests of elementary schools and secondary schools that are eligible to participate in the program under part A of title I.

“(B) A partnership that will provide telecommunications services and that includes three or more of the following entities, at least one of which shall be an agency described in clause (i) or (ii):

“(i) A local educational agency that serves a significant number of elementary schools and secondary schools that are eligible for assistance under part A of title I, or elementary schools and secondary schools operated or funded for Indian children by the Department of the Interior eligible under section 1121(d)(1)(A).

“(ii) A State educational agency.

“(iii) An adult and family education program.

“(iv) An institution of higher education or a State higher education agency (as that term is defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003)).

“(v) A teacher training center or academy that—

“(I) provides teacher preservice and inservice training; and

“(II) receives Federal financial assistance or has been approved by a State agency;

“(vi)(I) A public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through satellite, cable, telephone, or computer; or

“(II) a public broadcasting entity with such experience.

“(vii) A public or private elementary school or secondary school.

“(3) INSTRUCTIONAL PROGRAMMING.—The term ‘instructional programming’ means courses of instruction and training courses for elementary and secondary students, teachers, and others, and materials for use in such instruction and training that have been prepared in audio and visual form on tape, disc, film, or live, and presented by means of telecommunications devices.

“(4) PUBLIC BROADCASTING ENTITY.—The term ‘public broadcasting entity’ has the same meaning given such term in section 397 of the Communications Act of 1934 (47 U.S.C. 397).

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 8—Ready to Teach

20 USC 7257.

“SEC. 5481. GRANTS.

“(a) IN GENERAL.—The Secretary is authorized to award grants to a nonprofit telecommunications entity, or partnership of such entities, for the purpose of carrying out a national telecommunications-based program to improve teaching in core curriculum areas. The program shall be designed to assist elementary school and secondary school teachers in preparing all students to achieve challenging State academic content and student academic achievement standards in core curriculum areas.

“(b) DIGITAL EDUCATIONAL PROGRAMMING.—The Secretary is authorized to award grants, as provided for in section 5484, to eligible entities described in subsection (b) of such section, to enable such entities to develop, produce, and distribute innovative educational and instructional video programming that is designed for use by elementary schools and secondary schools and based on challenging State academic content and student academic achievement standards. In awarding such grants, the Secretary shall ensure that eligible entities enter into multiyear content development collaborative arrangements with State educational agencies, local educational agencies, institutions of higher education, businesses, or other agencies or organizations.

20 USC 7257a.

“SEC. 5482. APPLICATION REQUIRED.

“(a) GENERAL APPLICATION.—

“(1) IN GENERAL.—To be eligible to receive a grant under section 5481(a), a nonprofit telecommunications entity, or partnership of such entities shall submit an application to the Secretary. Each such application shall—

“(A) demonstrate that the applicant will use the public broadcasting infrastructure, the Internet, and school digital networks, where available, to deliver video and data in an integrated service to train teachers in the use of materials and learning technologies for achieving challenging State academic content and student academic achievement standards;

“(B) ensure that the project for which assistance is sought will be conducted in cooperation with appropriate State educational agencies, local educational agencies, and State or local nonprofit public telecommunications entities;

“(C) ensure that a significant portion of the benefits available for elementary schools and secondary schools from the project for which assistance is sought will be available to schools of local educational agencies that have a high percentage of children counted for the purpose of part A of title I; and

“(D) contain such additional assurances as the Secretary may reasonably require.

“(2) SITES.—In approving applications under paragraph (1), the Secretary shall ensure that the program authorized by section 5481(a) is conducted at elementary school and secondary school sites throughout the United States.

“(b) PROGRAMMING APPLICATION.—To be eligible to receive a grant under section 5481(b), an entity shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

20 USC 7257b.

“SEC. 5483. REPORTS AND EVALUATION.

“An entity receiving a grant under section 5481(a) shall prepare and submit to the Secretary an annual report that contains such information as the Secretary may require. At a minimum, such report shall describe the program activities undertaken with funds received under the grant, including—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) the core curriculum areas for which program activities have been undertaken and the number of teachers using the program in each core curriculum area; and

“(2) the States in which teachers using the program are located.

“SEC. 5484. DIGITAL EDUCATIONAL PROGRAMMING GRANTS.

20 USC 7257c.

“(a) GRANTS.—The Secretary is authorized to award grants under section 5481(b) to eligible entities to facilitate the development of educational programming that shall—

“(1) include student assessment tools to provide feedback on student academic achievement;

“(2) include built-in teacher utilization and support components to ensure that teachers understand and can easily use the content of the programming with group instruction or for individual student use;

“(3) be created for, or adaptable to, challenging State academic content standards and student academic achievement standards; and

“(4) be capable of distribution through digital broadcasting and school digital networks.

“(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under section 5481(b), an entity shall be a local public telecommunications entity, as defined in section 397(12) of the Communications Act of 1934, that is able to demonstrate a capacity for the development and distribution of educational and instructional television programming of high quality.

“(c) COMPETITIVE BASIS.—Grants under section 5481(b) shall be awarded on a competitive basis as determined by the Secretary.

“(d) MATCHING REQUIREMENT.—To be eligible to receive a grant under section 5481(b), an entity shall contribute to the activities assisted under such grant non-Federal matching funds in an amount equal to not less than 100 percent of the amount of the grant. Such matching funds may include funds provided for the transition to digital broadcasting, as well as in-kind contributions.

“(e) DURATION.—A grant under section 5481(b) shall be awarded for a period of 3 years in order to provide a sufficient period of time for the creation of a substantial body of significant content.

“SEC. 5485. ADMINISTRATIVE COSTS.

20 USC 7257d.

“An entity that receives a grant under this subpart may not use more than 5 percent of the amount received under the grant for administrative costs.

“Subpart 9—Foreign Language Assistance Program

Foreign
Language
Assistance Act of
2001.
20 USC 7259.

“SEC. 5491. SHORT TITLE.

“This subpart may be cited as the ‘Foreign Language Assistance Act of 2001’.

“SEC. 5492. PROGRAM AUTHORIZED.

20 USC 7259a.

“(a) PROGRAM AUTHORITY.—

“(1) IN GENERAL.—The Secretary is authorized to make grants, on a competitive basis, to State educational agencies or local educational agencies to pay the Federal share of the cost of innovative model programs providing for the establishment, improvement, or expansion of foreign language study for elementary school and secondary school students.

“(2) DURATION.—Each grant under paragraph (1) shall be awarded for a period of 3 years.

“(b) REQUIREMENTS.—

“(1) GRANTS TO STATE EDUCATIONAL AGENCIES.—In awarding a grant under subsection (a) to a State educational agency,

PUBLIC LAW 107-110—JAN. 8, 2002

the Secretary shall support programs that promote systemic approaches to improving foreign language learning in the State.

“(2) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—In awarding a grant under subsection (a) to a local educational agency, the Secretary shall support programs that—

“(A) show the promise of being continued beyond the grant period;

“(B) demonstrate approaches that can be disseminated and duplicated in other local educational agencies; and

“(C) may include a professional development component.

“(c) FEDERAL SHARE.—

“(1) IN GENERAL.—The Federal share for each fiscal year shall be 50 percent.

“(2) WAIVER.—Notwithstanding paragraph (1), the Secretary may determine the Federal share for any local educational agency which the Secretary determines does not have adequate resources to pay the non-Federal share of the cost of the activities assisted under this subpart.

“(d) SPECIAL RULE.—Not less than $\frac{3}{4}$ of the funds made available under section 5401 to carry out this subpart shall be used for the expansion of foreign language learning in the elementary grades.

“(e) RESERVATION.—The Secretary may reserve not more than 5 percent of funds made available under section 5401 to carry out this subpart for a fiscal year to evaluate the efficacy of programs assisted under this subpart.

20 USC 7259b.

“SEC. 5493. APPLICATIONS.

“(a) IN GENERAL.—Any State educational agency or local educational agency desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require.

“(b) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications describing programs that—

“(1) include intensive summer foreign language programs for professional development;

“(2) link nonnative English speakers in the community with the schools in order to promote two-way language learning;

“(3) promote the sequential study of a foreign language for students, beginning in elementary schools;

“(4) make effective use of technology, such as computer-assisted instruction, language laboratories, or distance learning, to promote foreign language study;

“(5) promote innovative activities, such as foreign language immersion, partial foreign language immersion, or content-based instruction; and

“(6) are carried out through a consortium comprised of the agency receiving the grant and an elementary school or secondary school.

20 USC 7259c.

“SEC. 5494. ELEMENTARY SCHOOL FOREIGN LANGUAGE INCENTIVE PROGRAM.

“(a) INCENTIVE PAYMENTS.—From amounts made available under section 5401 to carry out this subpart, the Secretary shall make an incentive payment for each fiscal year to each public elementary school that provides to students attending such school a program designed to lead to communicative competency in a foreign language.

“(b) AMOUNT.—The Secretary shall determine the amount of the incentive payment under subsection (a) for each public elementary school for each fiscal year on the basis of the number of students participating in a program described in such subsection at such school for such year compared to the total number of

PUBLIC LAW 107-110—JAN. 8, 2002

such students at all such schools in the United States for such year.

“(c) REQUIREMENT.—The Secretary shall consider a program to be designed to lead to communicative competency in a foreign language if such program is comparable to a program that provides not less than 45 minutes of instruction in a foreign language for not fewer than 4 days per week throughout an academic year.

“Subpart 10—Physical Education

“SEC. 5501. SHORT TITLE.

“This subpart may be cited as the ‘Carol M. White Physical Education Program’.

Carol M. White
Physical
Education
Program.
20 USC 7261.

“SEC. 5502. PURPOSE.

“The purpose of this subpart is to award grants and contracts to initiate, expand, and improve physical education programs for all kindergarten through 12th-grade students.

20 USC 7261a.

“SEC. 5503. PROGRAM AUTHORIZED.

“(a) AUTHORIZATION.—The Secretary is authorized to award grants to local educational agencies and community-based organizations (such as Boys and Girls Clubs, Boy Scouts and Girl Scouts, and the Young Men’s Christian Organization (YMCA) and Young Women’s Christian Organization (YWCA)) to pay the Federal share of the costs of initiating, expanding, and improving physical education programs (including after-school programs) for kindergarten through 12th-grade students by—

20 USC 7261b.

“(1) providing equipment and support to enable students to participate actively in physical education activities; and

“(2) providing funds for staff and teacher training and education.

“(b) PROGRAM ELEMENTS.—A physical education program funded under this subpart may provide for one or more of the following:

“(1) Fitness education and assessment to help students understand, improve, or maintain their physical well-being.

“(2) Instruction in a variety of motor skills and physical activities designed to enhance the physical, mental, and social or emotional development of every student.

“(3) Development of, and instruction in, cognitive concepts about motor skill and physical fitness that support a lifelong healthy lifestyle.

“(4) Opportunities to develop positive social and cooperative skills through physical activity participation.

“(5) Instruction in healthy eating habits and good nutrition.

“(6) Opportunities for professional development for teachers of physical education to stay abreast of the latest research, issues, and trends in the field of physical education.

“(c) SPECIAL RULE.—For the purpose of this subpart, extracurricular activities, such as team sports and Reserve Officers’ Training Corps (ROTC) program activities, shall not be considered as part of the curriculum of a physical education program assisted under this subpart.

“SEC. 5504. APPLICATIONS.

20 USC 7261c.

“(a) SUBMISSION.—Each local educational agency or community-based organization desiring a grant or contract under this subpart shall submit to the Secretary an application that contains a plan to initiate, expand, or improve physical education programs in order to make progress toward meeting State standards for physical education.

“(b) PRIVATE SCHOOL AND HOME-SCHOOLED STUDENTS.—An application for funds under this subpart may provide for the participation, in the activities funded under this subpart, of—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) students enrolled in private nonprofit elementary schools or secondary schools, and their parents and teachers; or

“(2) home-schooled students, and their parents and teachers.

20 USC 7261d. **“SEC. 5505. REQUIREMENTS.**

“(a) ANNUAL REPORT TO THE SECRETARY.—In order to continue receiving funding after the first year of a multiyear grant or contract under this subpart, the administrator of the grant or contract for the local educational agency or community-based organization shall submit to the Secretary an annual report that—

“(1) describes the activities conducted during the preceding year; and

“(2) demonstrates that progress has been made toward meeting State standards for physical education.

“(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the grant funds made available to a local educational agency or community-based organization under this subpart for any fiscal year may be used for administrative expenses.

20 USC 7261e. **“SEC. 5506. ADMINISTRATIVE PROVISIONS.**

“(a) FEDERAL SHARE.—The Federal share under this subpart may not exceed—

“(1) 90 percent of the total cost of a program for the first year for which the program receives assistance under this subpart; and

“(2) 75 percent of such cost for the second and each subsequent such year.

“(b) PROPORTIONALITY.—To the extent practicable, the Secretary shall ensure that grants awarded under this subpart shall be equitably distributed among local educational agencies and community-based organizations serving urban and rural areas.

Deadline. **“(c) REPORT TO CONGRESS.**—Not later than June 1, 2003, the Secretary shall submit a report to Congress that—

“(1) describes the programs assisted under this subpart;

“(2) documents the success of such programs in improving physical fitness; and

“(3) makes such recommendations as the Secretary determines appropriate for the continuation and improvement of the programs assisted under this subpart.

“(d) AVAILABILITY OF FUNDS.—Amounts made available to the Secretary to carry out this subpart shall remain available until expended.

20 USC 7261f. **“SEC. 5507. SUPPLEMENT, NOT SUPPLANT.**

“Funds made available under this subpart shall be used to supplement, and not supplant, any other Federal, State, or local funds available for physical education activities.

“Subpart 11—Community Technology Centers

20 USC 7263. **“SEC. 5511. PURPOSE AND PROGRAM AUTHORIZATION.**

“(a) PURPOSE.—It is the purpose of this subpart to assist eligible applicants—

“(1) to create or expand community technology centers that will provide disadvantaged residents of economically distressed urban and rural communities with access to information technology and related training; and

“(2) to provide technical assistance and support to community technology centers.

“(b) PROGRAM AUTHORIZATION.—The Secretary is authorized, in conjunction with the Office of Educational Technology, to award grants, contracts, or cooperative agreements, on a competitive basis,

PUBLIC LAW 107-110—JAN. 8, 2002

for a period of not more than 3 years, to eligible applicants in order to assist such applicants in—

“(1) creating or expanding community technology centers; or

“(2) providing technical assistance and support to community technology centers.

“(3) SERVICE OF AMERICORPS PARTICIPANTS.—The Secretary may collaborate with the Chief Executive Officer of the Corporation for National and Community Service on the use in community technology centers of participants in National Service programs carried out under subtitle C of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.).

“SEC. 5512. ELIGIBILITY AND APPLICATION REQUIREMENTS.

20 USC 7263a.

“(a) ELIGIBLE APPLICANTS.—In order to be eligible to receive an award under this subpart, an applicant shall—

“(1) be an entity (such as a foundation, museum, library, for-profit business, public or private nonprofit organization, or community-based organization), an institution of higher education, a State educational agency, a local education agency, or a consortium of such entities, institutions, or agencies; and

“(2) have the capacity to significantly expand access to computers and related services for disadvantaged residents of economically distressed urban and rural communities (who would otherwise be denied such access).

“(b) APPLICATION REQUIREMENTS.—In order to receive an award under this subpart, an eligible applicant shall submit an application to the Secretary at such time, and containing such information, as the Secretary may require. The application shall include each of the following:

“(1) A description of the proposed project, including a description of the magnitude of the need for the services and how the project would expand access to information technology and related services to disadvantaged residents of an economically distressed urban or rural community.

“(2) A demonstration of—

“(A) the commitment, including the financial commitment, of entities (such as institutions, organizations, business and other groups in the community) that will provide support for the creation, expansion, and continuation of the proposed project; and

“(B) the extent to which the proposed project coordinates with other appropriate agencies, efforts, and organizations providing services to disadvantaged residents of an economically distressed urban or rural community.

“(3) A description of how the proposed project would be sustained once the Federal funds awarded under this subpart end.

“(4) A plan for the evaluation of the program, which shall include benchmarks to monitor progress toward specific project objectives.

“(c) MATCHING REQUIREMENTS.—The Federal share of the cost of any project funded under this subpart shall not exceed 50 percent. The non-Federal share of such project may be in cash or in kind, fairly evaluated, including services.

“SEC. 5513. USES OF FUNDS.

20 USC 7263b.

“(a) REQUIRED USES.—A recipient shall use funds under this subpart for—

“(1) creating or expanding community technology centers that expand access to information technology and related training for disadvantaged residents of distressed urban or rural communities; and

“(2) evaluating the effectiveness of the project.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) PERMISSIBLE USES.—A recipient may use funds under this subpart for activities, described in its application, that carry out the purposes of this subpart, such as—

“(1) supporting a center coordinator, and staff, to supervise instruction and build community partnerships;

“(2) acquiring equipment, networking capabilities, and infrastructure to carry out the project; and

“(3) developing and providing services and activities for community residents that provide access to computers, information technology, and the use of such technology in support of preschool preparation, academic achievement, educational development, and workforce development, such as the following:

“(A) After-school activities in which children and youths use software that provides academic enrichment and assistance with homework, develop their technical skills, explore the Internet, and participate in multimedia activities, including web page design and creation.

“(B) Adult education and family literacy activities through technology and the Internet, including—

“(i) General Education Development, Language Instruction Educational Programs, and adult basic education classes or programs;

“(ii) introduction to computers;

“(iii) intergenerational activities; and

“(iv) educational development opportunities.

“(C) Career development and job preparation activities, such as—

“(i) training in basic and advanced computer skills;

“(ii) resume writing workshops; and

“(iii) access to databases of employment opportunities, career information, and other online materials.

“(D) Small business activities, such as—

“(i) computer-based training for basic entrepreneurial skills and electronic commerce; and

“(ii) access to information on business start-up programs that is available online, or from other sources.

“(E) Activities that provide home access to computers and technology, such as assistance and services to promote the acquisition, installation, and use of information technology in the home through low-cost solutions such as networked computers, web-based television devices, and other technology.

Alaska Native
and Native
Hawaiian
Education
Through Cultural
and Historical
Organizations
Act.
20 USC 7265.

“Subpart 12—Educational, Cultural, Apprenticeship, and Exchange Programs for Alaska Natives, Native Hawaiians, and Their Historical Whaling and Trading Partners in Massachusetts

“SEC. 5521. SHORT TITLE.

“This subpart may be cited as the ‘Alaska Native and Native Hawaiian Education Through Cultural and Historical Organizations Act’.

20 USC 7265a.

“SEC. 5522. FINDINGS AND PURPOSES.

“(a) FINDINGS.—Congress finds the following:

“(1) Alaska Natives and Native Hawaiians have been linked for over 200 years to the coastal towns of Salem, Massachusetts, and New Bedford, Massachusetts, through the China trade from Salem and whaling voyages from New Bedford.

“(2) Nineteenth-century trading ships sailed from Salem, Massachusetts, around Cape Horn of South America, and up the Northwest coast of the United States to Alaska, where their crews traded with Alaska Native people for furs, and

PUBLIC LAW 107-110—JAN. 8, 2002

then went on to Hawaii to trade for sandalwood with Native Hawaiians before going on to China.

“(3) During the 19th century, over 2,000 whaling voyages sailed out of New Bedford, Massachusetts to the Arctic region of Alaska, and joined Alaska Natives from Barrow, Alaska and other areas in the Arctic region in subsistence whaling activities.

“(4) Many New Bedford whaling voyages continued on to Hawaii, where they joined Native Hawaiians from the neighboring islands.

“(5) From those commercial and whaling voyages, a rich cultural exchange and strong trading relationships developed among the three peoples involved.

“(6) In the past decades, awareness of the historical trading, cultural, and whaling links has faded among Alaska Natives, Native Hawaiians, and the people of the continental United States.

“(7) In 2000, the Alaska Native Heritage Center in Alaska, the Bishop Museum in Hawaii, and the Peabody-Essex Museum in Massachusetts initiated the New Trade Winds project to use 21st-century technology, including the Internet, to educate students and their parents about historic and contemporary cultural and trading ties that continue to link the diverse cultures of the peoples involved.

“(8) The New Bedford Whaling Museum, in partnership with the New Bedford Whaling National Historical Park, has developed a cultural exchange and educational program with the Inupiat Heritage Center in Barrow, Alaska to bring together the children, parents, and elders from the Arctic region of Alaska with children and families of Massachusetts to learn about their historical ties and about each other’s contemporary cultures.

“(9) Within the fast-growing cultural sector, meaningful educational and career opportunities based on traditional relationships exist for Alaska Natives, Native Hawaiians, and low-income youth in Massachusetts.

“(10) Cultural institutions can provide practical, culturally relevant, education-related internship and apprentice programs, such as the Museum Action Corps at the Peabody-Essex Museum and similar programs at the New Bedford Oceanarium and other institutions, to prepare youths and their families for careers in the cultural sector.

“(11) The resources of the institutions described in paragraphs (7) and (8) provide unique opportunities for illustrating and interpreting the contributions of Alaska Natives, Native Hawaiians, the whaling industry, and the China trade to the economic, social, and environmental history of the United States, for educating students and their parents, and for providing opportunities for internships and apprenticeships leading to careers with cultural institutions.

“(b) PURPOSES.—The purposes of this subpart are the following:

“(1) To authorize and develop innovative culturally-based educational programs and cultural exchanges to assist Alaska Natives, Native Hawaiians, and children and families of Massachusetts linked by history and tradition to Alaska and Hawaii to learn about shared culture and traditions.

“(2) To authorize and develop internship and apprentice programs to assist Alaska Natives, Native Hawaiians, and children and families of Massachusetts linked by history and tradition with Alaska and Hawaii to prepare for careers with cultural institutions.

“(3) To supplement programs and authorities in the area of education to further the objectives of this subpart.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 7265b.

“SEC. 5523. PROGRAM AUTHORIZATION.

“(a) GRANTS AND CONTRACTS.—In order to carry out programs that fulfill the purposes of this subpart, the Secretary is authorized to make grants to, or enter into contracts with, the following:

“(1) The Alaska Native Heritage Center in Anchorage, Alaska.

“(2) The Inupiat Heritage Center in Barrow, Alaska.

“(3) The Bishop Museum in Hawaii.

“(4) The Peabody-Essex Museum in Salem, Massachusetts.

“(5) The New Bedford Whaling Museum and the New Bedford Oceanarium in New Bedford, Massachusetts.

“(6) Other Alaska Native and Native Hawaiian cultural and educational organizations.

“(7) Cultural and educational organizations with experience in developing or operating programs that illustrate and interpret the contributions of Alaska Natives, Native Hawaiians, the whaling industry, and the China trade to the economic, social, and environmental history of the United States.

“(8) Consortia of the organizations and entities described in this subsection.

“(b) USES OF FUNDS.—Activities provided through programs carried out under this subpart may include one or more of the following:

“(1) Development and implementation of educational programs to increase understanding of cultural diversity and multicultural communication among Alaska Natives, Native Hawaiians, and the people of the continental United States, based on historic patterns of trading and commerce.

“(2) Development and implementation of programs using modern technology, including the Internet, to educate students, their parents, and teachers about historic and contemporary cultural and trading ties that continue to link the diverse cultures of Alaska Natives, Native Hawaiians, and the people of Massachusetts.

“(3) Cultural exchanges of elders, students, parents, and teachers among Alaska Natives, Native Hawaiians, and the people of Massachusetts to increase awareness of diverse cultures among each group.

“(4) Sharing of collections among cultural institutions designed to increase awareness of diverse cultures and links among them.

“(5) Development and implementation of internship and apprentice programs in cultural institutions to train Alaska Natives, Native Hawaiians, and low-income students in Massachusetts for careers with cultural institutions.

“(6) Other activities, consistent with the purposes of this subpart, to meet the educational needs of Alaska Natives, Native Hawaiians, and students and their parents in Massachusetts.

20 USC 7265c.

“SEC. 5524. ADMINISTRATIVE PROVISIONS.

“(a) APPLICATION REQUIRED.—No grant may be made under this subpart, and no contract may be entered into under this subpart, unless the entity seeking the grant or contract submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may determine to be necessary to carry out the provisions of this subpart.

“(b) LOCAL EDUCATIONAL AGENCY COORDINATION.—Each applicant for a grant or contract under this subpart shall inform each local educational agency serving students who will participate in the program to be carried out under the grant or contract about the application.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 5525. AVAILABILITY OF FUNDS.

20 USC 7265d.

“If sufficient funds are made available under section 5401 to carry out this subpart for a fiscal year, the Secretary shall make available, to support activities described in section 5523(b), the following amounts:

“(1) Not less than \$2,000,000 each to—

“(A) the New Bedford Whaling Museum, in partnership with the New Bedford Oceanarium, in Massachusetts; and

“(B) the Inupiat Heritage Center in Alaska.

“(2) For the New Trade Winds project, not less than \$1,000,000 each to—

“(A) the Alaska Native Heritage Center in Alaska;

“(B) the Bishop Museum in Hawaii; and

“(C) the Peabody-Essex Museum in Massachusetts.

“(3) For internship and apprenticeship programs (including the Museum Action Corps of the Peabody-Essex Museum), not less than \$1,000,000 each to—

“(A) the Alaska Native Heritage Center in Alaska;

“(B) the Bishop Museum in Hawaii; and

“(C) the Peabody-Essex Museum in Massachusetts.

“SEC. 5526. DEFINITIONS.

20 USC 7265e.

“In this subpart:

“(1) ALASKA NATIVE.—The term ‘Alaska Native’ has the meaning given that term in section 7306.

“(2) NATIVE HAWAIIAN.—The term ‘Native Hawaiian’ has the meaning given that term in section 7207.

“Subpart 13—Excellence in Economic Education

Excellence in Economic Education Act of 2001.

“SEC. 5531. SHORT TITLE.

20 USC 7267.

“This subpart may be cited as the ‘Excellence in Economic Education Act of 2001’.

“SEC. 5532. PURPOSE AND GOALS.

20 USC 7267a.

“(a) PURPOSE.—The purpose of this subpart is to promote economic and financial literacy among all students in kindergarten through grade 12 by awarding a competitive grant to a national nonprofit educational organization that has as its primary purpose the improvement of the quality of student understanding of personal finance and economics.

“(b) OBJECTIVES.—The objectives of this subpart are the following:

“(1) To increase students’ knowledge of, and achievement in, economics to enable the students to become more productive and informed citizens.

“(2) To strengthen teachers’ understanding of, and competency in, economics to enable the teachers to increase student mastery of economic principles and the practical application of those principles.

“(3) To encourage economic education research and development, to disseminate effective instructional materials, and to promote replication of best practices and exemplary programs that foster economic literacy.

“(4) To assist States in measuring the impact of education in economics.

“(5) To leverage and expand private and public support for economic education partnerships at national, State, and local levels.

“SEC. 5533. GRANT PROGRAM AUTHORIZED.

20 USC 7267b.

“(a) AUTHORIZATION.—The Secretary is authorized to award a competitive grant to a national nonprofit educational organization that has as its primary purpose the improvement of the quality of student understanding of personal finance and economics through

PUBLIC LAW 107-110—JAN. 8, 2002

effective teaching of economics in the Nation's classrooms (referred to in this subpart as the 'grantee').

“(b) USES OF FUNDS.—

“(1) DIRECT ACTIVITIES.—The grantee shall use 25 percent of the funds made available through the grant for a fiscal year—

“(A) to strengthen and expand the grantee's relationships with State and local personal finance, entrepreneurial, and economic education organizations;

“(B) to support and promote training of teachers who teach a grade from kindergarten through grade 12 regarding economics, including the dissemination of information on effective practices and research findings regarding the teaching of economics;

“(C) to support research on effective teaching practices and the development of assessment instruments to document student understanding of personal finance and economics; and

“(D) to develop and disseminate appropriate materials to foster economic literacy.

“(2) SUBGRANTS.—The grantee shall use 75 percent of the funds made available through the grant for a fiscal year to award subgrants to State educational agencies or local educational agencies, and State or local economic, personal finance, or entrepreneurial education organizations (referred to in this section as the 'recipient'). The grantee shall award such a subgrant to pay for the Federal share of the cost of enabling the recipient to work in partnership with one or more of the entities described in paragraph (3) for one or more of the following purposes:

“(A) Collaboratively establishing and conducting teacher training programs that use effective and innovative approaches to the teaching of economics, personal finance, and entrepreneurship.

“(B) Providing resources to school districts that desire to incorporate economics and personal finance into the curricula of the schools in the districts.

“(C) Conducting evaluations of the impact of economic and financial literacy education on students.

“(D) Conducting economic and financial literacy education research.

“(E) Creating and conducting school-based student activities to promote consumer, economic, and personal finance education (such as saving, investing, and entrepreneurial education) and to encourage awareness and student academic achievement in economics.

“(F) Encouraging replication of best practices to promote economic and financial literacy.

“(3) PARTNERSHIP ENTITIES.—The entities described in this paragraph are the following:

“(A) A private sector entity.

“(B) A State educational agency.

“(C) A local educational agency.

“(D) An institution of higher education.

“(E) An organization promoting economic development.

“(F) An organization promoting educational excellence.

“(G) An organization promoting personal finance or entrepreneurial education.

“SEC. 5534. APPLICATIONS.

“(a) GRANTEE APPLICATIONS.—To be eligible to receive a grant under this subpart, the grantee shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require.

“(b) RECIPIENT APPLICATIONS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) SUBMISSION.—To be eligible to receive a subgrant under this section, a recipient shall submit an application to the grantee at such time, in such manner, and accompanied by such information as the grantee may require.

“(2) REVIEW.—The grantee shall invite the individuals described in paragraph (3) to review all applications from recipients for a subgrant under this section and to make recommendations to the grantee regarding the approval of the applications.

“(3) REVIEWERS.—The individuals described in this paragraph are the following:

“(i) Leaders in the fields of economics and education.

“(ii) Such other individuals as the grantee determines to be necessary, especially members of the State and local business, banking, and finance communities.

“SEC. 5535. REQUIREMENTS.

20 USC 7267d.

“(a) ADMINISTRATIVE COSTS.—The grantee and each recipient receiving a subgrant under this subpart for a fiscal year may use not more than 5 percent of the funds made available through the grant or subgrant for administrative costs.

“(b) TEACHER TRAINING PROGRAMS.—In carrying out the teacher training programs described in section 5533(b)(2)(A), a recipient shall—

“(1) train teachers who teach a grade from kindergarten through grade 12; and

“(2) encourage teachers from disciplines other than economics and financial literacy to participate in such teacher training programs, if the training will promote the economic and financial literacy of those teachers’ students.

“(c) INVOLVEMENT OF BUSINESS COMMUNITY.—In carrying out the activities assisted under this subpart, the grantee and recipients are strongly encouraged to—

“(1) include interactions with the local business community to the fullest extent possible to reinforce the connection between economic and financial literacy and economic development; and

“(2) work with private businesses to obtain matching contributions for Federal funds and assist recipients in working toward self-sufficiency.

“(d) ADDITIONAL REQUIREMENTS AND TECHNICAL ASSISTANCE.—The grantee shall—

“(1) meet such other requirements as the Secretary determines to be necessary to assure compliance with this section; and

“(2) receive from the Secretary such technical assistance as may be necessary to carry out this section.

“SEC. 5536. ADMINISTRATIVE PROVISIONS.

20 USC 7267e.

“(a) FEDERAL SHARE.—The Federal share of the cost described in section 5533(b)(2) shall be 50 percent.

“(b) PAYMENT OF NON-FEDERAL SHARE.—The non-Federal share may be paid in cash or in kind (fairly evaluated, including plant, equipment, or services).

“(c) REPORTS TO CONGRESS.—Not later than 2 years after the date funds are first made available to carry out this subpart, and every 2 years thereafter, the Secretary shall submit to the appropriate committees of Congress a report regarding activities assisted under this subpart.

“SEC. 5537. SUPPLEMENT, NOT SUPPLANT.

20 USC 7267f.

“Funds made available to carry out this subpart shall be used to supplement, and not supplant, other Federal, State, and local funds expended for the purpose described in section 5532(a).

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 14—Grants to Improve the Mental Health of Children

20 USC 7269.

“SEC. 5541. GRANTS FOR THE INTEGRATION OF SCHOOLS AND MENTAL HEALTH SYSTEMS.

“(a) **AUTHORIZATION.**—The Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with, State educational agencies, local educational agencies, or Indian tribes, for the purpose of increasing student access to quality mental health care by developing innovative programs to link local school systems with the local mental health system.

“(b) **DURATION.**—With respect to a grant, contract, or cooperative agreement awarded or entered into under this section, the period during which payments under such grant, contract or agreement are made to the recipient may not exceed 5 years.

“(c) **USE OF FUNDS.**—A State educational agency, local educational agency, or Indian tribe that receives a grant, contract, or cooperative agreement under this section shall use amounts made available through such grant, contract, or cooperative agreement for the following:

“(1) To enhance, improve, or develop collaborative efforts between school-based service systems and mental health service systems to provide, enhance, or improve prevention, diagnosis, and treatment services to students.

“(2) To enhance the availability of crisis intervention services, appropriate referrals for students potentially in need of mental health services, and ongoing mental health services.

“(3) To provide training for the school personnel and mental health professionals who will participate in the program carried out under this section.

“(4) To provide technical assistance and consultation to school systems and mental health agencies and families participating in the program carried out under this section.

“(5) To provide linguistically appropriate and culturally competent services.

“(6) To evaluate the effectiveness of the program carried out under this section in increasing student access to quality mental health services, and make recommendations to the Secretary about sustainability of the program.

“(d) **APPLICATIONS.**—To be eligible to receive a grant, contract, or cooperative agreement under this section, a State educational agency, local educational agency, or Indian tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. The application shall include each of the following:

“(1) A description of the program to be funded under the grant, contract, or cooperative agreement.

“(2) A description of how such program will increase access to quality mental health services for students.

“(3) A description of how the applicant will establish a crisis intervention program to provide immediate mental health services to the school community when necessary.

“(4) An assurance that—

“(A) persons providing services under the grant, contract, or cooperative agreement are adequately trained to provide such services;

“(B) the services will be provided in accordance with subsection (c);

“(C) teachers, principal administrators, and other school personnel are aware of the program; and

“(D) parents of students participating in services under this section will be involved in the design and implementation of the services.

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) An explanation of how the applicant will support and integrate existing school-based services with the program to provide appropriate mental health services for students.

“(6) An explanation of how the applicant will establish a program that will support students and the school in maintaining an environment conducive to learning.

“(e) INTERAGENCY AGREEMENTS.—

“(1) DESIGNATION OF LEAD AGENCY.—The recipient of each grant, contract, or cooperative agreement shall designate a lead agency to direct the establishment of an interagency agreement among local educational agencies, juvenile justice authorities, mental health agencies, and other relevant entities in the State, in collaboration with local entities and parents and guardians of students.

“(2) CONTENTS.—The interagency agreement shall ensure the provision of the services described in subsection (c), specifying with respect to each agency, authority, or entity—

“(A) the financial responsibility for the services;

“(B) the conditions and terms of responsibility for the services, including quality, accountability, and coordination of the services; and

“(C) the conditions and terms of reimbursement among the agencies, authorities, or entities that are parties to the interagency agreement, including procedures for dispute resolution.

“(f) EVALUATION.—The Secretary shall evaluate each program carried out by a State educational agency, local educational agency, or Indian tribe under this section and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

“(g) DISTRIBUTION OF AWARDS.—The Secretary shall ensure that grants, contracts, and cooperative agreements awarded or entered into under this section are equitably distributed among the geographical regions of the United States and among urban, suburban, and rural populations.

“(h) RULE OF CONSTRUCTION.—Nothing in Federal law shall be construed—

“(1) to prohibit an entity involved with a program carried out under this section from reporting a crime that is committed by a student to appropriate authorities; or

“(2) to prevent State law enforcement and judicial authorities from exercising their responsibilities with regard to the application of Federal and State law to crimes committed by a student.

“(i) SUPPLEMENT, NOT SUPPLANT.—Any services provided through programs carried out under this section must supplement, and not supplant, existing mental health services, including any services required to be provided under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

“SEC. 5542. PROMOTION OF SCHOOL READINESS THROUGH EARLY CHILDHOOD EMOTIONAL AND SOCIAL DEVELOPMENT. 20 USC 7269a.

“(a) AUTHORIZATION.—The Secretary, in consultation with the Secretary of Health and Human Services, may award grants (to be known as ‘Foundations for Learning Grants’) to local educational agencies, local councils, community-based organizations, and other public or nonprofit private entities to assist eligible children to become ready for school.

“(b) APPLICATIONS.—To be eligible to receive a grant under this section, a local educational agency, local council, community-based organization, or other public or nonprofit private entity, or a combination of such entities, shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. The application shall include each of the following:

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) A description of the population that the applicant intends to serve and the types of services to be provided under the grant.

“(2) A description of the manner in which services under the grant will be coordinated with existing similar services provided by public and nonprofit private entities within the State.

“(3) An assurance that—

“(A) services under the grant shall be provided by or under the supervision of qualified professionals with expertise in early childhood development;

“(B) such services shall be culturally competent;

“(C) such services shall be provided in accordance with subsection (c);

“(D) funds received under this section shall be used to supplement, and not supplant, non-Federal funds; and

“(E) parents of students participating in services under this section will be involved in the design and implementation of the services.

“(c) USES OF FUNDS.—A local educational agency, local council, community-based organization, or other public or nonprofit private entity that receives funds under this section may use such funds to benefit eligible children, for one or more of the following:

“(1) To deliver services to eligible children and their families that foster eligible children’s emotional, behavioral, and social development and take into consideration the characteristics described in subsection (f)(1).

“(2) To coordinate and facilitate access by eligible children and their families to the services available through community resources, including mental health, physical health, substance abuse, educational, domestic violence prevention, child welfare, and social services.

“(3) To provide ancillary services such as transportation or child care in order to facilitate the delivery of any other services or activities authorized by this section.

“(4) To develop or enhance early childhood community partnerships and build toward a community system of care that brings together child-serving agencies or organizations to provide individualized supports for eligible children and their families.

“(5) To evaluate the success of strategies and services provided pursuant to this section in promoting young children’s successful entry to school and to maintain data systems required for effective evaluations.

“(6) To pay for the expenses of administering the activities authorized under this section, including assessment of children’s eligibility for services.

“(d) LIMITATIONS.—

“(1) SERVICES NOT OTHERWISE FUNDED.—A local educational agency, local council, community-based organization, or other public or nonprofit private entity may use funds under this section only to pay for services that cannot be paid for using other Federal, State, or local public resources or through private insurance.

“(2) ADMINISTRATIVE EXPENSES.—A grantee may not use more than 3 percent of the amount of the grant to pay the administrative expenses described in subsection (c)(6).

“(e) EVALUATIONS.—The Secretary shall directly evaluate, or enter into a contract for an outside evaluation of, each program carried out under this section and shall disseminate the findings with respect to such evaluation to appropriate public and private entities.

“(f) DEFINITIONS.—In this section:

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) **ELIGIBLE CHILD.**—The term ‘eligible child’ means a child who has not attained the age of 7 years, and to whom two or more of the following characteristics apply:

“(A) The child has been abused, maltreated, or neglected.

“(B) The child has been exposed to violence.

“(C) The child has been homeless.

“(D) The child has been removed from child care, Head Start, or preschool for behavioral reasons or is at risk of being so removed.

“(E) The child has been exposed to parental depression or other mental illness.

“(F) The family income with respect to the child is below 200 percent of the poverty line.

“(G) The child has been exposed to parental substance abuse.

“(H) The child has had early behavioral and peer relationship problems.

“(I) The child had a low birth weight.

“(J) The child has a cognitive deficit or developmental disability.

“(2) **LOCAL COUNCIL.**—The term ‘local council’ means a council that is established or designated by a local government entity, Indian tribe, regional corporation, or native Hawaiian entity, as appropriate, which is composed of representatives of local agencies directly affected by early learning programs, parents, key community leaders, and other individuals concerned with early learning issues in the locality, such as elementary education, child care resource and referral services, early learning opportunities, child care, and health services.

“(3) **PROVIDER OF EARLY CHILDHOOD SERVICES.**—The term ‘provider of early childhood services’ means a public or private entity that has regular contact with young children, including child welfare agencies, child care providers, Head Start and Early Head Start providers, preschools, kindergartens, libraries, mental health professionals, family courts, homeless shelters, and primary care providers.

“Subpart 15—Arts in Education

“SEC. 5551. ASSISTANCE FOR ARTS EDUCATION.

20 USC 7271.

“(a) **PURPOSES.**—The purposes of this subpart are the following:

“(1) To support systemic education reform by strengthening arts education as an integral part of the elementary school and secondary school curriculum.

“(2) To help ensure that all students meet challenging State academic content standards and challenging State student academic achievement standards in the arts.

“(3) To support the national effort to enable all students to demonstrate competence in the arts.

“(b) **AUTHORITY.**—The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, eligible entities described in subsection (c).

“(c) **ELIGIBLE ENTITIES.**—The Secretary may make assistance available under subsection (b) to each of the following eligible entities:

“(1) State educational agencies.

“(2) Local educational agencies.

“(3) Institutions of higher education.

“(4) Museums or other cultural institutions.

“(5) Any other public or private agencies, institutions, or organizations.

“(d) **USE OF FUNDS.**—Assistance made available under this subpart may be used for any of the following:

“(1) Research on arts education.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) Planning, developing, acquiring, expanding, improving, or disseminating information about model school-based arts education programs.

“(3) The development of model State arts education assessments based on State academic achievement standards.

“(4) The development and implementation of curriculum frameworks for arts education.

“(5) The development of model inservice professional development programs for arts educators and other instructional staff.

“(6) Supporting collaborative activities with Federal agencies or institutions involved in arts education, arts educators, and organizations representing the arts, including State and local arts agencies involved in arts education.

“(7) Supporting model projects and programs in the performing arts for children and youth through arrangements made with the John F. Kennedy Center for the Performing Arts.

“(8) Supporting model projects and programs by Very Special Arts which assure the participation in mainstream settings in arts and education programs of individuals with disabilities.

“(9) Supporting model projects and programs to integrate arts education into the regular elementary school and secondary school curriculum.

“(10) Other activities that further the purposes of this subpart.

“(e) SPECIAL RULE.—If the amount made available to the Secretary to carry out this subpart for any fiscal year is \$15,000,000 or less, then such amount shall only be available to carry out the activities described in paragraphs (7) and (8) of subsection (d).

“(f) CONDITIONS.—As conditions of receiving assistance made available under this subpart, the Secretary shall require each entity receiving such assistance—

“(1) to coordinate, to the extent practicable, each project or program carried out with such assistance with appropriate activities of public or private cultural agencies, institutions, and organizations, including museums, arts education associations, libraries, and theaters; and

“(2) to use such assistance only to supplement, and not to supplant, any other assistance or funds made available from non-Federal sources for the activities assisted under this subpart.

“(g) CONSULTATION.—In carrying out this subpart, the Secretary shall consult with Federal agencies or institutions, arts educators (including professional arts education associations), and organizations representing the arts (including State and local arts agencies involved in arts education).

“Subpart 16—Parental Assistance and Local Family Information Centers

20 USC 7273.

“SEC. 5561. PURPOSES.

“The purposes of this subpart are the following:

“(1) To provide leadership, technical assistance, and financial support to nonprofit organizations (including statewide nonprofit organizations) and local educational agencies to help the organizations and agencies implement successful and effective parental involvement policies, programs, and activities that lead to improvements in student academic achievement.

“(2) To strengthen partnerships among parents (including parents of children from birth through age 5), teachers, principals, administrators, and other school personnel in meeting the educational needs of children.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) To develop and strengthen the relationship between parents and their children’s school.

“(4) To further the developmental progress of children assisted under this subpart.

“(5) To coordinate activities funded under this subpart with parental involvement initiatives funded under section 1118 and other provisions of this Act.

“(6) To provide a comprehensive approach to improving student learning, through coordination and integration of Federal, State, and local services and programs.

“SEC. 5562. GRANTS AUTHORIZED.

20 USC 7273a.

“(a) PARENTAL INFORMATION AND RESOURCE CENTERS.—The Secretary is authorized to award grants in each fiscal year to nonprofit organizations (including statewide nonprofit organizations), and consortia of such organizations and local educational agencies, to establish school-linked or school-based parental information and resource centers that provide comprehensive training, information, and support to—

“(1) parents of children enrolled in elementary schools and secondary schools;

“(2) individuals who work with the parents of children enrolled in elementary schools and secondary schools;

“(3) State educational agencies, local educational agencies, schools, organizations that support family-school partnerships (such as parent-teacher associations and Parents as Teachers organizations), and other organizations that carry out parent education and family involvement programs; and

“(4) parents of children from birth through age 5.

“(b) GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subpart, the Secretary shall, to the extent practicable, ensure that such grants are distributed in all geographic regions of the United States.

“SEC. 5563. APPLICATIONS.

20 USC 7273b.

“(a) SUBMISSION.—Each nonprofit organization (including a statewide nonprofit organization), or a consortia of such an organization and a local educational agency, that desires a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

“(b) CONTENTS.—Each application submitted under subsection (a), at a minimum, shall include assurances that the organization or consortium will—

“(1)(A) be governed by a board of directors the membership of which includes parents; or

“(B) be an organization or consortium that represents the interests of parents;

“(2) establish a special advisory committee the membership of which includes—

“(A) parents of children enrolled in elementary schools and secondary schools, who shall constitute a majority of the members of the special advisory committee;

“(B) representatives of education professionals with expertise in improving services for disadvantaged children; and

“(C) representatives of local elementary schools and secondary schools, including students and representatives from local youth organizations;

“(3) use at least 50 percent of the funds received under this subpart in each fiscal year to serve areas with high concentrations of low-income families, in order to serve parents who are severely educationally or economically disadvantaged;

PUBLIC LAW 107-110—JAN. 8, 2002

“(4) operate a center of sufficient size, scope, and quality to ensure that the center is adequate to serve the parents in the area;

“(5) serve both urban and rural areas;

“(6) design a center that meets the unique training, information, and support needs of parents of children enrolled in elementary schools and secondary schools, particularly such parents who are educationally or economically disadvantaged;

“(7) demonstrate the capacity and expertise to conduct the effective training, information, and support activities for which assistance is sought;

“(8) network with—

“(A) local educational agencies and schools;

“(B) parents of children enrolled in elementary schools and secondary schools;

“(C) parent training and information centers assisted under section 682 of the Individuals with Disabilities Education Act;

“(D) clearinghouses; and

“(E) other organizations and agencies;

“(9) focus on serving parents of children enrolled in elementary schools and secondary schools who are parents of low-income, minority, and limited English proficient children;

“(10) use at least 30 percent of the funds received under this subpart in each fiscal year to establish, expand, or operate Parents as Teachers programs, Home Instruction for Preschool Youngsters programs, or other early childhood parent education programs;

“(11) provide assistance to parents in areas such as understanding State and local standards and measures of student and school academic achievement;

“(12) work with State educational agencies and local educational agencies to determine parental needs and the best means for delivery of services;

“(13) identify and coordinate Federal, State, and local services and programs that support improved student learning, including programs supported under this Act, violence prevention programs, nutrition programs, housing programs, Head Start programs, adult education, and job training; and

“(14) work with and foster partnerships with other agencies that provide programs and deliver services described in paragraph (13) to make such programs and services more accessible to children and families.

20 USC 7273c.

“SEC. 5564. USES OF FUNDS.

“(a) IN GENERAL.—Grant funds received under this subpart shall be used for one or more of the following:

“(1) To assist parents in participating effectively in their children’s education and to help their children meet State and local standards, such as assisting parents—

“(A) to engage in activities that will improve student academic achievement, including understanding the accountability systems in place within their State educational agency and local educational agency and understanding their children’s educational academic achievement in comparison to State and local standards;

“(B) to provide follow-up support for their children’s educational achievement;

“(C) to communicate effectively with teachers, principals, counselors, administrators, and other school personnel;

“(D) to become active participants in the development, implementation, and review of school-parent compacts, parent involvement policies, and school planning and improvement;

PUBLIC LAW 107-110—JAN. 8, 2002

“(E) to participate in the design and provision of assistance to students who are not making adequate academic progress;

“(F) to participate in State and local decisionmaking; and

“(G) to train other parents (such as training related to Parents as Teachers activities).

“(2) To obtain information about the range of options, programs, services, and resources available at the national, State, and local levels to assist parents and school personnel who work with parents.

“(3) To help the parents learn and use the technology applied in their children’s education.

“(4) To plan, implement, and fund activities for parents that coordinate the education of their children with other Federal, State, and local services and programs that serve their children or their families.

“(5) To provide support for State or local educational personnel, if the participation of such personnel will further the activities assisted under the grant.

“(6) To coordinate and integrate early childhood programs with school-age programs.

“(b) PERMISSIVE ACTIVITIES.—Grant funds received under this subpart may be used to assist schools with activities including one or more of the following:

“(1) Developing and implementing the schools’ plans or activities under sections 1118 and 1119.

“(2) Developing and implementing school improvement plans, including addressing problems that develop in the implementation of the schools’ plans or activities under sections 1118 and 1119.

“(3) Providing information about assessment and individual results to parents in a manner and a language the family can understand.

“(4) Coordinating the efforts of Federal, State, and local parent education and family involvement initiatives.

“(5) Providing training, information, and support to—

“(A) State educational agencies;

“(B) local educational agencies and schools, especially low-performing local educational agencies and schools; and

“(C) organizations that support family-school partnerships.

“SEC. 5565. ADMINISTRATIVE PROVISIONS.

20 USC 7273d.

“(a) MATCHING FUNDS FOR GRANT RENEWAL.—For each fiscal year after the first fiscal year in which an organization or consortium receives assistance under this subpart, the organization or consortium shall demonstrate in the application submitted for such fiscal year, that a portion of the services provided by the organization or consortium is supported through non-Federal contributions, which contributions may be in cash or in kind.

“(b) SUBMISSION OF INFORMATION.—

“(1) IN GENERAL.—Each organization or consortium receiving assistance under this subpart shall submit to the Secretary, on an annual basis, information concerning the parental information and resource centers assisted under this subpart, including the following information:

“(A) The number of parents (including the number of minority and limited English proficient parents) who receive information and training.

“(B) The types and modes of training, information, and support provided under this subpart.

“(C) The strategies used to reach and serve parents of minority and limited English proficient children, parents

PUBLIC LAW 107-110—JAN. 8, 2002

with limited literacy skills, and other parents in need of the services provided under this subpart.

“(D) The parental involvement policies and practices used by the center and an evaluation of whether such policies and practices are effective in improving home-school communication, student academic achievement, student and school academic achievement, and parental involvement in school planning, review, and improvement.

“(E) The effectiveness of the activities that local educational agencies and schools are carrying out, with regard to parental involvement and other activities assisted under this Act, that lead to improved student academic achievement and improved student and school academic achievement.

“(2) DISSEMINATION.—The Secretary shall disseminate annually to Congress and the public the information that each organization or consortium submits under paragraph (1).

“(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance, by grant or contract, for the establishment, development, and coordination of parent training, information, and support programs and parental information and resource centers.

“(d) RULE OF CONSTRUCTION.—Nothing in this subpart shall be construed to prohibit a parental information and resource center from—

“(1) having its employees or agents meet with a parent at a site that is not on school grounds; or

“(2) working with another agency that serves children.

“(e) PARENTAL RIGHTS.—Notwithstanding any other provision of this subpart—

“(1) no person (including a parent who educates a child at home, a public school parent, or a private school parent) shall be required to participate in any program of parent education or developmental screening under this subpart; and

“(2) no program or center assisted under this subpart shall take any action that infringes in any manner on the right of a parent to direct the education of their children.

“(f) CONTINUATION OF AWARDS.—The Secretary shall use funds made available under this subpart to continue to make grant or contract payments to each entity that was awarded a multiyear grant or contract under title IV of the Goals 2000: Educate America Act (as such title was in effect on the day before the date of enactment of the No Child Left Behind Act of 2001) for the duration of the grant or contract award.

20 USC 7273e.

“SEC. 5566. LOCAL FAMILY INFORMATION CENTERS.

“(a) IN GENERAL.—If the amount made available to carry out this subpart for a fiscal year is more than \$50,000,000, the Secretary is authorized to award 50 percent of the amount that exceeds \$50,000,000 as grants to, and enter into contracts and cooperative agreements with, local nonprofit parent organizations to enable the organizations to support local family information centers that help ensure that parents of students in elementary schools and secondary schools assisted under this subpart have the training, information, and support the parents need to enable the parents to participate effectively in their children’s early childhood education, in their children’s elementary and secondary education, and in helping their children to meet challenging State academic content and student academic achievement standards.

“(b) LOCAL NONPROFIT PARENT ORGANIZATION DEFINED.—In this section, the term ‘local nonprofit parent organization’ means a private nonprofit organization (other than an institution of higher education) that—

“(1) has a demonstrated record of working with low-income individuals and parents;

PUBLIC LAW 107-110—JAN. 8, 2002

“(2)(A) has a board of directors, the majority of whom are parents of students in elementary schools and secondary schools assisted under part A of title I and located in the geographic area to be served by a local family information center; or

“(B) has a special governing committee to direct and implement a local family information center, a majority of the members of whom are parents of students in schools assisted under part A of title I; and

“(3) is located in a community with elementary schools and secondary schools that receive funds under part A of title I, and is accessible to the families of students in those schools.

“Subpart 17—Combatting Domestic Violence

“SEC. 5571. GRANTS TO COMBAT THE IMPACT OF EXPERIENCING OR WITNESSING DOMESTIC VIOLENCE ON ELEMENTARY AND SECONDARY SCHOOL CHILDREN. 20 USC 7275.

“(a) DEFINITIONS.—In this section:

“(1) DOMESTIC VIOLENCE.—The term ‘domestic violence’ has the meaning given that term in section 2003 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-2).

“(2) EXPERT.—The term ‘expert’ means—

“(A) an expert on domestic violence, sexual assault, and child abuse from the educational, legal, youth, mental health, substance abuse, or victim advocacy field; and

“(B) a State or local domestic violence coalition or community-based youth organization.

“(3) WITNESS DOMESTIC VIOLENCE.—

“(A) IN GENERAL.—The term ‘witness domestic violence’ means to witness—

“(i) an act of domestic violence that constitutes actual or attempted physical assault; or

“(ii) a threat or other action that places the victim in fear of domestic violence.

“(B) WITNESS.—In subparagraph (A), the term ‘witness’ means—

“(i) to directly observe an act, threat, or action described in subparagraph (A), or the aftermath of that act, threat, or action; or

“(ii) to be within earshot of an act, threat, or action described in subparagraph (A), or the aftermath of that act, threat, or action.

“(b) GRANTS AUTHORIZED.—

“(1) AUTHORITY.—The Secretary is authorized to award grants to local educational agencies that work with experts to enable the elementary schools and secondary schools served by the local educational agency—

“(A) to provide training to school administrators, faculty, and staff, with respect to issues concerning children who experience domestic violence in dating relationships or who witness domestic violence, and the impact of the violence on the children;

“(B) to provide educational programming for students regarding domestic violence and the impact of experiencing or witnessing domestic violence on children;

“(C) to provide support services for students and school personnel to develop and strengthen effective prevention and intervention strategies with respect to issues concerning children who experience domestic violence in dating relationships or who witness domestic violence, and the impact of the violence on the children; and

“(D) to develop and implement school system policies regarding appropriate and safe responses to, identification

PUBLIC LAW 107-110—JAN. 8, 2002

of, and referral procedures for, students who are experiencing or witnessing domestic violence.

“(2) AWARD BASIS.—The Secretary is authorized to award grants under this section—

“(A) on a competitive basis; and

“(B) in a manner that ensures that such grants are equitably distributed among local educational agencies located in rural, urban, and suburban areas.

“(3) POLICY DISSEMINATION.—The Secretary shall disseminate to local educational agencies any Department policy guidance regarding the prevention of domestic violence and the impact on children of experiencing or witnessing domestic violence.

“(c) USES OF FUNDS.—Funds made available to carry out this subpart may be used for one or more of the following purposes:

“(1) To provide training for elementary school and secondary school administrators, faculty, and staff that addresses issues concerning elementary school and secondary school students who experience domestic violence in dating relationships or who witness domestic violence, and the impact of such violence on those students.

“(2) To provide education programs for elementary school and secondary school students that are developmentally appropriate for the students’ grade levels and are designed to meet any unique cultural and language needs of the particular student populations.

“(3) To develop and implement elementary school and secondary school system policies regarding—

“(A) appropriate and safe responses to, identification of, and referral procedures for, students who are experiencing or witnessing domestic violence; and

“(B) to develop and implement policies on reporting and referral procedures for those students.

“(4) To provide the necessary human resources to respond to the needs of elementary school and secondary school students and personnel who are faced with the issue of domestic violence, such as a resource person who is either on-site or on-call and who is an expert.

“(5) To provide media center materials and educational materials to elementary schools and secondary schools that address issues concerning children who experience domestic violence in dating relationships or who witness domestic violence, and the impact of the violence on those children.

“(6) To conduct evaluations to assess the impact of programs and policies assisted under this subpart in order to enhance the development of the programs.

“(d) CONFIDENTIALITY.—Policies, programs, training materials, and evaluations developed and implemented under subsection (c) shall address issues of safety and confidentiality for the victim and the victim’s family in a manner consistent with applicable Federal and State laws.

“(e) APPLICATION.—To be eligible for a grant under this section for a fiscal year, a local educational agency, in consultation with an expert, shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The application shall include each of the following:

“(1) A description of the need for funds provided under the grant and the plan for implementation of any of the activities described in subsection (c).

“(2) A description of how the experts will work in consultation and collaboration with the local educational agency.

“(3) Measurable objectives for, and expected results from, the use of the funds provided under the grant.

PUBLIC LAW 107-110—JAN. 8, 2002

“(4) Provisions for appropriate remuneration for collaborating partners.

“Subpart 18—Healthy, High-Performance Schools

“SEC. 5581. GRANT PROGRAM AUTHORIZED.

20 USC 7277.

“The Secretary, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, is authorized to award grants to State educational agencies to permit such State educational agencies to carry out section 5582.

“SEC. 5582. STATE USES OF FUNDS.

20 USC 7277a.

“(a) SUBGRANTS.—

“(1) IN GENERAL.—A State educational agency receiving a grant under this subpart shall use funds made available under the grant to award subgrants to local educational agencies to permit such local educational agencies to carry out the activities described in section 5583.

“(2) LIMITATION.—A State educational agency shall award subgrants under this subsection to local educational agencies that are the neediest, as determined by the State, and that have made a commitment to develop healthy, high-performance school buildings in accordance with the plan developed and approved under paragraph (3)(A).

“(3) IMPLEMENTATION.—

“(A) PLANS.—A State educational agency shall award subgrants under this subsection only to local educational agencies that, in consultation with the State educational agency and State agencies with responsibilities relating to energy and health, have developed plans that the State educational agency determines to be feasible and appropriate in order to achieve the purposes for which the subgrants are made.

“(B) SUPPLEMENTING GRANT FUNDS.—The State educational agency shall encourage local educational agencies that receive subgrants under this subsection to supplement their subgrant funds with funds from other sources in order to implement their plans.

“(b) ADMINISTRATION.—A State educational agency receiving a grant under this subpart shall use the grant funds made available under this subpart for one or more of the following:

“(1) To evaluate compliance by local educational agencies with the requirements of this subpart.

“(2) To distribute information and materials on healthy, high-performance school buildings for both new and existing facilities.

“(3) To organize and conduct programs for school board members, school district personnel, and others to disseminate information on healthy, high-performance school buildings.

“(4) To provide technical services and assistance in planning and designing healthy, high-performance school buildings.

“(5) To collect and monitor information pertaining to healthy, high-performance school building projects.

“SEC. 5583. LOCAL USES OF FUNDS.

20 USC 7277b.

“(a) IN GENERAL.—A local educational agency that receives a subgrant under section 5582(a) shall use the subgrant funds to plan and prepare for healthy, high-performance school building projects that—

“(1) reduce energy use to at least 30 percent below that of a school constructed in compliance with standards prescribed in chapter 8 of the 2000 International Energy Conservation Code, or a similar State code intended to achieve substantially equivalent results;

“(2) meet Federal and State health and safety codes; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) support healthful, energy efficient, and environmentally sound practices.

“(b) USE OF FUNDS.—A local educational agency that receives a subgrant under section 5582(a) shall use funds for one or more of the following:

“(1) To develop a comprehensive energy audit of the energy consumption characteristics of a building and the need for additional energy conservation measures necessary to allow schools to meet the guidelines set out in subsection (a).

“(2) To produce a comprehensive analysis of building strategies, designs, materials, and equipment that—

“(A) are cost effective, produce greater energy efficiency, and enhance indoor air quality; and

“(B) can be used when conducting school construction and renovation or purchasing materials and equipment.

“(3) To obtain research and provide technical services and assistance in planning and designing healthy, high-performance school buildings, including developing a timeline for implementation of such plans.

20 USC 7277c.

“SEC. 5584. REPORT TO CONGRESS.

“The Secretary shall conduct a biennial review of State actions implementing this subpart and carrying out the plans developed under this subpart through State and local funding, and shall submit a report to Congress on the results of such reviews.

20 USC 7277d.

“SEC. 5585. LIMITATIONS.

“No funds received under this subpart may be used for any of the following:

“(1) Payment of maintenance of costs in connection with any projects constructed in whole or in part with Federal funds provided under this subpart.

“(2) Construction, renovation, or repair of school facilities.

“(3) Construction, renovation, repair, or acquisition of a stadium or other facility primarily used for athletic contests or exhibitions, or other events for which admission is charged to the general public.

20 USC 7277e.

“SEC. 5586. HEALTHY, HIGH-PERFORMANCE SCHOOL BUILDING DEFINED.

“In this subpart, the term ‘healthy, high-performance school building’ means a school building in which the design, construction, operation, and maintenance—

“(1) use energy-efficient and affordable practices and materials;

“(2) are cost-effective;

“(3) enhance indoor air quality; and

“(4) protect and conserve water.

“Subpart 19—Grants for Capital Expenses of Providing Equitable Services for Private School Students

20 USC 7279.

“SEC. 5591. GRANT PROGRAM AUTHORIZED.

“The Secretary is authorized to award grants to State educational agencies, from allotments made under section 5593, to enable the State educational agencies to award subgrants to local educational agencies to pay for capital expenses in accordance with this subpart.

20 USC 7279a.

“SEC. 5592. USES OF FUNDS.

“A local educational agency that receives a subgrant under this subpart shall use the subgrant funds only to pay for capital expenses incurred in providing equitable services for private school students under section 1120.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 5593. ALLOTMENTS TO STATES.

20 USC 7279b.

“From the funds made available to carry out this subpart for a fiscal year, the Secretary shall allot to each State an amount that bears the same ratio to the funds made available as the number of private school students who received services under part A of title I in the State in the most recent year for which data, satisfactory to the Secretary, are available bears to the number of such students in all States in such year.

“SEC. 5594. SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.

20 USC 7279c.

“(a) APPLICATIONS.—A local educational agency that desires to receive a subgrant under this subpart shall submit an application to the State educational agency involved at such time, in such manner, and containing such information as the State educational agency may require.

“(b) DISTRIBUTION.—A State educational agency shall award subgrants to local educational agencies within the State based on the degree of need set forth in their respective applications submitted under subsection (a).

“SEC. 5595. CAPITAL EXPENSES DEFINED.

20 USC 7279d.

“In this subpart, the term ‘capital expenses’ means—

“(1) expenditures for noninstructional goods and services, such as the purchase, lease, or renovation of real and personal property, including mobile educational units and leasing of neutral sites or spaces;

“(2) insurance and maintenance costs;

“(3) transportation; and

“(4) other comparable goods and services.

“SEC. 5596. TERMINATION.

20 USC 7279e.

“The authority provided by this subpart terminates effective October 1, 2003.

“Subpart 20—Additional Assistance for Certain Local Educational Agencies Impacted by Federal Property Acquisition

“SEC. 5601. RESERVATION.

20 USC 7281.

“The Secretary is authorized to provide additional assistance to meet special circumstances relating to the provision of education in local educational agencies eligible to receive assistance under section 8002.

“SEC. 5602. ELIGIBILITY.

20 USC 7281a.

“A local educational agency is eligible to receive additional assistance under this subpart only if such agency—

“(1) received a payment under both section 8002 and section 8003(b) for fiscal year 1996 and is eligible to receive payments under those sections for the year of application;

“(2) provided a free public education to children described under subparagraph (A), (B), or (D) of section 8003(a)(1);

“(3) had a military installation located within the geographic boundaries of the local educational agency that was closed as a result of base closure or realignment and, at the time at which the agency is applying for a payment under this subpart, the agency does not have a military installation located within its geographic boundaries;

“(4) remains responsible for the free public education of children residing in housing located on Federal property within the boundaries of the closed military installation but whose parents are on active duty in the uniformed services and assigned to a military activity located within the boundaries of an adjoining local educational agency; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(5) demonstrates to the satisfaction of the Secretary that such agency’s per-pupil revenue derived from local sources for current expenditures is not less than that revenue for the preceding fiscal year.

20 USC 7281b.

“SEC. 5603. MAXIMUM AMOUNT.

“(a) **MAXIMUM AMOUNT.**—The maximum amount that a local educational agency is eligible to receive under this subpart for any fiscal year, when combined with its payment under section 8002(b), shall not be more than 50 percent of the maximum amount determined under section 8002(b).

“(b) **INSUFFICIENT FUNDS.**—If funds appropriated under section 5401 are insufficient to pay the amount determined under subsection (a), the Secretary shall ratably reduce the payment to each local educational agency eligible under this subpart.

“(c) **EXCESS FUNDS.**—If funds appropriated under section 5401 are in excess of the amount determined under subsection (a), the Secretary shall ratably distribute any excess funds to all local educational agencies eligible for payment under section 8002(b).

“Subpart 21—Women’s Educational Equity Act

Women’s
Educational
Equity Act of
2001.
20 USC 7283.

“SEC. 5611. SHORT TITLE AND FINDINGS.

“(a) **SHORT TITLE.**—This subpart may be cited as the ‘Women’s Educational Equity Act of 2001’.

“(b) **FINDINGS.**—Congress finds that—

“(1) since the enactment of title IX of the Education Amendments of 1972, women and girls have made strides in educational achievement and in their ability to avail themselves of educational opportunities;

“(2) because of funding provided under the Women’s Educational Equity Act of 2001, more curricula, training, and other educational materials concerning educational equity for women and girls are available for national dissemination;

“(3) teaching and learning practices in the United States are frequently inequitable as such practices relate to women and girls, for example—

“(A) sexual harassment, particularly that experienced by girls, undermines the ability of schools to provide a safe and equitable learning or workplace environment;

“(B) classroom textbooks and other educational materials do not sufficiently reflect the experiences, achievements, or concerns of women and, in most cases, are not written by women or persons of color;

“(C) girls do not take as many mathematics and science courses as boys, girls lose confidence in their mathematics and science ability as girls move through adolescence, and there are few women role models in the sciences; and

“(D) pregnant and parenting teenagers are at high risk for dropping out of school and existing dropout prevention programs do not adequately address the needs of such teenagers;

“(4) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all women and girls;

“(5) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies to promote gender equity, but should also assist schools and local communities implement gender equitable practices;

“(6) Federal assistance for gender equity must be tied to systemic reform, involve collaborative efforts to implement effective gender practices at the local level, and encourage parental participation; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(7) excellence in education, high educational achievements and standards, and the full participation of women and girls in American society, cannot be achieved without educational equity for women and girls.

“SEC. 5612. STATEMENT OF PURPOSE.

20 USC 7283a.

“It is the purpose of this subpart—

“(1) to promote gender equity in education in the United States;

“(2) to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Educational Amendments of 1972; and

“(3) to promote equity in education for women and girls who suffer from multiple forms of discrimination based on sex, race, ethnic origin, limited English proficiency, disability, or age.

“SEC. 5613. PROGRAMS AUTHORIZED.

20 USC 7283b.

“(a) IN GENERAL.—The Secretary is authorized—

“(1) to promote, coordinate, and evaluate gender equity policies, programs, activities, and initiatives in all Federal education programs and offices;

“(2) to develop, maintain, and disseminate materials, resources, analyses, and research relating to education equity for women and girls;

“(3) to provide information and technical assistance to assure the effective implementation of gender equity programs;

“(4) to coordinate gender equity programs and activities with other Federal agencies with jurisdiction over education and related programs;

“(5) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to education equity for women and girls; and

“(6) to perform any other activities consistent with achieving the purposes of this subpart.

“(b) GRANTS AUTHORIZED.—

“(1) IN GENERAL.—The Secretary is authorized to award grants to, and enter into contracts and cooperative agreements with, public agencies, private nonprofit agencies, organizations, institutions, student groups, community groups, and individuals, for a period not to exceed 4 years, to—

“(A) provide grants to develop model equity programs;

and

“(B) provide funds for the implementation of equity programs in schools throughout the Nation.

“(2) SUPPORT AND TECHNICAL ASSISTANCE.—To achieve the purposes of this subpart, the Secretary is authorized to provide support and technical assistance—

“(A) to implement effective gender-equity policies and programs at all educational levels, including—

“(i) assisting educational agencies and institutions to implement policies and practices to comply with title IX of the Education Amendments of 1972;

“(ii) training for teachers, counselors, administrators, and other school personnel, especially preschool and elementary school personnel, in gender equitable teaching and learning practices;

“(iii) leadership training for women and girls to develop professional and marketable skills to compete in the global marketplace, improve self-esteem, and benefit from exposure to positive role models;

“(iv) school-to-work transition programs, guidance and counseling activities, and other programs to increase opportunities for women and girls to enter a technologically demanding workplace and, in particu-

PUBLIC LAW 107-110—JAN. 8, 2002

lar, to enter highly skilled, high paying careers in which women and girls have been underrepresented;

“(v) enhancing educational and career opportunities for those women and girls who suffer multiple forms of discrimination, based on sex, and on race, ethnic origin, limited English proficiency, disability, socioeconomic status, or age;

“(vi) assisting pregnant students and students rearing children to remain in or to return to secondary school, graduate, and prepare their preschool children to start school;

“(vii) evaluating exemplary model programs to assess the ability of such programs to advance educational equity for women and girls;

“(viii) introduction into the classroom of textbooks, curricula, and other materials designed to achieve equity for women and girls;

“(ix) programs and policies to address sexual harassment and violence against women and girls and to ensure that educational institutions are free from threats to the safety of students and personnel;

“(x) nondiscriminatory tests of aptitude and achievement and of alternative assessments that eliminate biased assessment instruments from use;

“(xi) programs to increase educational opportunities, including higher education, vocational training, and other educational programs for low-income women, including underemployed and unemployed women, and women receiving assistance under a State program funded under part A of title IV of the Social Security Act;

“(xii) programs to improve representation of women in educational administration at all levels; and

“(xiii) planning, development, and initial implementation of—

“(I) comprehensive institutionwide or districtwide evaluation to assess the presence or absence of gender equity in educational settings;

“(II) comprehensive plans for implementation of equity programs in State educational agencies and local educational agencies and institutions of higher education, including community colleges; and

“(III) innovative approaches to school-community partnerships for educational equity; and

“(B) for research and development, which shall be coordinated with each of the research institutes of the Office of Educational Research and Improvement to avoid duplication of research efforts, designed to advance gender equity nationwide and to help make policies and practices in educational agencies and institutions, and local communities, gender equitable, including—

“(i) research and development of innovative strategies and model training programs for teachers and other education personnel;

“(ii) the development of high-quality and challenging assessment instruments that are nondiscriminatory;

“(iii) the development and evaluation of model curricula, textbooks, software, and other educational materials to ensure the absence of gender stereotyping and bias;

“(iv) the development of instruments and procedures that employ new and innovative strategies to

PUBLIC LAW 107-110—JAN. 8, 2002

assess whether diverse educational settings are gender equitable;

“(v) the development of instruments and strategies for evaluation, dissemination, and replication of promising or exemplary programs designed to assist local educational agencies in integrating gender equity in their educational policies and practices;

“(vi) updating high-quality educational materials previously developed through awards made under this subpart;

“(vii) the development of policies and programs to address and prevent sexual harassment and violence to ensure that educational institutions are free from threats to safety of students and personnel;

“(viii) the development and improvement of programs and activities to increase opportunity for women, including continuing educational activities, vocational education, and programs for low-income women, including underemployed and unemployed women, and women receiving assistance under the State program funded under part A of title IV of the Social Security Act; and

“(ix) the development of guidance and counseling activities, including career education programs, designed to ensure gender equity.

“SEC. 5614. APPLICATIONS.

20 USC 7283c.

“An application under this subpart shall—

“(1) set forth policies and procedures that will ensure a comprehensive evaluation of the activities assisted under this subpart, including an evaluation of the practices, policies, and materials used by the applicant and an evaluation or estimate of the continued significance of the work of the project following completion of the award period;

“(2) demonstrate how the applicant will address perceptions of gender roles based on cultural differences or stereotypes;

“(3) for applications for assistance under section 5613(b)(1), demonstrate how the applicant will foster partnerships and, where applicable, share resources with State educational agencies, local educational agencies, institutions of higher education, community-based organizations (including organizations serving women), parent, teacher, and student groups, businesses, or other recipients of Federal educational funding which may include State literacy resource centers;

“(4) for applications for assistance under section 5613(b)(1), demonstrate how parental involvement in the project will be encouraged; and

“(5) for applications for assistance under section 5613(b)(1), describe plans for continuation of the activities assisted under this subpart with local support following completion of the grant period and termination of Federal support under this subpart.

“SEC. 5615. CRITERIA AND PRIORITIES.

20 USC 7283d.

“(a) CRITERIA AND PRIORITIES.—

“(1) IN GENERAL.—The Secretary shall establish separate criteria and priorities for awards under paragraphs (1) and (2) of section 5613(b) to ensure that funds under this subpart are used for programs that most effectively will achieve the purposes of this subpart.

“(2) CRITERIA.—The criteria described in paragraph (1) may include the extent to which the activities assisted under this subpart—

“(A) address the needs of women and girls of color and women and girls with disabilities;

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) meet locally defined and documented educational equity needs and priorities, including compliance with title IX of the Education Amendments of 1972;

“(C) are a significant component of a comprehensive plan for educational equity and compliance with title IX of the Education Amendments of 1972 in the particular school district, institution of higher education, vocational-technical institution, or other educational agency or institution; and

“(D) implement an institutional change strategy with long-term impact that will continue as a central activity of the applicant after the grant under this subpart has terminated.

“(b) **PRIORITIES.**—In awarding grants under this subpart, the Secretary may give special consideration to applications—

“(1) submitted by applicants that have not received assistance under this subpart or this subpart’s predecessor authorities;

“(2) for projects that will contribute significantly to directly improving teaching and learning practices in the local community; and

“(3) for projects that will—

“(A) provide for a comprehensive approach to enhancing gender equity in educational institutions and agencies;

“(B) draw on a variety of resources, including the resources of local educational agencies, community-based organizations, institutions of higher education, and private organizations;

“(C) implement a strategy with long-term impact that will continue as a central activity of the applicant after the grant under this subpart has terminated;

“(D) address issues of national significance that can be duplicated; and

“(E) address the educational needs of women and girls who suffer multiple or compound discrimination based on sex and on race, ethnic origin, disability, or age.

“(c) **SPECIAL RULE.**—To the extent feasible, the Secretary shall ensure that grants awarded under this subpart for each fiscal year address—

“(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

“(2) all regions of the United States; and

“(3) urban, rural, and suburban educational institutions.

“(d) **COORDINATION.**—Research activities supported under this subpart—

“(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

“(2) may include collaborative research activities which are jointly funded and carried out with the Office of Educational Research and Improvement.

“(e) **LIMITATION.**—Nothing in this subpart shall be construed as prohibiting men and boys from participating in any programs or activities assisted with funds under this subpart.

20 USC 7283e.

Deadline.

“SEC. 5616. REPORT.

“Not later than January 1, 2006, the Secretary shall submit to the President and Congress a report on the status of educational equity for girls and women in the Nation.

20 USC 7283f.

Deadline.

“SEC. 5617. ADMINISTRATION.

“(a) **EVALUATION AND DISSEMINATION.**—Not later than January 1, 2005, the Secretary shall evaluate and disseminate materials

PUBLIC LAW 107-110—JAN. 8, 2002

and programs developed under this subpart and shall report to Congress regarding such evaluation materials and programs.

“(b) PROGRAM OPERATIONS.—The Secretary shall ensure that the activities assisted under this subpart are administered within the Department by a person who has recognized professional qualifications and experience in the field of gender equity education.

“SEC. 5618. AMOUNT.

20 USC 7283g.

“From amounts made available to carry out this subpart for a fiscal year, not less than two-thirds of such amount shall be used to carry out the activities described in section 5613(b)(1).”.

SEC. 502. CONTINUATION OF AWARDS.

20 USC 6301
note.

(a) IN GENERAL.—Notwithstanding any other provision of this Act or the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), in the case of any agency or consortium that was awarded a grant under section 5111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7211) or any person or agency that was awarded a contract or grant under part B, D, or E of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8031 et seq., 8091 et seq., 8131 et seq.), prior to the date of enactment of this Act, the Secretary of Education shall continue to provide funds in accordance with the terms of such award until the date on which the award period terminates under such terms.

(b) SPECIAL RULE.—Notwithstanding any other provision of this Act, any person or agency that was awarded or entered into a grant, contract, or cooperative agreement under part B of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7231 et seq.), prior to the date of enactment of this Act shall continue to receive funds in accordance with the terms of such grant, contract, or agreement until the date on which the grant, contract, or agreement period terminates under such terms.

TITLE VI—FLEXIBILITY AND ACCOUNTABILITY

SEC. 601. FLEXIBILITY AND ACCOUNTABILITY.

Title VI (20 U.S.C. 7301 et seq.) is amended to read as follows:

“TITLE VI—FLEXIBILITY AND ACCOUNTABILITY

“PART A—IMPROVING ACADEMIC ACHIEVEMENT

“Subpart 1—Accountability

“SEC. 6111. GRANTS FOR STATE ASSESSMENTS AND RELATED ACTIVITIES.

20 USC 7301.

“The Secretary shall make grants to States to enable the States—

“(1) to pay the costs of the development of the additional State assessments and standards required by section 1111(b), which may include the costs of working in voluntary partnerships with other States, at the sole discretion of each such State; and

“(2) if a State has developed the assessments and standards required by section 1111(b), to administer those assessments or to carry out other activities described in this subpart and other activities related to ensuring that the State’s schools

PUBLIC LAW 107-110—JAN. 8, 2002

and local educational agencies are held accountable for results, such as the following:

“(A) Developing challenging State academic content and student academic achievement standards and aligned assessments in academic subjects for which standards and assessments are not required by section 1111(b).

“(B) Developing or improving assessments of English language proficiency necessary to comply with section 1111(b)(7).

“(C) Ensuring the continued validity and reliability of State assessments.

“(D) Refining State assessments to ensure their continued alignment with the State’s academic content standards and to improve the alignment of curricula and instructional materials.

“(E) Developing multiple measures to increase the reliability and validity of State assessment systems.

“(F) Strengthening the capacity of local educational agencies and schools to provide all students the opportunity to increase educational achievement, including carrying out professional development activities aligned with State student academic achievement standards and assessments.

“(G) Expanding the range of accommodations available to students with limited English proficiency and students with disabilities to improve the rates of inclusion of such students, including professional development activities aligned with State academic achievement standards and assessments.

“(H) Improving the dissemination of information on student achievement and school performance to parents and the community, including the development of information and reporting systems designed to identify best educational practices based on scientifically based research or to assist in linking records of student achievement, length of enrollment, and graduation over time.

20 USC 7301a.

“SEC. 6112. GRANTS FOR ENHANCED ASSESSMENT INSTRUMENTS.

“(a) GRANT PROGRAM AUTHORIZED.—From funds made available to carry out this subpart, the Secretary shall award, on a competitive basis, grants to State educational agencies that have submitted an application at such time, in such manner, and containing such information as the Secretary may require, which demonstrate to the satisfaction of the Secretary, that the requirements of this section will be met, for the following:

“(1) To enable States (or consortia of States) to collaborate with institutions of higher education, other research institutions, or other organizations to improve the quality, validity, and reliability of State academic assessments beyond the requirements for such assessments described in section 1111(b)(3).

“(2) To measure student academic achievement using multiple measures of student academic achievement from multiple sources.

“(3) To chart student progress over time.

“(4) To evaluate student academic achievement through the development of comprehensive academic assessment instruments, such as performance and technology-based academic assessments.

“(b) APPLICATION.—Each State wishing to apply for funds under this section shall include in its State plan under part A of title I such information as the Secretary may require.

“(c) ANNUAL REPORT.—Each State educational agency receiving a grant under this section shall submit an annual report to the Secretary describing its activities, and the result of those activities, under the grant.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 6113. FUNDING.

20 USC 7301b.

“(a) AUTHORIZATION OF APPROPRIATIONS.—

“(1) NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS.—

For the purpose of administering the State assessments under the National Assessment of Educational Progress, there are authorized to be appropriated \$72,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(2) STATE ASSESSMENTS AND RELATED ACTIVITIES.—For the purpose of carrying out this subpart, there are authorized to be appropriated \$490,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) ALLOTMENT OF APPROPRIATED FUNDS.—

“(1) IN GENERAL.—From amounts made available for each fiscal year under subsection (a)(2) that are equal to or less than the amount described in section 1111(b)(3)(D) (hereinafter in this subsection referred to as the ‘trigger amount’), the Secretary shall—

“(A) reserve one-half of 1 percent for the Bureau of Indian Affairs;

“(B) reserve one-half of 1 percent for the outlying areas;
and

“(C) from the remainder, allocate to each State an amount equal to—

“(i) \$3,000,000; and

“(ii) with respect to any amounts remaining after the allocation is made under clause (i), an amount that bears the same relationship to such total remaining amounts as the number of students ages 5 through 17 in the State (as determined by the Secretary on the basis of the most recent satisfactory data) bears to the total number of such students in all States.

“(2) REMAINDER.—Any amounts remaining for a fiscal year after the Secretary carries out paragraph (1) shall be made available as follows:

“(A)(i) To award funds under section 6112 to States according to the quality, needs, and scope of the State application under that section.

“(ii) In determining the grant amount under clause (i), the Secretary shall ensure that a State’s grant shall include an amount that bears the same relationship to the total funds available under this paragraph for the fiscal year as the number of students ages 5 through 17 in the State (as determined by the Secretary on the basis of the most recent satisfactory data) bears to the total number of such students in all States.

“(B) Any amounts remaining after the Secretary awards funds under subparagraph (A) shall be allocated to each State that did not receive a grant under such subparagraph, in an amount that bears the same relationship to the total funds available under this subparagraph as the number of students ages 5 through 17 in the State (as determined by the Secretary on the basis of the most recent satisfactory data) bears to the total number of such students in all States.

“(c) STATE DEFINED.—In this section, the term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

PUBLIC LAW 107-110—JAN. 8, 2002

State and Local
Transferability
Act.**“Subpart 2—Funding Transferability for State and
Local Educational Agencies**

20 USC 7305.

“SEC. 6121. SHORT TITLE.

“This subpart may be cited as the ‘State and Local Transferability Act’.

20 USC 7305a.

“SEC. 6122. PURPOSE.

“The purpose of this subpart is to allow States and local educational agencies the flexibility—

“(1) to target Federal funds to Federal programs that most effectively address the unique needs of States and localities; and

“(2) to transfer Federal funds allocated to other activities to allocations for certain activities authorized under title I.

20 USC 7305b.

“SEC. 6123. TRANSFERABILITY OF FUNDS.

“(a) TRANSFERS BY STATES.—

“(1) IN GENERAL.—In accordance with this subpart, a State may transfer not more than 50 percent of the nonadministrative State funds (including funds transferred under paragraph (2)) allotted to the State for use for State-level activities under the following provisions for a fiscal year to one or more of the State’s allotments for such fiscal year under any other of such provisions:

“(A) Section 2113(a)(3).

“(B) Section 2412(a)(1).

“(C) Subsections (a)(1) (with the agreement of the Governor) and (c)(1) of section 4112 and section 4202(c)(3).

“(D) Section 5112(b).

“(2) ADDITIONAL FUNDS FOR TITLE I.—In accordance with this subpart and subject to the 50 percent limitation described in paragraph (1), a State may transfer any funds allotted to the State under a provision listed in paragraph (1) to its allotment under title I.

“(b) TRANSFERS BY LOCAL EDUCATIONAL AGENCIES.—

“(1) AUTHORITY TO TRANSFER FUNDS.—

“(A) IN GENERAL.—In accordance with this subpart, a local educational agency (except a local educational agency identified for improvement under section 1116(c) or subject to corrective action under section 1116(c)(9)) may transfer not more than 50 percent of the funds allocated to it (including funds transferred under subparagraph (C)) under each of the provisions listed in paragraph (2) for a fiscal year to one or more of its allocations for such fiscal year under any other provision listed in paragraph (2).

“(B) AGENCIES IDENTIFIED FOR IMPROVEMENT.—In accordance with this subpart, a local educational agency identified for improvement under section 1116(c) may transfer not more than 30 percent of the funds allocated to it (including funds transferred under subparagraph (C)) under each of the provisions listed in paragraph (2) for a fiscal year—

“(i) to its allocation for school improvement for such fiscal year under section 1003; or

“(ii) to any other allocation for such fiscal year if such transferred funds are used only for local educational agency improvement activities consistent with section 1116(c).

“(C) ADDITIONAL FUNDS FOR TITLE I.—In accordance with this subpart and subject to the percentage limitation described in subparagraph (A) or (B), as applicable, a local educational agency may transfer funds allocated to such agency under any of the provisions listed in paragraph

PUBLIC LAW 107-110—JAN. 8, 2002

(2) for a fiscal year to its allocation for part A of title I for that fiscal year.

“(2) APPLICABLE PROVISIONS.—A local educational agency may transfer funds under subparagraph (A), (B), or (C) of paragraph (1) from allocations made under each of the following provisions:

- “(A) Section 2121.
- “(B) Section 2412(a)(2)(A).
- “(C) Section 4112(b)(1).
- “(D) Section 5112(a).

“(c) NO TRANSFER OF TITLE I FUNDS.—A State or a local educational agency may not transfer under this subpart to any other program any funds allotted or allocated to it for part A of title I.

“(d) MODIFICATION OF PLANS AND APPLICATIONS; NOTIFICATION.—

“(1) STATE TRANSFERS.—Each State that makes a transfer of funds under this section shall— Deadline.

“(A) modify, to account for such transfer, each State plan, or application submitted by the State, to which such funds relate;

“(B) not later than 30 days after the date of such transfer, submit a copy of such modified plan or application to the Secretary; and

“(C) not later than 30 days before the effective date of such transfer, notify the Secretary of such transfer.

“(2) LOCAL TRANSFERS.—Each local educational agency that makes a transfer of funds under this section shall—

“(A) modify, to account for such transfer, each local plan, or application submitted by the agency, to which such funds relate;

“(B) not later than 30 days after the date of such transfer, submit a copy of such modified plan or application to the State; and Deadline.

“(C) not later than 30 days before the effective date of such transfer, notify the State of such transfer. Deadline.

“(e) APPLICABLE RULES.—

“(1) IN GENERAL.—Except as otherwise provided in this subpart, funds transferred under this section are subject to each of the rules and requirements applicable to the funds under the provision to which the transferred funds are transferred.

“(2) CONSULTATION.—Each State educational agency or local educational agency that transfers funds under this section shall conduct consultations in accordance with section 9501, if such transfer transfers funds from a program that provides for the participation of students, teachers, or other educational personnel, from private schools.

“Subpart 3—State and Local Flexibility Demonstration

State and Local Flexibility Demonstration Act.
20 USC 7311.

“SEC. 6131. SHORT TITLE.

“This subpart may be cited as the ‘State and Local Flexibility Demonstration Act’.

“SEC. 6132. PURPOSE.

20 USC 7311a.

“The purpose of this subpart is to create options for selected State educational agencies and local educational agencies—

“(1) to improve the academic achievement of all students, and to focus the resources of the Federal Government upon such achievement;

“(2) to improve teacher quality and subject matter mastery, especially in mathematics, reading, and science;

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) to better empower parents, educators, administrators, and schools to effectively address the needs of their children and students;

“(4) to give participating State educational agencies and local educational agencies greater flexibility in determining how to increase their students’ academic achievement and implement education reforms in their schools;

“(5) to eliminate barriers to implementing effective State and local education reform, while preserving the goals of opportunity for all students and accountability for student progress;

“(6) to hold participating State educational agencies and local educational agencies accountable for increasing the academic achievement of all students, especially disadvantaged students; and

“(7) to narrow achievement gaps between the lowest and highest achieving groups of students so that no child is left behind.

20 USC 7311b. **“SEC. 6133. GENERAL PROVISION.**

“For purposes of this subpart, any State that is one local educational agency shall be considered a State educational agency and not a local educational agency.

“CHAPTER A—STATE FLEXIBILITY AUTHORITY

20 USC 7315. **“SEC. 6141. STATE FLEXIBILITY.**

“(a) FLEXIBILITY AUTHORITY.—Except as otherwise provided in this chapter, the Secretary shall, on a competitive basis, grant flexibility authority to not more than seven eligible State educational agencies, under which the agencies may consolidate and use funds in accordance with section 6142.

“(b) DEFINITIONS.—In this chapter:

“(1) ELIGIBLE STATE EDUCATIONAL AGENCY.—The term ‘eligible State educational agency’ means a State educational agency that—

“(A) submits an approvable application under subsection (c); and

“(B) proposes performance agreements—

“(i) that shall be entered into with not fewer than 4, and not more than 10, local educational agencies;

“(ii) not fewer than half of which shall be entered into with high-poverty local educational agencies; and

“(iii) that require the local educational agencies described in clause (i) to align their use of consolidated funds under section 6152 with the State educational agency’s use of consolidated funds under section 6142.

“(2) HIGH-POVERTY LOCAL EDUCATIONAL AGENCY.—The term ‘high-poverty local educational agency’ means a local educational agency for which 20 percent or more of the children who are age 5 through 17, and served by the local educational agency, are from families with incomes below the poverty line.

“(c) STATE APPLICATIONS.—

“(1) APPLICATIONS.—To be eligible to receive flexibility authority under this chapter, a State educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

“(A) information demonstrating, to the satisfaction of the Secretary, that the grant of authority offers substantial promise of—

“(i) assisting the State educational agency in making adequate yearly progress, as defined under section 1111(b)(2); and

“(ii) aligning State and local reforms and assisting the local educational agencies that enter into perform-

PUBLIC LAW 107-110—JAN. 8, 2002

ance agreements with the State educational agency under paragraph (2) in making such adequate yearly progress;

“(B) the performance agreements that the State educational agency proposes to enter into with eligible local educational agencies under paragraph (2);

“(C) information demonstrating that the State educational agency has consulted with and involved parents, representatives of local educational agencies, and other educators in the development of the terms of the grant of authority;

“(D) a provision specifying that the grant of flexibility authority shall be for a term of not more than 5 years;

“(E) a list of the programs described in section 6142(b) that are included in the scope of the grant of authority;

“(F) a provision specifying that no requirements of any program described in section 6142(b) and included by a State educational agency in the scope of the grant of authority shall apply to that agency, except as otherwise provided in this chapter;

“(G) a 5-year plan describing how the State educational agency intends to consolidate and use the funds from programs included in the scope of the grant of authority, for any educational purpose authorized under this Act, in order to make adequate yearly progress and advance the education priorities of the State and the local educational agencies with which the State educational agency enters into performance agreements;

“(H) an assurance that the State educational agency will provide parents, teachers, and representatives of local educational agencies and schools with notice and an opportunity to comment on the proposed terms of the grant of authority;

“(I) an assurance that the State educational agency, and the local educational agencies with which the State educational agency enters into performance agreements, will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds consolidated and used under the grant of authority;

“(J) an assurance that the State educational agency, and the local educational agencies with which the State educational agency enters into performance agreements, will meet the requirements of all applicable Federal civil rights laws in carrying out the grant of authority, including consolidating and using funds under the grant of authority;

“(K) an assurance that, in consolidating and using funds under the grant of authority—

“(i) the State educational agency, and the local educational agencies with which the State educational agency enters into performance agreements, will provide for the equitable participation of students and professional staff in private schools consistent with section 9501; and

“(ii) that sections 9502, 9503, and 9504 shall apply to all services and assistance provided with such funds in the same manner as such sections apply to services and assistance provided in accordance with section 9501;

“(L) an assurance that the State educational agency will, for the duration of the grant of authority, use funds consolidated under section 6142 only to supplement the amount of funds that would, in the absence of those Federal funds, be made available from non-Federal sources for the education of students participating in programs assisted

PUBLIC LAW 107-110—JAN. 8, 2002

with the consolidated funds, and not to supplant those funds; and

“(M) an assurance that the State educational agency shall, not later than 1 year after the date on which the Secretary makes the grant of authority, and annually thereafter during the term of the grant of authority, disseminate widely to parents and the general public, transmit to the Secretary, distribute to print and broadcast media, and post on the Internet, a report, which shall include a detailed description of how the State educational agency, and the local educational agencies with which the State educational agency enters into performance agreements, used the funds consolidated under the grant of authority to make adequate yearly progress and advance the education priorities of the State and local educational agencies in the State.

“(2) PROPOSED PERFORMANCE AGREEMENTS WITH LOCAL EDUCATIONAL AGENCIES.—

“(A) IN GENERAL.—A State educational agency that wishes to receive flexibility authority under this subpart shall propose performance agreements that meet the requirements of clauses (i) and (ii) of subsection (b)(1)(B) (subject to approval of the application or amendment involved under subsection (d) or (e)).

“(B) PERFORMANCE AGREEMENTS.—Each proposed performance agreement with a local educational agency shall—

“(i) contain plans for the local educational agency to consolidate and use funds in accordance with section 6152, for activities that are aligned with the State educational agency’s plan described in paragraph (1)(G);

“(ii) be subject to the requirements of chapter B relating to agreements between the Secretary and a local educational agency, except—

“(I) that, as appropriate, references in that chapter to the Secretary shall be deemed to be references to the State educational agency; and

“(II) as otherwise provided in this chapter;

and

“(iii) contain an assurance that the local educational agency will, for the duration of the grant of authority, use funds consolidated under section 6152 only to supplement the amount of funds that would, in the absence of those Federal funds, be made available from non-Federal sources for the education of students participating in programs assisted with the consolidated funds, and not to supplant those funds.

“(d) APPROVAL AND SELECTION.—The Secretary shall—

“(1) establish a peer review process to assist in the review of proposed State applications under this section; and

“(2) appoint individuals to participate in the peer review process who are—

“(A) representative of parents, teachers, State educational agencies, and local educational agencies; and

“(B) familiar with educational standards, assessments, accountability, curricula, instruction, and staff development, and other diverse educational needs of students.

“(e) AMENDMENT TO GRANT OF AUTHORITY.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall amend the grant of flexibility authority made to a State educational agency under this chapter, in each of the following circumstances:

“(A) REDUCTION IN SCOPE OF THE GRANT OF AUTHORITY.—Not later than 1 year after receiving a grant of flexibility authority, the State educational agency seeks to

PUBLIC LAW 107-110—JAN. 8, 2002

amend the grant of authority to remove from the scope of the grant of authority any program described in section 6142(b).

“(B) EXPANSION OF SCOPE OF THE GRANT OF AUTHORITY.—Not later than 1 year after receiving a grant of flexibility authority, the State educational agency seeks to amend the grant of authority to include in the scope of the grant of authority any additional program described in section 6142(b) or any additional achievement indicators for which the State will be held accountable.

“(C) CHANGES WITH RESPECT TO NUMBER OF PERFORMANCE AGREEMENTS.—The State educational agency seeks to amend the grant of authority to include or remove performance agreements that the State educational agency proposes to enter into with eligible local educational agencies, except that in no case may the State educational agency enter into performance agreements that do not meet the requirements of clauses (i) and (ii) of subsection (b)(1)(B).

“(2) APPROVAL AND DISAPPROVAL.—

“(A) DEEMED APPROVAL.—A proposed amendment to a grant of flexibility authority submitted by a State educational agency pursuant to paragraph (1) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the proposed amendment, that the proposed amendment is not in compliance with this chapter.

“(B) DISAPPROVAL.—The Secretary shall not finally disapprove the proposed amendment, except after giving the State educational agency notice and an opportunity for a hearing.

“(C) NOTIFICATION.—If the Secretary finds that the proposed amendment is not in compliance, in whole or in part, with this chapter, the Secretary shall—

“(i) give the State educational agency notice and an opportunity for a hearing; and

“(ii) notify the State educational agency of the finding of noncompliance and, in such notification, shall—

“(I) cite the specific provisions in the proposed amendment that are not in compliance; and

“(II) request additional information, only as to the noncompliant provisions, needed to make the proposed amendment compliant.

“(D) RESPONSE.—If the State educational agency responds to the Secretary’s notification described in subparagraph (C)(ii) during the 45-day period beginning on the date on which the agency received the notification, and resubmits the proposed amendment with the requested information described in subparagraph (C)(ii)(II), the Secretary shall approve or disapprove such proposed amendment prior to the later of—

“(i) the expiration of the 45-day period beginning on the date on which the proposed amendment is resubmitted; or

“(ii) the expiration of the 120-day period described in subparagraph (A).

“(E) FAILURE TO RESPOND.—If the State educational agency does not respond to the Secretary’s notification described in subparagraph (C)(ii) during the 45-day period beginning on the date on which the agency received the notification, such proposed amendment shall be deemed to be disapproved.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) TREATMENT OF PROGRAM FUNDS WITHDRAWN FROM GRANT OF AUTHORITY.—Beginning on the effective date of an amendment executed under paragraph (1)(A), each program requirement of each program removed from the scope of a grant of authority shall apply to the use of funds made available under the program by the State educational agency and each local educational agency with which the State educational agency has a performance agreement.

20 USC 7315a.

“SEC. 6142. CONSOLIDATION AND USE OF FUNDS.

“(a) IN GENERAL.—

“(1) AUTHORITY.—Under a grant of flexibility authority made under this chapter, a State educational agency may consolidate Federal funds described in subsection (b) and made available to the agency, and use such funds for any educational purpose authorized under this Act.

“(2) PROGRAM REQUIREMENTS.—Except as otherwise provided in this chapter, a State educational agency may use funds under paragraph (1) notwithstanding the program requirements of the program under which the funds were made available to the State.

“(b) ELIGIBLE FUNDS AND PROGRAMS.—

“(1) FUNDS.—The funds described in this subsection are funds, for State-level activities and State administration, that are described in the following provisions:

“(A) Section 1004.

“(B) Paragraphs (4) and (5) of section 1202(d).

“(C) Section 2113(a)(3).

“(D) Section 2412(a)(1).

“(E) Subsections (a) (with the agreement of the Governor), (b)(2), and (c)(1) of section 4112.

“(F) Paragraphs (2) and (3) of section 4202(c).

“(G) Section 5112(b).

“(2) PROGRAMS.—The programs described in this subsection are the programs authorized to be carried out with funds described in paragraph (1).

“(c) SPECIAL RULE.—A State educational agency that receives a grant of flexibility authority under this chapter—

“(1) shall ensure that the funds described in section 5112(a) are allocated to local educational agencies in the State in accordance with section 5112(a); but

“(2) may specify how the local educational agencies shall use the allocated funds.

20 USC 7315b.

“SEC. 6143. PERFORMANCE REVIEW AND PENALTIES.

“(a) MIDTERM REVIEW.—

“(1) FAILURE TO MAKE ADEQUATE YEARLY PROGRESS.—If, during the term of a grant of flexibility authority under this chapter, a State educational agency fails to make adequate yearly progress for 2 consecutive years, the Secretary shall, after providing notice and an opportunity for a hearing, terminate the grant of authority promptly.

“(2) NONCOMPLIANCE.—The Secretary may, after providing notice and an opportunity for a hearing (including the opportunity to provide evidence as described in paragraph (3)), terminate a grant of flexibility authority for a State if there is evidence that the State educational agency involved has failed to comply with the terms of the grant of authority.

“(3) EVIDENCE.—If a State educational agency believes that a determination of the Secretary under this subsection is in error for statistical or other substantive reasons, the State educational agency may provide supporting evidence to the Secretary, and the Secretary shall consider that evidence before making a final termination determination under this subsection.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) FINAL REVIEW.—

“(1) IN GENERAL.—If, at the end of the 5-year term of a grant of flexibility authority made under this chapter, the State educational agency has not met the requirements described in section 6141(c), the Secretary may not renew the grant of flexibility authority under section 6144.

“(2) COMPLIANCE.—Beginning on the date on which such term ends, the State educational agency, and the local educational agencies with which the State educational agency has entered into performance agreements, shall be required to comply with each of the program requirements in effect on such date for each program that was included in the grant of authority.

“SEC. 6144. RENEWAL OF GRANT OF FLEXIBILITY AUTHORITY.

20 USC 7315c.

“(a) IN GENERAL.—Except as provided in section 6143 and in accordance with this section, if a State educational agency has met, by the end of the original 5-year term of a grant of flexibility authority under this chapter, the requirements described in section 6141(c), the Secretary shall renew a grant of flexibility authority for one additional 5-year term.

“(b) RENEWAL.—The Secretary may not renew a grant of flexibility authority under this chapter unless, not later than 6 months before the end of the original term of the grant of authority, the State educational agency seeking the renewal notifies the Secretary, and the local educational agencies with which the State educational agency has entered into performance agreements, of the agency’s intention to renew the grant of authority.

“(c) EFFECTIVE DATE.—A renewal under this section shall be effective on the later of—

“(1) the expiration of the original term of the grant of authority; or

“(2) the date on which the State educational agency seeking the renewal provides to the Secretary all data required for the application described in section 6141(c).

“CHAPTER B—LOCAL FLEXIBILITY DEMONSTRATION

“SEC. 6151. LOCAL FLEXIBILITY DEMONSTRATION AGREEMENTS.

20 USC 7321.

“(a) AUTHORITY.—Except as otherwise provided in this chapter, the Secretary shall, on a competitive basis, enter into local flexibility demonstration agreements—

“(1) with local educational agencies that submit approvable proposed agreements under subsection (c) and that are selected under subsection (b); and

“(2) under which those agencies may consolidate and use funds in accordance with section 6152.

“(b) SELECTION OF LOCAL EDUCATIONAL AGENCIES.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall enter into local flexibility demonstration agreements under this chapter with not more than 80 local educational agencies. Each local educational agency shall be selected on a competitive basis from among those local educational agencies that—

“(A) submit a proposed local flexibility demonstration agreement under subsection (c) to the Secretary and demonstrate, to the satisfaction of the Secretary, that the agreement—

“(i) has a substantial promise of assisting the local educational agency in meeting the State’s definition of adequate yearly progress, advancing the education priorities of the local educational agency, meeting the general purposes of the programs included under this chapter and the purposes of this part, improving stu-

PUBLIC LAW 107-110—JAN. 8, 2002

dent achievement, and narrowing achievement gaps in accordance with section 1111(b);

“(ii) meets the requirements of this chapter; and

“(iii) contains a plan to consolidate and use funds in accordance with section 6152 in order to meet the State’s definition of adequate yearly progress and the local educational agency’s specific, measurable goals for improving student achievement and narrowing achievement gaps; and

“(B) have consulted and involved parents and other educators in the development of the proposed local flexibility demonstration agreement.

“(2) GEOGRAPHIC DISTRIBUTION.—

“(A) INITIAL AGREEMENTS.—The Secretary may enter into not more than three local flexibility demonstration agreements under this chapter with local educational agencies in each State that does not have a grant of flexibility authority under chapter A.

“(B) URBAN AND RURAL AREAS.—If more than three local educational agencies in a State submit approvable local flexibility demonstration agreements under this chapter, the Secretary shall select local educational agencies with which to enter into such agreements in a manner that ensures an equitable distribution among such agencies serving urban and rural areas.

“(C) PRIORITY OF STATES TO ENTER INTO STATE FLEXIBILITY DEMONSTRATION AGREEMENTS.—Notwithstanding any other provision of this part, a local educational agency may not seek to enter into a local flexibility demonstration agreement under this chapter if that agency is located in a State for which the State educational agency—

“(i) has, not later than 4 months after the date of enactment of the No Child Left Behind Act of 2001, notified the Secretary of its intent to apply for a grant of flexibility authority under chapter A and, within such period of time as the Secretary may establish, is provided with such authority by the Secretary; or

“(ii) has, at any time after such period, been granted flexibility authority under chapter A.

“(c) REQUIRED TERMS OF LOCAL FLEXIBILITY DEMONSTRATION AGREEMENT.—Each local flexibility demonstration agreement entered into with the Secretary under this chapter shall contain each of the following terms:

“(1) DURATION.—The local flexibility demonstration agreement shall be for a term of 5 years.

“(2) APPLICATION OF PROGRAM REQUIREMENTS.—The local flexibility demonstration agreement shall provide that no requirements of any program described in section 6152 and included by a local educational agency in the scope of its agreement shall apply to that agency, except as otherwise provided in this chapter.

“(3) LIST OF PROGRAMS.—The local flexibility demonstration agreement shall list which of the programs described in section 6152 are included in the scope of the agreement.

“(4) USE OF FUNDS TO IMPROVE STUDENT ACHIEVEMENT.—The local flexibility demonstration agreement shall contain a 5-year plan describing how the local educational agency intends to consolidate and use the funds from programs included in the scope of the agreement for any educational purpose authorized under this Act to advance the education priorities of the local educational agency, meet the general purposes of the included programs, improve student achievement, and narrow achievement gaps in accordance with section 1111(b).

“(5) LOCAL INPUT.—The local flexibility demonstration agreement shall contain an assurance that the local educational

PUBLIC LAW 107-110—JAN. 8, 2002

agency will provide parents, teachers, and representatives of schools with notice and an opportunity to comment on the proposed terms of the local flexibility demonstration agreement.

“(6) FISCAL RESPONSIBILITIES.—The local flexibility demonstration agreement shall contain an assurance that the local educational agency will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds consolidated and used under the agreement.

“(7) CIVIL RIGHTS.—The local flexibility demonstration agreement shall contain an assurance that the local educational agency will meet the requirements of all applicable Federal civil rights laws in carrying out the agreement and in consolidating and using the funds under the agreement.

“(8) PRIVATE SCHOOL PARTICIPATION.—The local flexibility demonstration agreement shall contain an assurance that the local educational agency agrees that in consolidating and using funds under the agreement—

“(A) the local educational agency, will provide for the equitable participation of students and professional staff in private schools consistent with section 9501; and

“(B) that sections 9502, 9503, and 9504 shall apply to all services and assistance provided with such funds in the same manner as such sections apply to services and assistance provided in accordance with section 9501.

“(9) SUPPLANTING.—The local flexibility demonstration agreement shall contain an assurance that the local educational agency will, for the duration of the grant of authority, use funds consolidated under section 6152 only to supplement the amount of funds that would, in the absence of those Federal funds, be made available from non-Federal sources for the education of students participating in programs assisted with the consolidated funds, and not to supplant those funds.

“(10) ANNUAL REPORTS.—The local flexibility demonstration agreement shall contain an assurance that the local educational agency shall, not later than 1 year after the date on which the Secretary enters into the agreement, and annually thereafter during the term of the agreement, disseminate widely to parents and the general public, transmit to the Secretary, and the State educational agency for the State in which the local educational agency is located, distribute to print and broadcast media, and post on the Internet, a report that includes a detailed description of how the local educational agency used the funds consolidated under the agreement to improve student academic achievement and reduce achievement gaps.

“(d) PEER REVIEW.—The Secretary shall—

“(1) establish a peer review process to assist in the review of proposed local flexibility demonstration agreements under this chapter; and

“(2) appoint individuals to the peer review process who are representative of parents, teachers, State educational agencies, and local educational agencies, and who are familiar with educational standards, assessments, accountability, curriculum, instruction and staff development, and other diverse educational needs of students.

“(e) AMENDMENT TO PERFORMANCE AGREEMENT.—

“(1) IN GENERAL.—In each of the following circumstances, the Secretary shall amend a local flexibility demonstration agreement entered into with a local educational agency under this chapter:

“(A) REDUCTION IN SCOPE OF LOCAL FLEXIBILITY DEMONSTRATION AGREEMENT.—Not later than 1 year after entering into a local flexibility demonstration agreement, the local educational agency seeks to amend the agreement

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

to remove from the scope any program described in section 6152.

Deadline.

“(B) EXPANSION OF SCOPE OF LOCAL FLEXIBILITY DEMONSTRATION AGREEMENT.—Not later than 1 year after entering into the local flexibility demonstration agreement, a local educational agency seeks to amend the agreement to include in its scope any additional program described in section 6251 or any additional achievement indicators for which the local educational agency will be held accountable.

“(2) APPROVAL AND DISAPPROVAL.—

“(A) DEEMED APPROVAL.—A proposed amendment to a local flexibility demonstration agreement pursuant to paragraph (1) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the proposed amendment, that the proposed amendment is not in compliance with this chapter.

“(B) DISAPPROVAL.—The Secretary shall not finally disapprove the proposed amendment, except after giving the local educational agency notice and an opportunity for a hearing.

“(C) NOTIFICATION.—If the Secretary finds that the proposed amendment is not in compliance, in whole or in part, with this chapter, the Secretary shall—

“(i) give the local educational agency notice and an opportunity for a hearing; and

“(ii) notify the local educational agency of the finding of noncompliance and, in such notification, shall—

“(I) cite the specific provisions in the proposed amendment that are not in compliance; and

“(II) request additional information, only as to the noncompliant provisions, needed to make the proposed amendment compliant.

“(D) RESPONSE.—If the local educational agency responds to the Secretary’s notification described in subparagraph (C)(ii) during the 45-day period beginning on the date on which the agency received the notification, and resubmits the proposed amendment with the requested information described in subparagraph (C)(ii)(II), the Secretary shall approve or disapprove such proposed amendment prior to the later of—

“(i) the expiration of the 45-day period beginning on the date on which the proposed amendment is resubmitted; or

“(ii) the expiration of the 120-day period described in subparagraph (A).

“(E) FAILURE TO RESPOND.—If the local educational agency does not respond to the Secretary’s notification described in subparagraph (C)(ii) during the 45-day period beginning on the date on which the agency received the notification, such proposed amendment shall be deemed to be disapproved.

“(3) TREATMENT OF PROGRAM FUNDS WITHDRAWN FROM AGREEMENT.—Beginning on the effective date of an amendment executed under paragraph (1)(A), each program requirement of each program removed from the scope of a local flexibility demonstration agreement shall apply to the use of funds made available under the program by the local educational agency.

20 USC 7321a.

“SEC. 6152. CONSOLIDATION AND USE OF FUNDS.

“(a) IN GENERAL.—

“(1) AUTHORITY.—Under a local flexibility demonstration agreement entered into under this chapter, a local educational

PUBLIC LAW 107-110—JAN. 8, 2002

agency may consolidate Federal funds made available to the agency under the provisions listed in subsection (b) and use such funds for any educational purpose permitted under this Act.

“(2) PROGRAM REQUIREMENTS.—Except as otherwise provided in this chapter, a local educational agency may use funds under paragraph (1) notwithstanding the program requirements of the program under which the funds were made available to the agency.

“(b) ELIGIBLE PROGRAMS.—Program funds made available to local educational agencies on the basis of a formula under the following provisions may be consolidated and used under subsection (a):

- “(1) Subpart 2 of part A of title II.
- “(2) Subpart 1 of part D of title II.
- “(3) Subpart 1 of part A of title IV.
- “(4) Subpart 1 of part A of title V.

“SEC. 6153. LIMITATIONS ON ADMINISTRATIVE EXPENDITURES.

20 USC 7321b.

“Each local educational agency that has entered into a local flexibility demonstration agreement with the Secretary under this chapter may use for administrative purposes not more than 4 percent of the total amount of funds allocated to the agency under the programs included in the scope of the agreement.

“SEC. 6154. PERFORMANCE REVIEW AND PENALTIES.

20 USC 7321c.

“(a) MIDTERM REVIEW.—

“(1) FAILURE TO MAKE ADEQUATE YEARLY PROGRESS.—If, during the term of a local flexibility demonstration agreement, a local educational agency fails to make adequate yearly progress for 2 consecutive years, the Secretary shall, after notice and opportunity for a hearing, promptly terminate the agreement.

“(2) NONCOMPLIANCE.—The Secretary may, after providing notice and an opportunity for a hearing (including the opportunity to provide information as provided for in paragraph (3)), terminate a local flexibility demonstration agreement under this chapter if there is evidence that the local educational agency has failed to comply with the terms of the agreement.

“(3) EVIDENCE.—If a local educational agency believes that the Secretary’s determination under this subsection is in error for statistical or other substantive reasons, the local educational agency may provide supporting evidence to the Secretary, and the Secretary shall consider that evidence before making a final early termination determination.

“(b) FINAL REVIEW.—If, at the end of the 5-year term of a local flexibility demonstration agreement entered into under this chapter, the local educational agency has not met the requirements described in section 6151(c), the Secretary may not renew the agreement under section 6155 and, beginning on the date on which such term ends, the local educational agency shall be required to comply with each of the program requirements in effect on such date for each program included in the local flexibility demonstration agreement.

“SEC. 6155. RENEWAL OF LOCAL FLEXIBILITY DEMONSTRATION AGREEMENT.

20 USC 7321d.

“(a) IN GENERAL.—Except as provided in section 6154 and in accordance with this section, the Secretary shall renew for one additional 5-year term a local flexibility demonstration agreement entered into under this chapter if the local educational agency has met, by the end of the original term of the agreement, the requirements described in section 6151(c).

“(b) NOTIFICATION.—The Secretary may not renew a local flexibility demonstration agreement under this chapter unless, not less than 6 months before the end of the original term of the agreement,

PUBLIC LAW 107-110—JAN. 8, 2002

the local educational agency seeking the renewal notifies the Secretary of its intention to renew.

“(c) EFFECTIVE DATE.—A renewal under this section shall be effective at the end of the original term of the agreement or on the date on which the local educational agency seeking renewal provides to the Secretary all data required under the agreement, whichever is later.

20 USC 7321e.

“SEC. 6156. REPORTS.

“(a) TRANSMITTAL TO CONGRESS.—Not later than 60 days after the Secretary receives a report described in section 6151(b)(10), the Secretary shall make the report available to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

“(b) LIMITATION.—A State in which a local educational agency that has a local flexibility demonstration agreement is located may not require such local educational agency to provide any application information with respect to the programs included within the scope of that agreement other than that information that is required to be included in the report described in section 6151(b)(10).

“Subpart 4—State Accountability for Adequate Yearly Progress

20 USC 7325.

“SEC. 6161. ACCOUNTABILITY FOR ADEQUATE YEARLY PROGRESS.

“In the case of a State educational agency that has a plan approved under subpart 1 of part A of title I after the date of enactment of the No Child Left Behind Act of 2001, and has a plan approved under subpart 1 of part A of title III of such Act after such date of enactment, the Secretary shall annually, starting with the beginning of the first school year following the first two school years for which such plans were implemented, review whether the State has—

“(1) made adequate yearly progress, as defined in section 1111(b)(2)(B), for each of the groups of students described in section 1111(b)(2)(C)(v); and

“(2) met its annual measurable achievement objectives under section 3122(a).

20 USC 7325a.

“SEC. 6162. PEER REVIEW.

“The Secretary shall use a peer review process to review, based on data from the State assessments administered under section 1111(b)(3) and on data from the evaluations conducted under section 3121, whether the State has failed to make adequate yearly progress for 2 consecutive years or whether the State has met its annual measurable achievement objectives.

20 USC 7325b.

“SEC. 6163. TECHNICAL ASSISTANCE.

“(a) PROVISION OF ASSISTANCE.—

“(1) ADEQUATE YEARLY PROGRESS.—Based on the review described in section 6161(1), the Secretary shall provide technical assistance to a State that has failed to make adequate yearly progress, as defined in section 1111(b)(2), for 2 consecutive years. The Secretary shall provide such assistance not later than the beginning of the first school year that begins after such determination is made.

“(2) ANNUAL MEASURABLE ACHIEVEMENT OBJECTIVES.—Based on the reviews described in section 6161(2), the Secretary may provide technical assistance to a State that has failed to meet its annual measurable achievement objectives under section 3122(a) for 2 consecutive years. The Secretary shall provide such assistance not later than the beginning of the first school year that begins after such determination is made.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) CHARACTERISTICS.—The technical assistance described in subsection (a) shall—

“(1) be valid, reliable and rigorous; and

“(2) provide constructive feedback to help the State make adequate yearly progress, as defined in section 1111(b)(2), or meet the annual measurable achievement objectives under section 3122(a).

“SEC. 6164. REPORT TO CONGRESS.

20 USC 7325c.

“Beginning with the school year that begins in 2005, the Secretary shall submit an annual report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate containing the following:

“(1) A list of each State that has not made adequate yearly progress based on the review conducted under section 6161(1).

“(2) A list of each State that has not met its annual measurable achievement objectives based on the review conducted under section 6161(2).

“(3) The information reported by the State to the Secretary pursuant to section 1119(a).

“(4) A description of any technical assistance provided pursuant to section 6163.

“PART B—RURAL EDUCATION INITIATIVERural Education
Achievement
Program.
20 USC 7341.**“SEC. 6201. SHORT TITLE.**

“This part may be cited as the ‘Rural Education Achievement Program’.

“SEC. 6202. PURPOSE.

20 USC 7341a.

“It is the purpose of this part to address the unique needs of rural school districts that frequently—

“(1) lack the personnel and resources needed to compete effectively for Federal competitive grants; and

“(2) receive formula grant allocations in amounts too small to be effective in meeting their intended purposes.

“Subpart 1—Small, Rural School Achievement Program**“SEC. 6211. USE OF APPLICABLE FUNDING.**

20 USC 7345.

“(a) ALTERNATIVE USES.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, an eligible local educational agency may use the applicable funding that the agency is eligible to receive from the State educational agency for a fiscal year to carry out local activities authorized under any of the following provisions:

“(A) Part A of title I.

“(B) Part A or D of title II.

“(C) Title III.

“(D) Part A or B of title IV.

“(E) Part A of title V.

“(2) NOTIFICATION.—An eligible local educational agency shall notify the State educational agency of the local educational agency’s intention to use the applicable funding in accordance with paragraph (1), by a date that is established by the State educational agency for the notification.

“(b) ELIGIBILITY.—

“(1) IN GENERAL.—A local educational agency shall be eligible to use the applicable funding in accordance with subsection (a) if—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A)(i)(I) the total number of students in average daily attendance at all of the schools served by the local educational agency is fewer than 600; or

“(II) each county in which a school served by the local educational agency is located has a total population density of fewer than 10 persons per square mile; and

“(ii) all of the schools served by the local educational agency are designated with a school locale code of 7 or 8, as determined by the Secretary; or

“(B) the agency meets the criteria established in subparagraph (A)(i) and the Secretary, in accordance with paragraph (2), grants the local educational agency’s request to waive the criteria described in subparagraph (A)(ii).

“(2) CERTIFICATION.—The Secretary shall determine whether to waive the criteria described in paragraph (1)(A)(ii) based on a demonstration by the local educational agency, and concurrence by the State educational agency, that the local educational agency is located in an area defined as rural by a governmental agency of the State.

“(c) APPLICABLE FUNDING DEFINED.—In this section, the term ‘applicable funding’ means funds provided under any of the following provisions:

“(1) Subpart 2 and section 2412(a)(2)(A) of title II.

“(2) Section 4114.

“(3) Part A of title V.

“(d) DISBURSEMENT.—Each State educational agency that receives applicable funding for a fiscal year shall disburse the applicable funding to local educational agencies for alternative uses under this section for the fiscal year at the same time as the State educational agency disburses the applicable funding to local educational agencies that do not intend to use the applicable funding for such alternative uses for the fiscal year.

“(e) APPLICABLE RULES.—Applicable funding under this section shall be available to carry out local activities authorized under subsection (a).

20 USC 7345a.

“SEC. 6212. GRANT PROGRAM AUTHORIZED.

“(a) IN GENERAL.—The Secretary is authorized to award grants to eligible local educational agencies to enable the local educational agencies to carry out activities authorized under any of the following provisions:

“(1) Part A of title I.

“(2) Part A or D of title II.

“(3) Title III.

“(4) Part A or B of title IV.

“(5) Part A of title V.

“(b) ALLOCATION.—

“(1) IN GENERAL.—Except as provided in paragraph (3), the Secretary shall award a grant under subsection (a) to a local educational agency eligible under section 6211(b) for a fiscal year in an amount equal to the initial amount determined under paragraph (2) for the fiscal year minus the total amount received by the agency under the provisions of law described in section 6211(c) for the preceding fiscal year.

“(2) DETERMINATION OF INITIAL AMOUNT.—The initial amount referred to in paragraph (1) is equal to \$100 multiplied by the total number of students in excess of 50 students, in average daily attendance at the schools served by the local educational agency, plus \$20,000, except that the initial amount may not exceed \$60,000.

“(3) RATABLE ADJUSTMENT.—

“(A) IN GENERAL.—If the amount made available to carry out this section for any fiscal year is not sufficient to pay in full the amounts that local educational agencies are eligible to receive under paragraph (1) for such year,

PUBLIC LAW 107-110—JAN. 8, 2002

the Secretary shall ratably reduce such amounts for such year.

“(B) ADDITIONAL AMOUNTS.—If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subparagraph (A) shall be increased on the same basis as such payments were reduced.

“(c) DISBURSEMENT.—The Secretary shall disburse the funds awarded to a local educational agency under this section for a fiscal year not later than July 1 of that fiscal year.

“(d) SPECIAL ELIGIBILITY RULE.—A local educational agency that is eligible to receive a grant under this subpart for a fiscal year is not eligible to receive funds for such fiscal year under subpart 2.

“SEC. 6213. ACCOUNTABILITY.

20 USC 7345b.

“(a) ACADEMIC ACHIEVEMENT ASSESSMENT.—Each local educational agency that uses or receives funds under this subpart for a fiscal year shall administer an assessment that is consistent with section 1111(b)(3).

“(b) DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency that receives funding under the provisions of law described in section 6211(c) shall—

“(1) after the third year that a local educational agency in the State participates in a program under this subpart and on the basis of the results of the assessments described in subsection (a), determine whether the local educational agency participating in the program made adequate yearly progress, as described in section 1111(b)(2);

“(2) permit only those local educational agencies that participated and made adequate yearly progress, as described in section 1111(b)(2), to continue to participate; and

“(3) permit those local educational agencies that participated and failed to make adequate yearly progress, as described in section 1111(b)(2), to continue to participate only if such local educational agencies use applicable funding under this subpart to carry out the requirements of section 1116.

“Subpart 2—Rural and Low-Income School Program

“SEC. 6221. PROGRAM AUTHORIZED.

20 USC 7351.

“(a) GRANTS TO STATES.—

“(1) IN GENERAL.—From amounts appropriated under section 6234 for this subpart for a fiscal year that are not reserved under subsection (c), the Secretary shall award grants (from allotments made under paragraph (2)) for the fiscal year to State educational agencies that have applications submitted under section 6223 approved to enable the State educational agencies to award grants to eligible local educational agencies for local authorized activities described in section 6222(a).

“(2) ALLOTMENT.—From amounts described in paragraph (1) for a fiscal year, the Secretary shall allot to each State educational agency for that fiscal year an amount that bears the same ratio to those amounts as the number of students in average daily attendance served by eligible local educational agencies in the State for that fiscal year bears to the number of all such students served by eligible local educational agencies in all States for that fiscal year.

“(3) SPECIALLY QUALIFIED AGENCIES.—

“(A) ELIGIBILITY AND APPLICATION.—If a State educational agency elects not to participate in the program under this subpart or does not have an application submitted under section 6223 approved, a specially qualified agency in such State desiring a grant under this subpart

PUBLIC LAW 107-110—JAN. 8, 2002

may submit an application under such section directly to the Secretary to receive an award under this subpart.

“(B) DIRECT AWARDS.—The Secretary may award, on a competitive basis or by formula, the amount the State educational agency is eligible to receive under paragraph (2) directly to a specially qualified agency in the State that has submitted an application in accordance with subparagraph (A) and obtained approval of the application.

“(C) SPECIALLY QUALIFIED AGENCY DEFINED.—In this subpart, the term ‘specially qualified agency’ means an eligible local educational agency served by a State educational agency that does not participate in a program under this subpart in a fiscal year, that may apply directly to the Secretary for a grant in such year under this subsection.

“(b) LOCAL AWARDS.—

“(1) ELIGIBILITY.—A local educational agency shall be eligible to receive a grant under this subpart if—

“(A) 20 percent or more of the children ages 5 through 17 years served by the local educational agency are from families with incomes below the poverty line; and

“(B) all of the schools served by the agency are designated with a school locale code of 6, 7, or 8, as determined by the Secretary.

“(2) AWARD BASIS.—A State educational agency shall award grants to eligible local educational agencies—

“(A) on a competitive basis;

“(B) according to a formula based on the number of students in average daily attendance served by the eligible local educational agencies or schools in the State; or

“(C) according to an alternative formula, if, prior to awarding the grants, the State educational agency demonstrates, to the satisfaction of the Secretary, that the alternative formula enables the State educational agency to allot the grant funds in a manner that serves equal or greater concentrations of children from families with incomes below the poverty line, relative to the concentrations that would be served if the State educational agency used the formula described in subparagraph (B).

“(c) RESERVATIONS.—From amounts appropriated under section 6234 for this subpart for a fiscal year, the Secretary shall reserve—

“(1) one-half of 1 percent to make awards to elementary schools or secondary schools operated or supported by the Bureau of Indian Affairs, to carry out the activities authorized under this subpart; and

“(2) one-half of 1 percent to make awards to the outlying areas in accordance with their respective needs, to carry out the activities authorized under this subpart.

20 USC 7351a.

“SEC. 6222. USES OF FUNDS.

“(a) LOCAL AWARDS.—Grant funds awarded to local educational agencies under this subpart shall be used for any of the following:

“(1) Teacher recruitment and retention, including the use of signing bonuses and other financial incentives.

“(2) Teacher professional development, including programs that train teachers to utilize technology to improve teaching and to train special needs teachers.

“(3) Educational technology, including software and hardware, as described in part D of title II.

“(4) Parental involvement activities.

“(5) Activities authorized under the Safe and Drug-Free Schools program under part A of title IV.

“(6) Activities authorized under part A of title I.

“(7) Activities authorized under title III.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) ADMINISTRATIVE COSTS.—A State educational agency receiving a grant under this subpart may not use more than 5 percent of the amount of the grant for State administrative costs and to provide technical assistance to eligible local educational agencies.

“SEC. 6223. APPLICATIONS.

20 USC 7351b.

“(a) IN GENERAL.—Each State educational agency or specially qualified agency desiring to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

“(b) CONTENTS.—At a minimum, each application submitted under subsection (a) shall include information on specific measurable goals and objectives to be achieved through the activities carried out through the grant, which may include specific educational goals and objectives relating to—

“(1) increased student academic achievement;

“(2) decreased student dropout rates; or

“(3) such other factors as the State educational agency or specially qualified agency may choose to measure.

“SEC. 6224. ACCOUNTABILITY.

20 USC 7351c.

“(a) STATE REPORT.—Each State educational agency that receives a grant under this subpart shall prepare and submit an annual report to the Secretary. The report shall describe—

“(1) the method the State educational agency used to award grants to eligible local educational agencies, and to provide assistance to schools, under this subpart;

“(2) how local educational agencies and schools used funds provided under this subpart; and

“(3) the degree to which progress has been made toward meeting the goals and objectives described in the application submitted under section 6223.

“(b) SPECIALLY QUALIFIED AGENCY REPORT.—Each specially qualified agency that receives a grant under this subpart shall provide an annual report to the Secretary. Such report shall describe—

“(1) how such agency uses funds provided under this subpart; and

“(2) the degree to which progress has been made toward meeting the goals and objectives described in the application submitted under section 6223.

“(c) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a biennial report. The report shall describe—

“(1) the methods the State educational agencies used to award grants to eligible local educational agencies, and to provide assistance to schools, under this subpart;

local educational agencies and schools used funds provided under this subpart; and

“(3) the degree to which progress has been made toward meeting the goals and objectives described in the applications submitted under section 6223.

“(d) ACADEMIC ACHIEVEMENT ASSESSMENT.—Each local educational agency or specially qualified agency that receives a grant under this subpart for a fiscal year shall administer an assessment that is consistent with section 1111(b)(3).

“(e) DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency or specially qualified agency that receives a grant under this subpart shall—

“(1) after the third year that a local educational agency or specially qualified agency in the State receives funds under

PUBLIC LAW 107-110—JAN. 8, 2002

this subpart, and on the basis of the results of the assessments described in subsection (d)—

“(A) in the case of a local educational agency, determine whether the local educational agency made adequate yearly progress, as described in section 1111(b)(2); and

“(B) in the case of a specially qualified agency, submit to the Secretary information that would allow the Secretary to determine whether the specially qualified agency has made adequate yearly progress, as described in section 1111(b)(2);

“(2) permit only those local educational agencies or specially qualified agencies that made adequate yearly progress, as described in section 1111(b)(2), to continue to receive grants under this subpart; and

“(3) permit those local educational agencies or specially qualified agencies that failed to make adequate yearly progress, as described in section 1111(b)(2), to continue to receive such grants only if the State educational agency disbursed such grants to the local educational agencies or specially qualified agencies to carry out the requirements of section 1116.

“Subpart 3—General Provisions

20 USC 7355.

“SEC. 6231. ANNUAL AVERAGE DAILY ATTENDANCE DETERMINATION.

Deadlines.

“(a) CENSUS DETERMINATION.—Each local educational agency desiring a grant under section 6212 and each local educational agency or specially qualified agency desiring a grant under subpart 2 shall—

“(1) not later than December 1 of each year, conduct a census to determine the number of students in average daily attendance in kindergarten through grade 12 at the schools served by the agency; and

“(2) not later than March 1 of each year, submit the number described in paragraph (1) to the Secretary (and to the State educational agency, in the case of a local educational agency seeking a grant under subpart (2)).

“(b) PENALTY.—If the Secretary determines that a local educational agency or specially qualified agency has knowingly submitted false information under subsection (a) for the purpose of gaining additional funds under section 6212 or subpart 2, then the agency shall be fined an amount equal to twice the difference between the amount the agency received under this section and the correct amount the agency would have received under section 6212 or subpart 2 if the agency had submitted accurate information under subsection (a).

20 USC 7355a.

“SEC. 6232. SUPPLEMENT, NOT SUPPLANT.

“Funds made available under subpart 1 or subpart 2 shall be used to supplement, and not supplant, any other Federal, State, or local education funds.

20 USC 7355b.

“SEC. 6233. RULE OF CONSTRUCTION.

“Nothing in this part shall be construed to prohibit a local educational agency that enters into cooperative arrangements with other local educational agencies for the provision of special, compensatory, or other education services, pursuant to State law or a written agreement, from entering into similar arrangements for the use, or the coordination of the use, of the funds made available under this part.

20 USC 7355c.

“SEC. 6234. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$300,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years, to be distributed equally between subparts 1 and 2.

PUBLIC LAW 107-110—JAN. 8, 2002

“PART C—GENERAL PROVISIONS**“SEC. 6301. PROHIBITION AGAINST FEDERAL MANDATES, DIRECTION, OR CONTROL.** 20 USC 7371.

“Nothing in this title shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school’s specific instructional content, academic achievement standards and assessments, curriculum, or program of instruction, as a condition of eligibility to receive funds under this Act.

“SEC. 6302. RULE OF CONSTRUCTION ON EQUALIZED SPENDING. 20 USC 7372.

“Nothing in this title shall be construed to mandate equalized spending per pupil for a State, local educational agency, or school.”.

SEC. 602. AMENDMENT TO THE NATIONAL EDUCATION STATISTICS ACT OF 1994.

(a) NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS.—Section 411 of the National Education Statistics Act of 1994 (20 U.S.C. 9010) is amended to read as follows:

“SEC. 411. NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS.

“(a) ESTABLISHMENT.—The Commissioner shall, with the advice of the National Assessment Governing Board established under section 412, and with the technical assistance of the Advisory Council established under section 407, carry out, through grants, contracts, or cooperative agreements with one or more qualified organizations, or consortia thereof, a National Assessment of Educational Progress, which collectively refers to a national assessment, State assessments, and a long-term trend assessment in reading and mathematics.

“(b) PURPOSE; STATE ASSESSMENTS.—

“(1) PURPOSE.—The purpose of this section is to provide, in a timely manner, a fair and accurate measurement of student academic achievement and reporting trends in such achievement in reading, mathematics, and other subject matter as specified in this section.

“(2) MEASUREMENT AND REPORTING.—The Commissioner, in carrying out the measurement and reporting described in paragraph (1), shall—

“(A) use a random sampling process which is consistent with relevant, widely accepted professional assessment standards and that produces data that are representative on a national and regional basis;

“(B) conduct a national assessment and collect and report assessment data, including achievement data trends, in a valid and reliable manner on student academic achievement in public and private elementary schools and secondary schools at least once every 2 years, in grades 4 and 8 in reading and mathematics;

“(C) conduct a national assessment and collect and report assessment data, including achievement data trends, in a valid and reliable manner on student academic achievement in public and private schools in reading and mathematics in grade 12 in regularly scheduled intervals, but at least as often as such assessments were conducted prior to the date of enactment of the No Child Left Behind Act of 2001;

“(D) to the extent time and resources allow, and after the requirements described in subparagraph (B) are implemented and the requirements described in subparagraph (C) are met, conduct additional national assessments and collect and report assessment data, including achievement data trends, in a valid and reliable manner on student academic achievement in grades 4, 8, and 12 in public

PUBLIC LAW 107-110—JAN. 8, 2002

and private elementary schools and secondary schools in regularly scheduled intervals in additional subject matter, including writing, science, history, geography, civics, economics, foreign languages, and arts, and the trend assessment described in subparagraph (F);

“(E) conduct the reading and mathematics assessments described in subparagraph (B) in the same year, and every other year thereafter, to provide for 1 year in which no such assessments are conducted in between each administration of such assessments;

“(F) continue to conduct the trend assessment of academic achievement at ages 9, 13, and 17 for the purpose of maintaining data on long-term trends in reading and mathematics;

“(G) include information on special groups, including, whenever feasible, information collected, cross tabulated, compared, and reported by race, ethnicity, socioeconomic status, gender, disability and limited English proficiency; and

“(H) ensure that achievement data are made available on a timely basis following official reporting, in a manner that facilitates further analysis and that includes trend lines.

“(3) STATE ASSESSMENTS.—

“(A) IN GENERAL.—The Commissioner—

“(i) shall conduct biennial State academic assessments of student achievement in reading and mathematics in grades 4 and 8 as described in paragraphs (1)(B) and (1)(E);

“(ii) may conduct the State academic assessments of student achievement in reading and mathematics in grade 12 as described in paragraph (1)(C);

“(iii) may conduct State academic assessments of student achievement in grades 4, 8, and 12 as described in paragraph (1)(D); and

“(iv) shall conduct each such State assessment, in each subject area and at each grade level, on a developmental basis until the Commissioner determines, as the result of an evaluation required by subsection (f), that such assessment produces high quality data that are valid and reliable.

“(B) AGREEMENT.—

“(i) IN GENERAL.—States participating in State assessments shall enter into an agreement with the Secretary pursuant to subsection (d)(3).

“(ii) CONTENT.—Such agreement shall contain information sufficient to give States full information about the process for decision-making (which shall include the consensus process used), on objectives to be tested, and the standards for random sampling, test administration, test security, data collection, validation, and reporting.

“(C) REVIEW AND RELEASE.—

“(i) IN GENERAL.—Except as provided in clause (ii), a participating State shall review and give permission for the release of results from any test of its students administered as a part of a State assessment prior to the release of such data. Refusal by a State to release its data shall not restrict the release of data from other States that have approved the release of such data.

“(ii) SPECIAL RULE.—A State participating in the biennial academic assessments of student achievement in reading and mathematics in grades 4 and 8 shall be deemed to have given its permission to release

PUBLIC LAW 107-110—JAN. 8, 2002

its data if the State has an approved plan under section 1111 of the Elementary and Secondary Education Act of 1965.

“(4) PROHIBITED ACTIVITIES.—

“(A) IN GENERAL.—The use of assessment items and data on any assessment authorized under this section by an agent or agents of the Federal Government to rank, compare, or otherwise evaluate individual students or teachers, or to provide rewards or sanctions for individual students, teachers, schools or local educational agencies is prohibited.

“(B) SPECIAL RULE.—Any assessment authorized under this section shall not be used by an agent or agents of the Federal Government to establish, require, or influence the standards, assessments, curriculum, including lesson plans, textbooks, or classroom materials, or instructional practices of States or local educational agencies.

“(C) APPLICABILITY TO STUDENT EDUCATIONAL DECISIONS.—Nothing in this section shall be construed to prescribe the use of any assessment authorized under this section for student promotion or graduation purposes.

“(D) APPLICABILITY TO HOME SCHOOLS.—Nothing in this section shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, nor shall any home schooled student be required to participate in any assessment referenced or authorized under this section.

“(5) REQUIREMENT.—In carrying out any assessment authorized under this section, the Commissioner, in a manner consistent with subsection (c)(2), shall—

“(A) use widely accepted professional testing standards, objectively measure academic achievement, knowledge, and skills, and ensure that any academic assessment authorized under this section be tests that do not evaluate or assess personal or family beliefs and attitudes or publicly disclose personally identifiable information;

“(B) only collect information that is directly related to the appraisal of academic achievement, and to the fair and accurate presentation of such information; and

“(C) collect information on race, ethnicity, socioeconomic status, disability, limited English proficiency, and gender.

“(6) TECHNICAL ASSISTANCE.—In carrying out any assessment authorized under this section, the Commissioner may provide technical assistance to States, localities, and other parties.

“(c) ACCESS.—

“(1) PUBLIC ACCESS.—

“(A) IN GENERAL.—Except as provided in paragraph (3), parents and members of the public shall have access to all assessment data, questions, and complete and current assessment instruments of any assessment authorized under this section. The local educational agency shall make reasonable efforts to inform parents and members of the public about the access required under this paragraph.

“(B) TIMELINE.—The access described in this paragraph shall be provided within 45 days of the date the request was made, in writing, and be made available in a secure setting that is convenient to both parties.

“(C) PROHIBITION.—To protect the integrity of the assessment, no copy of the assessment items or assessment instruments shall be duplicated or taken from the secure setting.

“(2) COMPLAINTS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) IN GENERAL.—Parents and members of the public may submit written complaints to the National Assessment Governing Board.

“(B) FORWARDING OF COMPLAINTS.—The National Assessment Governing Board shall forward such complaints to the Commissioner, the Secretary of Education, and the State and local educational agency from within which the complaint originated within 30 days of receipt of such complaint.

“(C) REVIEW.—The National Assessment Governing Board, in consultation with the Commissioner, shall review such complaint and determine whether revisions are necessary and appropriate. As determined by such review, the Board shall revise, as necessary and appropriate, the procedures or assessment items that have generated the complaint and respond to the individual submitting the complaint, with a copy of such response provided to the Secretary, describing any action taken, not later than 30 days after so acting.

“(D) REPORT.—The Secretary shall submit a summary report of all complaints received pursuant to subparagraph (A) and responses by the National Assessment Governing Board pursuant to subparagraph (B) to the Chairman of the House Committee on Education and the Workforce, and the Chairman of the Senate Committee on Health, Education, Labor, and Pensions.

“(E) COGNITIVE QUESTIONS.—

“(i) IN GENERAL.—The Commissioner may decline to make available through public means, such as posting on the Internet, distribution to the media, distribution through public agencies, or in response to a request under section 552 of title 5, United States Code, for a period, not to exceed 10 years after initial use, cognitive questions that the Commissioner intends to reuse in the future.

“(ii) EXTENSION.—Notwithstanding clause (i), the Commissioner may decline to make cognitive questions available as described in clause (i) for a period longer than 10 years if the Commissioner determines such additional period is necessary to protect the security and integrity of long-term trend data.

“(3) PERSONALLY IDENTIFIABLE INFORMATION.—

“(A) IN GENERAL.—The Commissioner shall ensure that all personally identifiable information about students, their academic achievement, and their families, and that information with respect to individual schools, remains confidential, in accordance with section 552a of title 5, United States Code.

“(B) PROHIBITION.—The National Board, the Commissioner, and any contractor or subcontractor shall not maintain any system of records containing a student’s name, birth information, Social Security number, or parents’ name or names, or any other personally identifiable information.

“(4) PENALTIES.—Any unauthorized person who knowingly discloses, publishes, or uses assessment questions, or complete and current assessment instruments of any assessment authorized under this section may be fined as specified in section 3571 of title 18, United States Code or charged with a class E felony.

“(d) PARTICIPATION.—

“(1) VOLUNTARY PARTICIPATION.—Participation in any assessment authorized under this section shall be voluntary for students, schools, and local educational agencies.

“(2) STUDENT PARTICIPATION.—Parents of children selected to participate in any assessment authorized under this section

PUBLIC LAW 107-110—JAN. 8, 2002

shall be informed before the administration of any authorized assessment, that their child may be excused from participation for any reason, is not required to finish any authorized assessment, and is not required to answer any test question.

“(3) STATE PARTICIPATION.—

“(A) VOLUNTARY.—Participation in assessments authorized under this section, other than reading and mathematics in grades 4 and 8, shall be voluntary.

“(B) AGREEMENT.—For reading and mathematics assessments in grades 4 and 8, the Secretary shall enter into an agreement with any State carrying out an assessment for the State under this section. Each such agreement shall contain provisions designed to ensure that the State will participate in the assessment.

“(4) REVIEW.—Representatives of State educational agencies and local educational agencies or the chief State school officer shall have the right to review any assessment item or procedure of any authorized assessment upon request in a manner consistent with subsection (c), except the review described in subparagraph (2)(C) of subsection (c) shall take place in consultation with the representatives described in this paragraph.

“(e) STUDENT ACHIEVEMENT LEVELS.—

“(1) ACHIEVEMENT LEVELS.—The National Assessment Governing Board shall develop appropriate student achievement levels for each grade or age in each subject area to be tested under assessments authorized under this section, except the trend assessment described in subsection (b)(2)(F).

“(2) DETERMINATION OF LEVELS.—

“(A) IN GENERAL.—Such levels shall—

“(i) be determined by—

“(I) identifying the knowledge that can be measured and verified objectively using widely accepted professional assessment standards; and

“(II) developing achievement levels that are consistent with relevant widely accepted professional assessment standards and based on the appropriate level of subject matter knowledge for grade levels to be assessed, or the age of the students, as the case may be.

“(B) NATIONAL CONSENSUS APPROACH.—After the determinations described in subparagraph (A), devising a national consensus approach.

“(C) TRIAL BASIS.—The achievement levels shall be used on a trial basis until the Commissioner determines, as a result of an evaluation under subsection (f), that such levels are reasonable, valid, and informative to the public.

“(D) STATUS.—The Commissioner and the Board shall ensure that reports using such levels on a trial basis do so in a manner that makes clear the status of such levels.

“(E) UPDATES.—Such levels shall be updated as appropriate by the National Assessment Governing Board in consultation with the Commissioner.

“(3) REPORTING.—After determining that such levels are reasonable, valid, and informative to the public, as the result of an evaluation under subsection (f), the Commissioner shall use such levels or other methods or indicators for reporting results of the National Assessment and State assessments.

“(4) REVIEW.—The National Assessment Governing Board shall provide for a review of any trial student achievement levels under development by representatives of State educational agencies or the chief State school officer in a manner consistent with subsection (c), except the review described in

PUBLIC LAW 107-110—JAN. 8, 2002

subparagraph (2)(C) shall take place in consultation with the representatives described in this paragraph.

“(f) REVIEW OF NATIONAL AND STATE ASSESSMENTS.—

“(1) REVIEW.—

“(A) IN GENERAL.—The Secretary shall provide for continuing review of any assessment authorized under this section, and student achievement levels, by one or more professional assessment evaluation organizations.

“(B) ISSUES ADDRESSED.—Such continuing review shall address—

“(i) whether any authorized assessment is properly administered, produces high quality data that are valid and reliable, is consistent with relevant widely accepted professional assessment standards, and produces data on student achievement that are not otherwise available to the State (other than data comparing participating States to each other and the Nation);

“(ii) whether student achievement levels are reasonable, valid, reliable, and informative to the public;—

“(iii) whether any authorized assessment is being administered as a random sample and is reporting the trends in academic achievement in a valid and reliable manner in the subject areas being assessed;

“(iv) whether any of the test questions are biased, as described in section 412(e)(4); and

“(v) whether the appropriate authorized assessments are measuring, consistent with this section, reading ability and mathematical knowledge.

“(2) REPORT.—The Secretary shall report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, the President, and the Nation on the findings and recommendations of such reviews.

“(3) USE OF FINDINGS AND RECOMMENDATIONS.—The Commissioner and the National Assessment Governing Board shall consider the findings and recommendations of such reviews in designing the competition to select the organization, or organizations, through which the Commissioner carries out the National Assessment.

“(g) COVERAGE AGREEMENTS.—

“(1) DEPARTMENT OF DEFENSE SCHOOLS.—The Secretary and the Secretary of Defense may enter into an agreement, including such terms as are mutually satisfactory, to include in the National Assessment elementary schools and secondary schools operated by the Department of Defense.

“(2) BUREAU OF INDIAN AFFAIRS SCHOOLS.—The Secretary and the Secretary of the Interior may enter into an agreement, including such terms as are mutually satisfactory, to include in the National Assessment schools for Indian children operated or supported by the Bureau of Indian Affairs.”

(b) NATIONAL ASSESSMENT GOVERNING BOARD.—Section 412 of the National Education Statistics Act of 1994 (20 U.S.C. 9011) is amended to read as follows:

“SEC. 412. NATIONAL ASSESSMENT GOVERNING BOARD.

“(a) ESTABLISHMENT.—There is established the National Assessment Governing Board (hereafter in this title referred to as the ‘Board’), which shall formulate policy guidelines for the National Assessment.

“(b) MEMBERSHIP.—

“(1) APPOINTMENT AND COMPOSITION.—The Board shall be appointed by the Secretary and be composed as follows:

“(A) Two Governors, or former Governors, who shall not be members of the same political party.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) Two State legislators, who shall not be members of the same political party.

“(C) Two chief State school officers.

“(D) One superintendent of a local educational agency.

“(E) One member of a State board of education.

“(F) One member of a local board of education.

“(G) Three classroom teachers representing the grade levels at which the National Assessment is conducted.

“(H) One representative of business or industry.

“(I) Two curriculum specialists.

“(J) Three testing and measurement experts, who shall have training and experience in the field of testing and measurement.

“(K) One nonpublic school administrator or policy-maker.

“(L) Two school principals, of whom one shall be an elementary school principal and one shall be a secondary school principal.

“(M) Two parents who are not employed by a local, State or Federal educational agency.

“(N) Two additional members who are representatives of the general public, and who may be parents, but who are not employed by a local, State, or Federal educational agency.

“(2) ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH.—The Assistant Secretary for Educational Research and Improvement shall serve as an ex officio, nonvoting member of the Board.

“(3) BALANCE AND DIVERSITY.—The Secretary and the Board shall ensure at all times that the membership of the Board reflects regional, racial, gender, and cultural balance and diversity and that the Board exercises its independent judgment, free from inappropriate influences and special interests.

“(c) TERMS.—

“(1) IN GENERAL.—Terms of service of members of the Board shall be staggered and may not exceed a period of 4 years, as determined by the Secretary.

“(2) SERVICE LIMITATION.—Members of the Board may serve not more than two terms.

“(3) CHANGE OF STATUS.—A member of the Board who changes status under subsection (b) during the term of the appointment of the member may continue to serve as a member until the expiration of such term.

“(4) CONFORMING PROVISION.—Members of the Board previously granted 3 year terms, whose terms are in effect on the date of enactment of the Department of Education Appropriations Act, 2001, shall have their terms extended by 1 year.

“(d) VACANCIES.—

“(1) IN GENERAL.—

“(A) ORGANIZATIONS.—The Secretary shall appoint new members to fill vacancies on the Board from among individuals who are nominated by organizations representing the type of individuals described in subsection (b)(1) with respect to which the vacancy exists.

“(B) NOMINATIONS.—Each organization submitting nominations to the Secretary with respect to a particular vacancy shall nominate for such vacancy six individuals who are qualified by experience or training to fill the particular Board vacancy.

“(C) MAINTENANCE OF BOARD.—The Secretary’s appointments shall maintain the composition, diversity, and balance of the Board required under subsection (b).

“(2) ADDITIONAL NOMINATIONS.—The Secretary may request that each organization described in paragraph (1)(A) submit additional nominations if the Secretary determines that none

PUBLIC LAW 107-110—JAN. 8, 2002

of the individuals nominated by such organization have appropriate knowledge or expertise.

“(e) DUTIES.—

“(1) IN GENERAL.—In carrying out its functions under this section the Board shall—

“(A) select the subject areas to be assessed (consistent with section 411(b));

“(B) develop appropriate student achievement levels as provided in section 411(e);

“(C) develop assessment objectives consistent with the requirements of this section and test specifications that produce an assessment that is valid and reliable, and are based on relevant widely accepted professional standards;

“(D) develop a process for review of the assessment which includes the active participation of teachers, curriculum specialists, local school administrators, parents, and concerned members of the public;

“(E) design the methodology of the assessment to ensure that assessment items are valid and reliable, in consultation with appropriate technical experts in measurement and assessment, content and subject matter, sampling, and other technical experts who engage in large scale surveys, including the Advisory Council established under section 407;

“(F) consistent with section 411, measure student academic achievement in grades 4, 8, and 12 in the authorized academic subjects;

“(G) develop guidelines for reporting and disseminating results;

“(H) develop standards and procedures for regional and national comparisons; and

“(I) take appropriate actions needed to improve the form, content, use, and reporting of results of any assessment authorized by section 411 consistent with the provisions of this section and section 411.

“(2) DELEGATION.—The Board may delegate any of the Board’s procedural and administrative functions to its staff.

“(3) ALL COGNITIVE AND NONCOGNITIVE ASSESSMENT ITEMS.—The Board shall have final authority on the appropriateness of all assessment items.

“(4) PROHIBITION AGAINST BIAS.—The Board shall take steps to ensure that all items selected for use in the National Assessment are free from racial, cultural, gender, or regional bias and are secular, neutral, and non-ideological.

“(5) TECHNICAL.—In carrying out the duties required by paragraph (1), the Board may seek technical advice, as appropriate, from the Commissioner and the Advisory Council on Education Statistics and other experts.

Deadline.

“(6) REPORT.—Not later than 90 days after an evaluation of the student achievement levels under section 411(e), the Board shall make a report to the Secretary, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate describing the steps the Board is taking to respond to each of the recommendations contained in such evaluation.

“(f) PERSONNEL.—

“(1) IN GENERAL.—In the exercise of its responsibilities, the Board shall be independent of the Secretary and the other offices and officers of the Department.

“(2) STAFF.—

“(A) IN GENERAL.—The Secretary may appoint, at the request of the Board, such staff as will enable the Board to carry out its responsibilities.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) TECHNICAL EMPLOYEES.—Such appointments may include, for terms not to exceed 3 years and without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, not more than six technical employees who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

“(g) COORDINATION.—The Commissioner and the Board shall meet periodically—

“(1) to ensure coordination of their duties and activities relating to the National Assessment; and

“(2) for the Commissioner to report to the Board on the Department’s actions to implement the decisions of the Board.

“(h) ADMINISTRATION.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Board, other than sections 10, 11, and 12 of such Act.”.

TITLE VII—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

SEC. 701. INDIANS, NATIVE HAWAIIANS, AND ALASKA NATIVES.

Title VII (20 U.S.C. 7401 et seq.) is amended to read as follows:

“TITLE VII—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

“PART A—INDIAN EDUCATION

“SEC. 7101. STATEMENT OF POLICY.

20 USC 7401.

“It is the policy of the United States to fulfill the Federal Government’s unique and continuing trust relationship with and responsibility to the Indian people for the education of Indian children. The Federal Government will continue to work with local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities toward the goal of ensuring that programs that serve Indian children are of the highest quality and provide for not only the basic elementary and secondary educational needs, but also the unique educational and culturally related academic needs of these children.

“SEC. 7102. PURPOSE.

20 USC 7402.

“(a) PURPOSE.—It is the purpose of this part to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the unique educational and culturally related academic needs of American Indian and Alaska Native students, so that such students can meet the same challenging State student academic achievement standards as all other students are expected to meet.

“(b) PROGRAMS.—This part carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

“(1) meeting the unique educational and culturally related academic needs of American Indians and Alaska Natives;

“(2) the education of Indian children and adults;

“(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

“(4) research, evaluation, data collection, and technical assistance.

PUBLIC LAW 107-110—JAN. 8, 2002

“Subpart 1—Formula Grants to Local Educational Agencies

20 USC 7421.

“SEC. 7111. PURPOSE.

“It is the purpose of this subpart to support local educational agencies in their efforts to reform elementary school and secondary school programs that serve Indian students in order to ensure that such programs—

“(1) are based on challenging State academic content and student academic achievement standards that are used for all students; and

“(2) are designed to assist Indian students in meeting those standards.

20 USC 7422.

“SEC. 7112. GRANTS TO LOCAL EDUCATIONAL AGENCIES AND TRIBES.

“(a) IN GENERAL.—The Secretary may make grants, from allocations made under section 7113, to local educational agencies and Indian tribes, in accordance with this section and section 7113.

“(b) LOCAL EDUCATIONAL AGENCIES.—

“(1) ENROLLMENT REQUIREMENTS.—A local educational agency shall be eligible for a grant under this subpart for any fiscal year if the number of Indian children eligible under section 7117 who were enrolled in the schools of the agency, and to whom the agency provided free public education, during the preceding fiscal year—

“(A) was at least 10; or

“(B) constituted not less than 25 percent of the total number of individuals enrolled in the schools of such agency.

“(2) EXCLUSION.—The requirement of paragraph (1) shall not apply in Alaska, California, or Oklahoma, or with respect to any local educational agency located on, or in proximity to, a reservation.

“(c) INDIAN TRIBES.—

“(1) IN GENERAL.—If a local educational agency that is otherwise eligible for a grant under this subpart does not establish a committee under section 7114(c)(4) for such grant, an Indian tribe that represents not less than ½ of the eligible Indian children who are served by such local educational agency may apply for such grant.

“(2) SPECIAL RULE.—The Secretary shall treat each Indian tribe applying for a grant pursuant to paragraph (1) as if such Indian tribe were a local educational agency for purposes of this subpart, except that any such tribe is not subject to section 7114(c)(4), section 7118(c), or section 7119.

20 USC 2423.

“SEC. 7113. AMOUNT OF GRANTS.

“(a) AMOUNT OF GRANT AWARDS.—

“(1) IN GENERAL.—Except as provided in subsection (b) and paragraph (2), the Secretary shall allocate to each local educational agency that has an approved application under this subpart an amount equal to the product of—

“(A) the number of Indian children who are eligible under section 7117 and served by such agency; and

“(B) the greater of—

“(i) the average per pupil expenditure of the State in which such agency is located; or

“(ii) 80 percent of the average per pupil expenditure of all the States.

“(2) REDUCTION.—The Secretary shall reduce the amount of each allocation otherwise determined under this section in accordance with subsection (e).

“(b) MINIMUM GRANT.—

“(1) IN GENERAL.—Notwithstanding subsection (e), an entity that is eligible for a grant under section 7112, and a school

PUBLIC LAW 107-110—JAN. 8, 2002

that is operated or supported by the Bureau of Indian Affairs that is eligible for a grant under subsection (d), that submits an application that is approved by the Secretary, shall, subject to appropriations, receive a grant under this subpart in an amount that is not less than \$3,000.

“(2) CONSORTIA.—Local educational agencies may form a consortium for the purpose of obtaining grants under this subpart.

“(3) INCREASE.—The Secretary may increase the minimum grant under paragraph (1) to not more than \$4,000 for all grantees if the Secretary determines such increase is necessary to ensure the quality of the programs provided.

“(c) DEFINITION.—For the purpose of this section, the term ‘average per pupil expenditure’, used with respect to a State, means an amount equal to—

“(1) the sum of the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without regard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; divided by

“(2) the aggregate number of children who were included in average daily attendance for whom such agencies provided free public education during such preceding fiscal year.

“(d) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—

“(1) IN GENERAL.—Subject to subsection (e), in addition to the grants awarded under subsection (a), the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

“(A) the total number of Indian children enrolled in schools that are operated by—

“(i) the Bureau of Indian Affairs; or

“(ii) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of that tribe under a contract with, or grant from, the Department of the Interior under the Indian Self-Determination Act or the Tribally Controlled Schools Act of 1988; and

“(B) the greater of—

“(i) the average per pupil expenditure of the State in which the school is located; or

“(ii) 80 percent of the average per pupil expenditure of all the States.

“(2) SPECIAL RULE.—Any school described in paragraph (1)(A) that wishes to receive an allocation under this subpart shall submit an application in accordance with section 7114, and shall otherwise be treated as a local educational agency for the purpose of this subpart, except that such school shall not be subject to section 7114(c)(4), section 7118(c), or section 7119.

“(e) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 7152(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a)(1) and for the Secretary of the Interior under subsection (d), each of those amounts shall be ratably reduced.

“SEC. 7114. APPLICATIONS.

“(a) APPLICATION REQUIRED.—Each local educational agency that desires to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) COMPREHENSIVE PROGRAM REQUIRED.—Each application submitted under subsection (a) shall include a description of a comprehensive program for meeting the needs of Indian children served by the local educational agency, including the language and cultural needs of the children, that—

“(1) describes how the comprehensive program will offer programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students;

“(2)(A) is consistent with the State and local plans submitted under other provisions of this Act; and

“(B) includes academic content and student academic achievement goals for such children, and benchmarks for attaining such goals, that are based on the challenging State academic content and student academic achievement standards adopted under title I for all children;

“(3) explains how Federal, State, and local programs, especially programs carried out under title I, will meet the needs of such students;

“(4) demonstrates how funds made available under this subpart will be used for activities described in section 7115;

“(5) describes the professional development opportunities that will be provided, as needed, to ensure that—

“(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

“(B) all teachers who will be involved in programs assisted under this subpart have been properly trained to carry out such programs; and

“(6) describes how the local educational agency—

“(A) will periodically assess the progress of all Indian children enrolled in the schools of the local educational agency, including Indian children who do not participate in programs assisted under this subpart, in meeting the goals described in paragraph (2);

“(B) will provide the results of each assessment referred to in subparagraph (A) to—

“(i) the committee described in subsection (c)(4); and

“(ii) the community served by the local educational agency; and

“(C) is responding to findings of any previous assessments that are similar to the assessments described in subparagraph (A).

“(c) ASSURANCES.—Each application submitted under subsection (a) shall include assurances that—

“(1) the local educational agency will use funds received under this subpart only to supplement the funds that, in the absence of the Federal funds made available under this subpart, such agency would make available for the education of Indian children, and not to supplant such funds;

“(2) the local educational agency will prepare and submit to the Secretary such reports, in such form and containing such information, as the Secretary may require to—

“(A) carry out the functions of the Secretary under this subpart; and

“(B) determine the extent to which activities carried out with funds provided to the local educational agency under this subpart are effective in improving the educational achievement of Indian students served by such agency;

“(3) the program for which assistance is sought—

“(A) is based on a comprehensive local assessment and prioritization of the unique educational and culturally related academic needs of the American Indian and Alaska

PUBLIC LAW 107-110—JAN. 8, 2002

Native students for whom the local educational agency is providing an education;

“(B) will use the best available talents and resources, including individuals from the Indian community; and

“(C) was developed by such agency in open consultation with parents of Indian children and teachers, and, if appropriate, Indian students from secondary schools, including through public hearings held by such agency to provide to the individuals described in this subparagraph a full opportunity to understand the program and to offer recommendations regarding the program; and

“(4) the local educational agency developed the program with the participation and written approval of a committee—

“(A) that is composed of, and selected by—

“(i) parents of Indian children in the local educational agency’s schools;

“(ii) teachers in the schools; and

“(iii) if appropriate, Indian students attending secondary schools of the agency;

“(B) a majority of whose members are parents of Indian children;

“(C) that has set forth such policies and procedures, including policies and procedures relating to the hiring of personnel, as will ensure that the program for which assistance is sought will be operated and evaluated in consultation with, and with the involvement of, parents of the children, and representatives of the area, to be served;

“(D) with respect to an application describing a schoolwide program in accordance with section 7115(c), that has—

“(i) reviewed in a timely fashion the program; and

“(ii) determined that the program will not diminish the availability of culturally related activities for American Indian and Alaska Native students; and

“(E) that has adopted reasonable bylaws for the conduct of the activities of the committee and abides by such bylaws.

“SEC. 7115. AUTHORIZED SERVICES AND ACTIVITIES.

20 USC 7425.

“(a) GENERAL REQUIREMENTS.—Each local educational agency that receives a grant under this subpart shall use the grant funds, in a manner consistent with the purpose specified in section 7111, for services and activities that—

(1) are designed to carry out the comprehensive program of the local educational agency for Indian students, and described in the application of the local educational agency submitted to the Secretary under section 7114(a);

“(2) are designed with special regard for the language and cultural needs of the Indian students; and

“(3) supplement and enrich the regular school program of such agency.

“(b) PARTICULAR ACTIVITIES.—The services and activities referred to in subsection (a) may include—

“(1) culturally related activities that support the program described in the application submitted by the local educational agency;

“(2) early childhood and family programs that emphasize school readiness;

“(3) enrichment programs that focus on problem solving and cognitive skills development and directly support the attainment of challenging State academic content and student academic achievement standards;

PUBLIC LAW 107-110—JAN. 8, 2002

“(4) integrated educational services in combination with other programs that meet the needs of Indian children and their families;

“(5) career preparation activities to enable Indian students to participate in programs such as the programs supported by the Carl D. Perkins Vocational and Technical Education Act of 1998, including programs for tech-prep education, mentoring, and apprenticeship;

“(6) activities to educate individuals concerning substance abuse and to prevent substance abuse;

“(7) the acquisition of equipment, but only if the acquisition of the equipment is essential to achieve the purpose described in section 7111;

“(8) activities that promote the incorporation of culturally responsive teaching and learning strategies into the educational program of the local educational agency;

“(9) activities that incorporate American Indian and Alaska Native specific curriculum content, consistent with State standards, into the curriculum used by the local educational agency;

“(10) family literacy services; and

“(11) activities that recognize and support the unique cultural and educational needs of Indian children, and incorporate appropriately qualified tribal elders and seniors.

“(c) **SCHOOLWIDE PROGRAMS.**—Notwithstanding any other provision of law, a local educational agency may use funds made available to such agency under this subpart to support a schoolwide program under section 1114 if—

“(1) the committee established pursuant to section 7114(c)(4) approves the use of the funds for the schoolwide program; and

“(2) the schoolwide program is consistent with the purpose described in section 7111.

“(d) **LIMITATION ON ADMINISTRATIVE COSTS.**—Not more than 5 percent of the funds provided to a grantee under this subpart for any fiscal year may be used for administrative purposes.

20 USC 7426.

“**SEC. 7116. INTEGRATION OF SERVICES AUTHORIZED.**

“(a) **PLAN.**—An entity receiving funds under this subpart may submit a plan to the Secretary for the integration of education and related services provided to Indian students.

“(b) **CONSOLIDATION OF PROGRAMS.**—Upon the receipt of an acceptable plan under subsection (a), the Secretary, in cooperation with each Federal agency providing grants for the provision of education and related services to the entity, shall authorize the entity to consolidate, in accordance with such plan, the federally funded education and related services programs of the entity and the Federal programs, or portions of the programs, serving Indian students in a manner that integrates the program services involved into a single, coordinated, comprehensive program and reduces administrative costs by consolidating administrative functions.

“(c) **PROGRAMS AFFECTED.**—The funds that may be consolidated in a demonstration project under any such plan referred to in subsection (a) shall include funds for any Federal program exclusively serving Indian children, or the funds reserved under any Federal program to exclusively serve Indian children, under which the entity is eligible for receipt of funds under a statutory or administrative formula for the purposes of providing education and related services that would be used to serve Indian students.

“(d) **PLAN REQUIREMENTS.**—For a plan to be acceptable pursuant to subsection (b), the plan shall—

“(1) identify the programs or funding sources to be consolidated;

“(2) be consistent with the objectives of this section concerning authorizing the services to be integrated in a demonstration project;

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) describe a comprehensive strategy that identifies the full range of potential educational opportunities and related services to be provided to assist Indian students to achieve the objectives set forth in this subpart;

“(4) describe the way in which services are to be integrated and delivered and the results expected from the plan;

“(5) identify the projected expenditures under the plan in a single budget;

“(6) identify the State, tribal, or local agency or agencies to be involved in the delivery of the services integrated under the plan;

“(7) identify any statutory provisions, regulations, policies, or procedures that the entity believes need to be waived in order to implement the plan;

“(8) set forth measures for academic content and student academic achievement goals designed to be met within a specific period of time; and

“(9) be approved by a committee formed in accordance with section 7114(c)(4), if such a committee exists.

“(e) PLAN REVIEW.—Upon receipt of the plan from an eligible entity, the Secretary shall consult with the Secretary of each Federal department providing funds to be used to implement the plan, and with the entity submitting the plan. The parties so consulting shall identify any waivers of statutory requirements or of Federal departmental regulations, policies, or procedures necessary to enable the entity to implement the plan. Notwithstanding any other provision of law, the Secretary of the affected department shall have the authority to waive any regulation, policy, or procedure promulgated by that department that has been so identified by the entity or department, unless the Secretary of the affected department determines that such a waiver is inconsistent with the objectives of this subpart or those provisions of the statute from which the program involved derives authority that are specifically applicable to Indian students.

“(f) PLAN APPROVAL.—Within 90 days after the receipt of an entity’s plan by the Secretary, the Secretary shall inform the entity, in writing, of the Secretary’s approval or disapproval of the plan. If the plan is disapproved, the entity shall be informed, in writing, of the reasons for the disapproval and shall be given an opportunity to amend the plan or to petition the Secretary to reconsider such disapproval.

Deadline.

“(g) RESPONSIBILITIES OF DEPARTMENT OF EDUCATION.—Not later than 180 days after the date of enactment of the No Child Left Behind Act of 2001, the Secretary of Education, the Secretary of the Interior, and the head of any other Federal department or agency identified by the Secretary of Education, shall enter into an interdepartmental memorandum of agreement providing for the implementation of the demonstration projects authorized under this section. The lead agency head for a demonstration project under this section shall be—

Deadline.

“(1) the Secretary of the Interior, in the case of an entity meeting the definition of a contract or grant school under title XI of the Education Amendments of 1978; or

“(2) the Secretary of Education, in the case of any other entity.

“(h) RESPONSIBILITIES OF LEAD AGENCY.—The responsibilities of the lead agency shall include—

“(1) the use of a single report format related to the plan for the individual project, which shall be used by an eligible entity to report on the activities undertaken under the project;

“(2) the use of a single report format related to the projected expenditures for the individual project which shall be used by an eligible entity to report on all project expenditures;

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) the development of a single system of Federal oversight for the project, which shall be implemented by the lead agency; and

“(4) the provision of technical assistance to an eligible entity appropriate to the project, except that an eligible entity shall have the authority to accept or reject the plan for providing such technical assistance and the technical assistance provider.

“(i) REPORT REQUIREMENTS.—A single report format shall be developed by the Secretary, consistent with the requirements of this section. Such report format shall require that reports described in subsection (h), together with records maintained on the consolidated program at the local level, shall contain such information as will allow a determination that the eligible entity has complied with the requirements incorporated in its approved plan, including making a demonstration of student academic achievement, and will provide assurances to each Secretary that the eligible entity has complied with all directly applicable statutory requirements and with those directly applicable regulatory requirements that have not been waived.

“(j) NO REDUCTION IN AMOUNTS.—In no case shall the amount of Federal funds available to an eligible entity involved in any demonstration project be reduced as a result of the enactment of this section.

“(k) INTERAGENCY FUND TRANSFERS AUTHORIZED.—The Secretary is authorized to take such action as may be necessary to provide for an interagency transfer of funds otherwise available to an eligible entity in order to further the objectives of this section.

“(l) ADMINISTRATION OF FUNDS.—

“(1) IN GENERAL.—Program funds for the consolidated programs shall be administered in such a manner as to allow for a determination that funds from a specific program are spent on allowable activities authorized under such program, except that the eligible entity shall determine the proportion of the funds granted that shall be allocated to such program.

“(2) SEPARATE RECORDS NOT REQUIRED.—Nothing in this section shall be construed as requiring the eligible entity to maintain separate records tracing any services or activities conducted under the approved plan to the individual programs under which funds were authorized for the services or activities, nor shall the eligible entity be required to allocate expenditures among such individual programs.

“(m) OVERAGE.—The eligible entity may commingle all administrative funds from the consolidated programs and shall be entitled to the full amount of such funds (under each program’s or agency’s regulations). The overage (defined as the difference between the amount of the commingled funds and the actual administrative cost of the programs) shall be considered to be properly spent for Federal audit purposes, if the overage is used for the purposes provided for under this section.

“(n) FISCAL ACCOUNTABILITY.—Nothing in this part shall be construed so as to interfere with the ability of the Secretary or the lead agency to fulfill the responsibilities for the safeguarding of Federal funds pursuant to chapter 75 of title 31, United States Code.

“(o) REPORT ON STATUTORY OBSTACLES TO PROGRAM INTEGRATION.—

“(1) PRELIMINARY REPORT.—Not later than 2 years after the date of enactment of the No Child Left Behind Act of 2001, the Secretary of Education shall submit a preliminary report to the Committee on Education and the Workforce and the Committee on Resources of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Indian Affairs of the Senate on the

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

status of the implementation of the demonstration projects authorized under this section.

“(2) FINAL REPORT.—Not later than 5 years after the date of enactment of the No Child Left Behind Act of 2001, the Secretary of Education shall submit a report to the Committee on Education and the Workforce and the Committee on Resources of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Indian Affairs of the Senate on the results of the implementation of the demonstration projects authorized under this section. Such report shall identify statutory barriers to the ability of participants to integrate more effectively their education and related services to Indian students in a manner consistent with the objectives of this section. Deadline.

“(p) DEFINITIONS.—For the purposes of this section, the term ‘Secretary’ means—

“(1) the Secretary of the Interior, in the case of an entity meeting the definition of a contract or grant school under title XI of the Education Amendments of 1978; or

“(2) the Secretary of Education, in the case of any other entity.

“SEC. 7117. STUDENT ELIGIBILITY FORMS.

20 USC 7427.

“(a) IN GENERAL.—The Secretary shall require that, as part of an application for a grant under this subpart, each applicant shall maintain a file, with respect to each Indian child for whom the local educational agency provides a free public education, that contains a form that sets forth information establishing the status of the child as an Indian child eligible for assistance under this subpart, and that otherwise meets the requirements of subsection (b).

“(b) FORMS.—The form described in subsection (a) shall include—

“(1) either—

“(A)(i) the name of the tribe or band of Indians (as defined in section 7151) with respect to which the child claims membership;

“(ii) the enrollment number establishing the membership of the child (if readily available); and

“(iii) the name and address of the organization that maintains updated and accurate membership data for such tribe or band of Indians; or

“(B) the name, the enrollment number (if readily available), and the name and address of the organization responsible for maintaining updated and accurate membership data, of any parent or grandparent of the child from whom the child claims eligibility under this subpart, if the child is not a member of the tribe or band of Indians (as so defined);

“(2) a statement of whether the tribe or band of Indians (as so defined), with respect to which the child, or parent or grandparent of the child, claims membership, is federally recognized;

“(3) the name and address of the parent or legal guardian of the child;

“(4) a signature of the parent or legal guardian of the child that verifies the accuracy of the information supplied; and

“(5) any other information that the Secretary considers necessary to provide an accurate program profile.

“(c) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect a definition contained in section 7151.

“(d) FORMS AND STANDARDS OF PROOF.—The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–86 academic year to establish

PUBLIC LAW 107-110—JAN. 8, 2002

the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the forms and standards of proof used—

“(1) to establish eligibility under this subpart; and

“(2) to meet the requirements of subsection (a).

“(e) DOCUMENTATION.—For purposes of determining whether a child is eligible to be counted for the purpose of computing the amount of a grant award under section 7113, the membership of the child, or any parent or grandparent of the child, in a tribe or band of Indians (as so defined) may be established by proof other than an enrollment number, notwithstanding the availability of an enrollment number for a member of such tribe or band. Nothing in subsection (b) shall be construed to require the furnishing of an enrollment number.

“(f) MONITORING AND EVALUATION REVIEW.—

“(1) IN GENERAL.—

“(A) REVIEW.—For each fiscal year, in order to provide such information as is necessary to carry out the responsibility of the Secretary to provide technical assistance under this subpart, the Secretary shall conduct a monitoring and evaluation review of a sampling of the recipients of grants under this subpart. The sampling conducted under this subparagraph shall take into account the size of and the geographic location of each local educational agency.

“(B) EXCEPTION.—A local educational agency may not be held liable to the United States or be subject to any penalty, by reason of the findings of an audit that relates to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, the eligibility of a child for an entitlement under the Indian Elementary and Secondary School Assistance Act.

“(2) FALSE INFORMATION.—Any local educational agency that provides false information in an application for a grant under this subpart shall—

“(A) be ineligible to apply for any other grant under this subpart; and

“(B) be liable to the United States for any funds from the grant that have not been expended.

“(3) EXCLUDED CHILDREN.—A student who provides false information for the form required under subsection (a) shall not be counted for the purpose of computing the amount of a grant under section 7113.

“(g) TRIBAL GRANT AND CONTRACT SCHOOLS.—Notwithstanding any other provision of this section, in calculating the amount of a grant under this subpart to a tribal school that receives a grant or contract from the Bureau of Indian Affairs, the Secretary shall use only one of the following, as selected by the school:

“(1) A count of the number of students in the schools certified by the Bureau.

“(2) A count of the number of students for whom the school has eligibility forms that comply with this section.

“(h) TIMING OF CHILD COUNTS.—For purposes of determining the number of children to be counted in calculating the amount of a local educational agency’s grant under this subpart (other than in the case described in subsection (g)(1)), the local educational agency shall—

“(1) establish a date on, or a period not longer than 31 consecutive days during, which the agency counts those children, if that date or period occurs before the deadline established by the Secretary for submitting an application under section 7114; and

“(2) determine that each such child was enrolled, and receiving a free public education, in a school of the agency on that date or during that period, as the case may be.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 7118. PAYMENTS.

20 USC 7428.

“(a) **IN GENERAL.**—Subject to subsections (b) and (c), the Secretary shall pay to each local educational agency that submits an application that is approved by the Secretary under this subpart the amount determined under section 7113. The Secretary shall notify the local educational agency of the amount of the payment not later than June 1 of the year for which the Secretary makes the payment.

“(b) **PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.**—The Secretary may not make a grant under this subpart to a local educational agency for a fiscal year if, for such fiscal year, the State in which the local educational agency is located takes into consideration payments made under this chapter in determining the eligibility of the local educational agency for State aid, or the amount of the State aid, with respect to the free public education of children during such fiscal year or the preceding fiscal year.

“(c) **REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.**—

“(1) **IN GENERAL.**—The Secretary may not pay a local educational agency the full amount of a grant award determined under section 7113 for any fiscal year unless the State educational agency notifies the Secretary, and the Secretary determines, that with respect to the provision of free public education by the local educational agency for the preceding fiscal year, the combined fiscal effort of the local educational agency and the State, computed on either a per student or aggregate expenditure basis, was not less than 90 percent of the amount of the combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

“(2) **FAILURE TO MAINTAIN EFFORT.**—If, for the preceding fiscal year, the Secretary determines that a local educational agency and State failed to maintain the combined fiscal effort for such agency at the level specified in paragraph (1), the Secretary shall—

“(A) reduce the amount of the grant that would otherwise be made to such agency under this subpart in the exact proportion of the failure to maintain the fiscal effort at such level; and

“(B) not use the reduced amount of the agency and State expenditures for the preceding year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1).

“(3) **WAIVER.**—

“(A) **IN GENERAL.**—The Secretary may waive the requirement of paragraph (1) for a local educational agency, for not more than 1 year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the agency’s financial resources.

“(B) **FUTURE DETERMINATIONS.**—The Secretary shall not use the reduced amount of the agency’s expenditures for the fiscal year preceding the fiscal year for which a waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver.

“(d) **REALLOCATIONS.**—The Secretary may reallocate, in a manner that the Secretary determines will best carry out the purpose of this subpart, any amounts that—

“(1) based on estimates made by local educational agencies or other information, the Secretary determines will not be needed by such agencies to carry out approved programs under this subpart; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) otherwise become available for reallocation under this subpart.

20 USC 7429.

“SEC. 7119. STATE EDUCATIONAL AGENCY REVIEW.

“Before submitting an application to the Secretary under section 7114, a local educational agency shall submit the application to the State educational agency, which may comment on such application. If the State educational agency comments on the application, the agency shall comment on all applications submitted by local educational agencies in the State and shall provide those comments to the respective local educational agencies, with an opportunity to respond.

“Subpart 2—Special Programs and Projects To Improve Educational Opportunities for Indian Children

20 USC 7441.

“SEC. 7121. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

“(a) PURPOSE.—

“(1) IN GENERAL.—It is the purpose of this section to support projects to develop, test, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

“(2) COORDINATION.—The Secretary shall take the necessary actions to achieve the coordination of activities assisted under this subpart with—

“(A) other programs funded under this Act; and

“(B) other Federal programs operated for the benefit of American Indian and Alaska Native children.

“(b) ELIGIBLE ENTITIES.—In this section, the term ‘eligible entity’ means a State educational agency, local educational agency, Indian tribe, Indian organization, federally supported elementary school or secondary school for Indian students, Indian institution (including an Indian institution of higher education), or a consortium of such entities.

“(c) GRANTS AUTHORIZED.—

“(1) IN GENERAL.—The Secretary shall award grants to eligible entities to enable such entities to carry out activities that meet the purpose of this section, including—

“(A) innovative programs related to the educational needs of educationally disadvantaged children;

“(B) educational services that are not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in one or more of the core academic subjects of English, mathematics, science, foreign languages, art, history, and geography;

“(C) bilingual and bicultural programs and projects;

“(D) special health and nutrition services, and other related activities, that address the special health, social, and psychological problems of Indian children;

“(E) special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school, and to increase the rate of high school graduation for Indian children;

“(F) comprehensive guidance, counseling, and testing services;

“(G) early childhood and kindergarten programs, including family-based preschool programs that emphasize school readiness and parental skills, and the provision of services to Indian children with disabilities;

“(H) partnership projects between local educational agencies and institutions of higher education that allow

PUBLIC LAW 107-110—JAN. 8, 2002

secondary school students to enroll in courses at the postsecondary level to aid such students in the transition from secondary to postsecondary education;

“(I) partnership projects between schools and local businesses for career preparation programs designed to provide Indian youth with the knowledge and skills such youth need to make an effective transition from school to a high-skill, high-wage career;

“(J) programs designed to encourage and assist Indian students to work toward, and gain entrance into, an institution of higher education;

“(K) family literacy services;

“(L) activities that recognize and support the unique cultural and educational needs of Indian children, and incorporate appropriately qualified tribal elders and seniors; or

“(M) other services that meet the purpose described in this section.

“(2) PROFESSIONAL DEVELOPMENT.—Professional development of teaching professionals and paraprofessionals may be a part of any program assisted under this section.

“(d) GRANT REQUIREMENTS AND APPLICATIONS.—

“(1) GRANT REQUIREMENTS.—

“(A) IN GENERAL.—The Secretary may make multiyear grants under subsection (c) for the planning, development, pilot operation, or demonstration of any activity described in subsection (c) for a period not to exceed 5 years.

“(B) PRIORITY.—In making multiyear grants described in this paragraph, the Secretary shall give priority to entities submitting applications that present a plan for combining two or more of the activities described in subsection (c) over a period of more than 1 year.

“(C) PROGRESS.—The Secretary shall make a grant payment for a grant described in this paragraph to an eligible entity after the initial year of the multiyear grant only if the Secretary determines that the eligible entity has made substantial progress in carrying out the activities assisted under the grant in accordance with the application submitted under paragraph (3) and any subsequent modifications to such application.

“(2) DISSEMINATION GRANTS.—

“(A) IN GENERAL.—In addition to awarding the multiyear grants described in paragraph (1), the Secretary may award grants under subsection (c) to eligible entities for the dissemination of exemplary materials or programs assisted under this section.

“(B) DETERMINATION.—The Secretary may award a dissemination grant described in this paragraph if, prior to awarding the grant, the Secretary determines that the material or program to be disseminated—

“(i) has been adequately reviewed;

“(ii) has demonstrated educational merit; and

“(iii) can be replicated.

“(3) APPLICATION.—

“(A) IN GENERAL.—Any eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require.

“(B) CONTENTS.—Each application submitted to the Secretary under subparagraph (A), other than an application for a dissemination grant under paragraph (2), shall contain—

“(i) a description of how parents of Indian children and representatives of Indian tribes have been, and

PUBLIC LAW 107-110—JAN. 8, 2002

will be, involved in developing and implementing the activities for which assistance is sought;

“(ii) assurances that the applicant will participate, at the request of the Secretary, in any national evaluation of activities assisted under this section;

“(iii) information demonstrating that the proposed program for the activities is a scientifically based research program, where applicable, which may include a program that has been modified to be culturally appropriate for students who will be served;

“(iv) a description of how the applicant will incorporate the proposed activities into the ongoing school program involved once the grant period is over; and

“(v) such other assurances and information as the Secretary may reasonably require.

“(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds provided to a grantee under this subpart for any fiscal year may be used for administrative purposes.

20 USC 7442.

“SEC. 7122. PROFESSIONAL DEVELOPMENT FOR TEACHERS AND EDUCATION PROFESSIONALS.

“(a) PURPOSES.—The purposes of this section are—

“(1) to increase the number of qualified Indian individuals in teaching or other education professions that serve Indian people;

“(2) to provide training to qualified Indian individuals to enable such individuals to become teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

“(3) to improve the skills of qualified Indian individuals who serve in the capacities described in paragraph (2).

“(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term ‘eligible entity’ means—

“(1) an institution of higher education, including an Indian institution of higher education;

“(2) a State educational agency or local educational agency, in consortium with an institution of higher education;

“(3) an Indian tribe or organization, in consortium with an institution of higher education; and

“(4) a Bureau-funded school (as defined in section 1146 of the Education Amendments of 1978).

“(c) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to eligible entities having applications approved under this section to enable those entities to carry out the activities described in subsection (d).

“(d) AUTHORIZED ACTIVITIES.—

“(1) IN GENERAL.—Grant funds under this section shall be used for activities to provide support and training for Indian individuals in a manner consistent with the purposes of this section. Such activities may include continuing programs, symposia, workshops, conferences, and direct financial support, and may include programs designed to train tribal elders and seniors.

“(2) SPECIAL RULES.—

“(A) TYPE OF TRAINING.—For education personnel, the training received pursuant to a grant under this section may be inservice or preservice training.

“(B) PROGRAM.—For individuals who are being trained to enter any field other than teaching, the training received pursuant to a grant under this section shall be in a program that results in a graduate degree.

“(e) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

PUBLIC LAW 107-110—JAN. 8, 2002

“(f) SPECIAL RULE.—In awarding grants under this section, the Secretary—

“(1) shall consider the prior performance of the eligible entity; and

“(2) may not limit eligibility to receive a grant under this section on the basis of—

“(A) the number of previous grants the Secretary has awarded such entity; or

“(B) the length of any period during which such entity received such grants.

“(g) GRANT PERIOD.—Each grant under this section shall be awarded for a period of not more than 5 years.

“(h) SERVICE OBLIGATION.—

“(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives training pursuant to a grant made under this section—

“(A) perform work—

“(i) related to the training received under this section; and

“(ii) that benefits Indian people; or

“(B) repay all or a prorated part of the assistance received.

“(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a grant recipient under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning compliance with the work requirement under paragraph (1).

Regulations.

“Subpart 3—National Activities

“SEC. 7131. NATIONAL RESEARCH ACTIVITIES.

20 USC 7451.

“(a) AUTHORIZED ACTIVITIES.—The Secretary may use funds made available under section 7152(b) for each fiscal year to—

“(1) conduct research related to effective approaches for the education of Indian children and adults;

“(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

“(3) collect and analyze data on the educational status and needs of Indians; and

“(4) carry out other activities that are consistent with the purpose of this part.

“(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with, Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher education, including Indian institutions of higher education, and other public and private agencies and institutions.

“(c) COORDINATION.—Research activities supported under this section—

“(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

“(2) may include collaborative research activities that are jointly funded and carried out by the Office of Indian Education Programs and the Office of Educational Research and Improvement.

“SEC. 7132. IN-SERVICE TRAINING FOR TEACHERS OF INDIAN CHILDREN.

20 USC 7452.

“(a) GRANTS AUTHORIZED.—In addition to the grants authorized by section 7122(c), the Secretary may make grants to eligible consor-

PUBLIC LAW 107-110—JAN. 8, 2002

tia for the provision of high quality in-service training. The Secretary may make such a grant to—

“(1) a consortium of a tribal college and an institution of higher education that awards a degree in education; or

“(2) a consortium of—

“(A) a tribal college;

“(B) an institution of higher education that awards a degree in education; and

“(C) one or more elementary schools or secondary schools operated by the Bureau of Indian Affairs, local educational agencies serving Indian children, or tribal educational agencies.

“(b) USE OF FUNDS.—

“(1) IN-SERVICE TRAINING.—A consortium that receives a grant under subsection (a) shall use the grant funds only to provide high quality in-service training to teachers, including teachers who are not Indians, in schools of local educational agencies with substantial numbers of Indian children enrolled in their schools, in order to better meet the needs of those children.

“(2) COMPONENTS.—The training described in paragraph (1) shall include such activities as preparing teachers to use the best available scientifically based research practices and learning strategies, and to make the most effective use of curricula and materials, to respond to the unique needs of Indian children in their classrooms.

“(c) PREFERENCE FOR INDIAN APPLICANTS.—In applying section 7143 to this section, the Secretary shall give a preference to any consortium that includes one or more of the entities described in section 7143.

20 USC 7453.

“SEC. 7133. FELLOWSHIPS FOR INDIAN STUDENTS.

“(a) FELLOWSHIPS.—

“(1) AUTHORITY.—The Secretary is authorized to award fellowships to Indian students to enable such students to study in graduate and professional programs at institutions of higher education.

“(2) REQUIREMENTS.—The fellowships described in paragraph (1) shall be awarded to Indian students to enable such students to pursue a course of study—

“(A) of not more than 4 academic years; and

“(B) that leads—

“(i) toward a postbaccalaureate degree in medicine, clinical psychology, psychology, law, education, or a related field; or

“(ii) to an undergraduate or graduate degree in engineering, business administration, natural resources, or a related field.

“(b) STIPENDS.—The Secretary shall pay to Indian students awarded fellowships under subsection (a) such stipends (including allowances for subsistence of such students and dependents of such students) as the Secretary determines to be consistent with prevailing practices under comparable federally supported programs.

“(c) PAYMENTS TO INSTITUTIONS IN LIEU OF TUITION.—The Secretary shall pay to the institution of higher education at which such a fellowship recipient is pursuing a course of study, in lieu of tuition charged to such recipient, such amounts as the Secretary may determine to be necessary to cover the cost of education provided to such recipient.

“(d) SPECIAL RULES.—

“(1) IN GENERAL.—If a fellowship awarded under subsection (a) is vacated prior to the end of the period for which the fellowship is awarded, the Secretary may award an additional fellowship for the unexpired portion of the period of the first fellowship.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) WRITTEN NOTICE.—Not later than 45 days before the commencement of an academic term, the Secretary shall provide to each individual who is awarded a fellowship under subsection (a) for such academic term written notice of—

Deadline.

“(A) the amount of the funding for the fellowship; and

“(B) any stipends or other payments that will be made under this section to, or for the benefit of, the individual for the academic term.

“(3) PRIORITY.—Not more than 10 percent of the fellowships awarded under subsection (a) shall be awarded, on a priority basis, to persons receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.

“(e) SERVICE OBLIGATION.—

“(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives financial assistance under this section—

“(A) perform work—

“(i) related to the training for which the individual receives the assistance under this section; and

“(ii) that benefits Indian people; or

“(B) repay all or a prorated portion of such assistance.

“(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a recipient of assistance under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement described in paragraph (1).

Regulations.

“(f) ADMINISTRATION OF FELLOWSHIPS.—The Secretary may administer the fellowships authorized under this section through a grant to, or contract or cooperative agreement with, an Indian organization with demonstrated qualifications to administer all facets of the program assisted under this section.

“SEC. 7134. GIFTED AND TALENTED INDIAN STUDENTS.

20 USC 7454.

“(a) PROGRAM AUTHORIZED.—The Secretary is authorized to—

“(1) establish two centers for gifted and talented Indian students at tribally controlled community colleges in accordance with this section; and

“(2) support demonstration projects described in subsection (c).

“(b) ELIGIBLE ENTITIES.—The Secretary shall make grants, or enter into contracts, for the activities described in subsection (a), to or with—

“(1) two tribally controlled community colleges that—

“(A) are eligible for funding under the Tribally Controlled College or University Assistance Act of 1978; and

“(B) are fully accredited; or

“(2) the American Indian Higher Education Consortium, if the Secretary does not receive applications that the Secretary determines to be approvable from two colleges that meet the requirements of paragraph (1).

“(c) USE OF FUNDS.—

“(1) IN GENERAL.—Funds made available through the grants made, or contracts entered into, by the Secretary under subsection (b) shall be used for—

“(A) the establishment of centers described in subsection (a); and

“(B) carrying out demonstration projects designed to—

“(i) address the special needs of Indian students in elementary schools and secondary schools who are gifted and talented; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) provide such support services to the families of the students described in clause (i) as are needed to enable such students to benefit from the projects.

“(2) SUBCONTRACTS.—Each recipient of a grant or contract under subsection (b) to carry out a demonstration project under subsection (a) may enter into a contract with any other entity, including the Children’s Television Workshop, to carry out the demonstration project.

“(3) DEMONSTRATION PROJECTS.—Demonstration projects assisted under subsection (b) may include—

“(A) the identification of the special needs of gifted and talented Indian students, particularly at the elementary school level, giving attention to—

“(i) identifying the emotional and psychosocial needs of such students; and

“(ii) providing such support services to the families of such students as are needed to enable such students to benefit from the projects;

“(B) the conduct of educational, psychosocial, and developmental activities that the Secretary determines hold a reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including—

“(i) demonstrating and exploring the use of Indian languages and exposure to Indian cultural traditions; and

“(ii) carrying out mentoring and apprenticeship programs;

“(C) the provision of technical assistance and the coordination of activities at schools that receive grants under subsection (d) with respect to the activities assisted under such grants, the evaluation of programs assisted under such grants, or the dissemination of such evaluations;

“(D) the use of public television in meeting the special educational needs of such gifted and talented children;

“(E) leadership programs designed to replicate programs for such children throughout the United States, including disseminating information derived from the demonstration projects conducted under subsection (a); and

“(F) appropriate research, evaluation, and related activities pertaining to the needs of such children and to the provision of such support services to the families of such children as are needed to enable such children to benefit from the projects.

“(4) APPLICATION.—Each eligible entity desiring a grant or contract under subsection (b) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

“(d) ADDITIONAL GRANTS.—

“(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior, shall award 5 grants to schools funded by the Bureau of Indian Affairs (hereafter referred to individually in this section as a ‘Bureau school’) for program research and development and the development and dissemination of curriculum and teacher training material, regarding—

“(A) gifted and talented students;

“(B) college preparatory studies (including programs for Indian students with an interest in pursuing teaching careers);

“(C) students with special culturally related academic needs, including students with social, lingual, and cultural needs; or

“(D) mathematics and science education.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) APPLICATIONS.—Each Bureau school desiring a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

“(3) SPECIAL RULE.—Each application described in paragraph (2) shall be developed, and each grant under this subsection shall be administered, jointly by the supervisor of the Bureau school and the local educational agency serving such school.

“(4) REQUIREMENTS.—In awarding grants under paragraph (1), the Secretary shall achieve a mixture of the programs described in paragraph (1) that ensures that Indian students at all grade levels and in all geographic areas of the United States are able to participate in a program assisted under this subsection.

“(5) GRANT PERIOD.—Subject to the availability of appropriations, a grant awarded under paragraph (1) shall be awarded for a 3-year period and may be renewed by the Secretary for additional 3-year periods if the Secretary determines that the performance of the grant recipient has been satisfactory.

“(6) DISSEMINATION.—

“(A) COOPERATIVE EFFORTS.—The dissemination of any materials developed from activities assisted under paragraph (1) shall be carried out in cooperation with entities that receive funds pursuant to subsection (b).

“(B) REPORT.—The Secretary shall prepare and submit to the Secretary of the Interior and to Congress a report concerning any results from activities described in this subsection.

“(7) EVALUATION COSTS.—

“(A) DIVISION.—The costs of evaluating any activities assisted under paragraph (1) shall be divided between the Bureau schools conducting such activities and the recipients of grants or contracts under subsection (b) who conduct demonstration projects under subsection (a).

“(B) GRANTS AND CONTRACTS.—If no funds are provided under subsection (b) for—

“(i) the evaluation of activities assisted under paragraph (1);

“(ii) technical assistance and coordination with respect to such activities; or

“(iii) the dissemination of the evaluations referred to in clause (i),

the Secretary shall make such grants, or enter into such contracts, as are necessary to provide for the evaluations, technical assistance, and coordination of such activities, and the dissemination of the evaluations.

“(e) INFORMATION NETWORK.—The Secretary shall encourage each recipient of a grant or contract under this section to work cooperatively as part of a national network to ensure that the information developed by the grant or contract recipient is readily available to the entire educational community.

“SEC. 7135. GRANTS TO TRIBES FOR EDUCATION ADMINISTRATIVE PLANNING AND DEVELOPMENT. 20 USC 7455.

“(a) IN GENERAL.—The Secretary may make grants to Indian tribes, and tribal organizations approved by Indian tribes, to plan and develop a centralized tribal administrative entity to—

“(1) coordinate all education programs operated by the tribe or within the territorial jurisdiction of the tribe;

“(2) develop education codes for schools within the territorial jurisdiction of the tribe;

“(3) provide support services and technical assistance to schools serving children of the tribe; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(4) perform child-find screening services for the preschool-aged children of the tribe to—

“(A) ensure placement in appropriate educational facilities; and

“(B) coordinate the provision of any needed special services for conditions such as disabilities and English language skill deficiencies.

“(b) PERIOD OF GRANT.—Each grant awarded under this section may be awarded for a period of not more than 3 years. Such grant may be renewed upon the termination of the initial period of the grant if the grant recipient demonstrates to the satisfaction of the Secretary that renewing the grant for an additional 3-year period is necessary to carry out the objectives of the grant described in subsection (c)(2)(A).

“(c) APPLICATION FOR GRANT.—

“(1) IN GENERAL.—Each Indian tribe and tribal organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

“(2) CONTENTS.—Each application described in paragraph (1) shall contain—

“(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

“(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and for determining whether such objectives are achieved.

“(3) APPROVAL.—The Secretary may approve an application submitted by a tribe or tribal organization pursuant to this section only if the Secretary is satisfied that such application, including any documentation submitted with the application—

“(A) demonstrates that the applicant has consulted with other education entities, if any, within the territorial jurisdiction of the applicant who will be affected by the activities to be conducted under the grant;

“(B) provides for consultation with such other education entities in the operation and evaluation of the activities conducted under the grant; and

“(C) demonstrates that there will be adequate resources provided under this section or from other sources to complete the activities for which assistance is sought, except that the availability of such other resources shall not be a basis for disapproval of such application.

“(d) RESTRICTION.—A tribe may not receive funds under this section if such tribe receives funds under section 1144 of the Education Amendments of 1978.

20 USC 7456.

“SEC. 7136. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

“(a) IN GENERAL.—The Secretary shall make grants to State educational agencies, local educational agencies, and Indian tribes, institutions, and organizations—

“(1) to support planning, pilot, and demonstration projects that are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

“(2) to assist in the establishment and operation of programs that are designed to stimulate—

“(A) the provision of basic literacy opportunities for all nonliterate Indian adults; and

“(B) the provision of opportunities to all Indian adults to qualify for a secondary school diploma, or its recognized equivalent, in the shortest period of time feasible;

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) to support a major research and development program to develop more innovative and effective techniques for achieving literacy and secondary school equivalency for Indians;

“(4) to provide for basic surveys and evaluations to define accurately the extent of the problems of illiteracy and lack of secondary school completion among Indians; and

“(5) to encourage the dissemination of information and materials relating to, and the evaluation of, the effectiveness of education programs that may offer educational opportunities to Indian adults.

“(b) EDUCATIONAL SERVICES.—The Secretary may make grants to Indian tribes, institutions, and organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

“(c) INFORMATION AND EVALUATION.—The Secretary may make grants to, and enter into contracts with, public agencies and institutions and Indian tribes, institutions, and organizations, for—

“(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations of the programs, services, and resources; and

“(2) the evaluation of federally assisted programs in which Indian adults may participate to determine the effectiveness of the programs in achieving the purposes of the programs with respect to Indian adults.

“(d) APPLICATIONS.—

“(1) IN GENERAL.—Each entity desiring a grant or contract under this section shall submit to the Secretary an application at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

“(2) CONTENTS.—Each application described in paragraph (1) shall contain—

“(A) a statement describing the activities to be conducted and the objectives to be achieved under the grant or contract; and

“(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether the objectives of the grant or contract are achieved.

“(3) APPROVAL.—The Secretary shall not approve an application described in paragraph (1) unless the Secretary determines that such application, including any documentation submitted with the application, indicates that—

“(A) there has been adequate participation, by the individuals to be served and the appropriate tribal communities, in the planning and development of the activities to be assisted; and

“(B) the individuals and tribal communities referred to in subparagraph (A) will participate in the operation and evaluation of the activities to be assisted.

“(4) PRIORITY.—In approving applications under paragraph (1), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

“(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available to an entity through a grant or contract made or entered into under this section for a fiscal year may be used to pay for administrative costs.

“Subpart 4—Federal Administration

“SEC. 7141. NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION. 20 USC 7471.

“(a) MEMBERSHIP.—There is established a National Advisory Council on Indian Education (hereafter in this section referred to as the ‘Council’), which shall—

Establishment.

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time to time, by Indian tribes and organizations; and

“(2) represent different geographic areas of the United States.

“(b) DUTIES.—The Council shall—

“(1) advise the Secretary concerning the funding and administration (including the development of regulations and administrative policies and practices) of any program, including any program established under this part—

“(A) with respect to which the Secretary has jurisdiction; and

“(B)(i) that includes Indian children or adults as participants; or

“(ii) that may benefit Indian children or adults;

“(2) make recommendations to the Secretary for filling the position of Director of Indian Education whenever a vacancy occurs; and

Deadline.
Reports.

“(3) submit to Congress, not later than June 30 of each year, a report on the activities of the Council, including—

“(A) any recommendations that the Council considers appropriate for the improvement of Federal education programs that include Indian children or adults as participants, or that may benefit Indian children or adults; and

“(B) recommendations concerning the funding of any program described in subparagraph (A).

20 USC 7472.

“SEC. 7142. PEER REVIEW.

“The Secretary may use a peer review process to review applications submitted to the Secretary under subpart 2 or subpart 3.

20 USC 7473.

“SEC. 7143. PREFERENCE FOR INDIAN APPLICANTS.

“In making grants and entering into contracts or cooperative agreements under subpart 2 or subpart 3, the Secretary shall give a preference to Indian tribes, organizations, and institutions of higher education under any program with respect to which Indian tribes, organizations, and institutions are eligible to apply for grants, contracts, or cooperative agreements.

20 USC 7474.

“SEC. 7144. MINIMUM GRANT CRITERIA.

“The Secretary may not approve an application for a grant, contract, or cooperative agreement under subpart 2 or subpart 3 unless the application is for a grant, contract, or cooperative agreement that is—

“(1) of sufficient size, scope, and quality to achieve the purpose or objectives of such grant, contract, or cooperative agreement; and

“(2) based on relevant research findings.

“Subpart 5—Definitions; Authorizations of Appropriations

20 USC 7491.

“SEC. 7151. DEFINITIONS.

“For the purposes of this part:

“(1) ADULT.—The term ‘adult’ means an individual who—

“(A) has attained the age of 16 years; or

“(B) has attained an age that is greater than the age of compulsory school attendance under an applicable State law.

“(2) FREE PUBLIC EDUCATION.—The term ‘free public education’ means education that is—

“(A) provided at public expense, under public supervision and direction, and without tuition charge; and

“(B) provided as elementary or secondary education in the applicable State or to preschool children.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) INDIAN.—The term ‘Indian’ means an individual who is—

“(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

“(i) any tribe or band terminated since 1940; and

“(ii) any tribe or band recognized by the State in which the tribe or band resides;

“(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

“(C) considered by the Secretary of the Interior to be an Indian for any purpose;

“(D) an Eskimo, Aleut, or other Alaska Native; or

“(E) a member of an organized Indian group that received a grant under the Indian Education Act of 1988 as in effect the day preceding the date of enactment of the Improving America’s Schools Act of 1994.

“SEC. 7152. AUTHORIZATIONS OF APPROPRIATIONS.

20 USC 7492.

“(a) SUBPART 1.—For the purpose of carrying out subpart 1, there are authorized to be appropriated \$96,400,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) SUBPARTS 2 AND 3.—For the purpose of carrying out subparts 2 and 3, there are authorized to be appropriated \$24,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 5 succeeding fiscal years.

“PART B—NATIVE HAWAIIAN EDUCATIONNative Hawaiian
Education Act.
20 USC 7511.**“SEC. 7201. SHORT TITLE.**

“This part may be cited as the ‘Native Hawaiian Education Act’.

“SEC. 7202. FINDINGS.

20 USC 7512.

“Congress finds the following:

“(1) Native Hawaiians are a distinct and unique indigenous people with a historical continuity to the original inhabitants of the Hawaiian archipelago, whose society was organized as a nation and internationally recognized as a nation by the United States, Britain, France, and Japan, as evidenced by treaties governing friendship, commerce, and navigation.

“(2) At the time of the arrival of the first nonindigenous people in Hawaii in 1778, the Native Hawaiian people lived in a highly organized, self-sufficient subsistence social system based on a communal land tenure system with a sophisticated language, culture, and religion.

“(3) A unified monarchical government of the Hawaiian Islands was established in 1810 under Kamehameha I, the first King of Hawaii.

“(4) From 1826 until 1893, the United States recognized the sovereignty and independence of the Kingdom of Hawaii, which was established in 1810 under Kamehameha I, extended full and complete diplomatic recognition to the Kingdom of Hawaii, and entered into treaties and conventions with the Kingdom of Hawaii to govern friendship, commerce and navigation in 1826, 1842, 1849, 1875, and 1887.

“(5) In 1893, the sovereign, independent, internationally recognized, and indigenous government of Hawaii, the Kingdom of Hawaii, was overthrown by a small group of non-Hawaiians, including United States citizens, who were assisted in their efforts by the United States Minister, a United States naval representative, and armed naval forces of the United States. Because of the participation of United States agents and citizens in the overthrow of the Kingdom of Hawaii, in 1993 the United States apologized to Native Hawaiians for the over-

PUBLIC LAW 107-110—JAN. 8, 2002

throw and the deprivation of the rights of Native Hawaiians to self-determination through Public Law 103-150 (107 Stat. 1510).

“(6) In 1898, the joint resolution entitled ‘Joint Resolution to provide for annexing the Hawaiian Islands to the United States’, approved July 7, 1898 (30 Stat. 750), ceded absolute title of all lands held by the Republic of Hawaii, including the government and crown lands of the former Kingdom of Hawaii, to the United States, but mandated that revenue generated from the lands be used ‘solely for the benefit of the inhabitants of the Hawaiian Islands for educational and other public purposes’.

“(7) By 1919, the Native Hawaiian population had declined from an estimated 1,000,000 in 1778 to an alarming 22,600, and in recognition of this severe decline, Congress enacted the Hawaiian Homes Commission Act, 1920 (42 Stat. 108), which designated approximately 200,000 acres of ceded public lands for homesteading by Native Hawaiians.

“(8) Through the enactment of the Hawaiian Homes Commission Act, 1920, Congress affirmed the special relationship between the United States and the Native Hawaiians, which was described by then Secretary of the Interior Franklin K. Lane, who said: ‘One thing that impressed me . . . was the fact that the natives of the island who are our wards, I should say, and for whom in a sense we are trustees, are falling off rapidly in numbers and many of them are in poverty.’.

“(9) In 1938, Congress again acknowledged the unique status of the Hawaiian people by including in the Act of June 20, 1938 (52 Stat. 781, chapter 530; 16 U.S.C. 391b, 391b-1, 392b, 392c, 396, 396a), a provision to lease lands within the National Parks extension to Native Hawaiians and to permit fishing in the area ‘only by native Hawaiian residents of said area or of adjacent villages and by visitors under their guidance.’.

“(10) Under the Act entitled ‘An Act to provide for the admission of the State of Hawaii into the Union’, approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for the administration of the Hawaiian Home Lands to the State of Hawaii but reaffirmed the trust relationship between the United States and the Hawaiian people by retaining the exclusive power to enforce the trust, including the power to approve land exchanges and amendments to such Act affecting the rights of beneficiaries under such Act.

“(11) In 1959, under the Act entitled ‘An Act to provide for the admission of the State of Hawaii into the Union’, the United States also ceded to the State of Hawaii title to the public lands formerly held by the United States, but mandated that such lands be held by the State ‘in public trust’ and reaffirmed the special relationship that existed between the United States and the Hawaiian people by retaining the legal responsibility to enforce the public trust responsibility of the State of Hawaii for the betterment of the conditions of Native Hawaiians, as defined in section 201(a) of the Hawaiian Homes Commission Act, 1920.

“(12) The United States has recognized and reaffirmed that—

“(A) Native Hawaiians have a cultural, historic, and land-based link to the indigenous people who exercised sovereignty over the Hawaiian Islands, and that group has never relinquished its claims to sovereignty or its sovereign lands;

“(B) Congress does not extend services to Native Hawaiians because of their race, but because of their unique status as the indigenous people of a once sovereign

PUBLIC LAW 107-110—JAN. 8, 2002

nation as to whom the United States has established a trust relationship;

“(C) Congress has also delegated broad authority to administer a portion of the Federal trust responsibility to the State of Hawaii;

“(D) the political status of Native Hawaiians is comparable to that of American Indians and Alaska Natives; and

“(E) the aboriginal, indigenous people of the United States have—

“(i) a continuing right to autonomy in their internal affairs; and

“(ii) an ongoing right of self-determination and self-governance that has never been extinguished.

“(13) The political relationship between the United States and the Native Hawaiian people has been recognized and reaffirmed by the United States, as evidenced by the inclusion of Native Hawaiians in—

“(A) the Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.);

“(B) the American Indian Religious Freedom Act (42 U.S.C. 1996);

“(C) the National Museum of the American Indian Act (20 U.S.C. 80q et seq.);

“(D) the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001 et seq.);

“(E) the National Historic Preservation Act (16 U.S.C. 470 et seq.);

“(F) the Native American Languages Act (25 U.S.C. 2901 et seq.);

“(G) the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act (20 U.S.C. 4401 et seq.);

“(H) the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.); and

“(I) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

“(14) In 1981, Congress instructed the Office of Education to submit to Congress a comprehensive report on Native Hawaiian education. The report, entitled the ‘Native Hawaiian Educational Assessment Project’, was released in 1983 and documented that Native Hawaiians scored below parity with regard to national norms on standardized achievement tests, were disproportionately represented in many negative social and physical statistics indicative of special educational needs, and had educational needs that were related to their unique cultural situation, such as different learning styles and low self-image.

“(15) In recognition of the educational needs of Native Hawaiians, in 1988, Congress enacted title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (102 Stat. 130) to authorize and develop supplemental educational programs to address the unique conditions of Native Hawaiians.

“(16) In 1993, the Kamehameha Schools Bishop Estate released a 10-year update of findings of the Native Hawaiian Educational Assessment Project, which found that despite the successes of the programs established under title IV of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, many of the same educational needs still existed for Native Hawaiians. Subsequent reports by the Kamehameha Schools Bishop Estate and other organizations have generally confirmed those findings. For example—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) educational risk factors continue to start even before birth for many Native Hawaiian children, including—

“(i) late or no prenatal care;

“(ii) high rates of births by Native Hawaiian women who are unmarried; and

“(iii) high rates of births to teenage parents;

“(B) Native Hawaiian students continue to begin their school experience lagging behind other students in terms of readiness factors such as vocabulary test scores;

“(C) Native Hawaiian students continue to score below national norms on standardized education achievement tests at all grade levels;

“(D) both public and private schools continue to show a pattern of lower percentages of Native Hawaiian students in the uppermost achievement levels and in gifted and talented programs;

“(E) Native Hawaiian students continue to be over-represented among students qualifying for special education programs provided to students with learning disabilities, mild mental retardation, emotional impairment, and other such disabilities;

“(F) Native Hawaiians continue to be underrepresented in institutions of higher education and among adults who have completed four or more years of college;

“(G) Native Hawaiians continue to be disproportionately represented in many negative social and physical statistics indicative of special educational needs, as demonstrated by the fact that—

“(i) Native Hawaiian students are more likely to be retained in grade level and to be excessively absent in secondary school;

“(ii) Native Hawaiian students have the highest rates of drug and alcohol use in the State of Hawaii; and

“(iii) Native Hawaiian children continue to be disproportionately victimized by child abuse and neglect; and

“(H) Native Hawaiians now comprise over 23 percent of the students served by the State of Hawaii Department of Education, and there are and will continue to be geographically rural, isolated areas with a high Native Hawaiian population density.

“(17) In the 1998 National Assessment of Educational Progress, Hawaiian fourth-graders ranked 39th among groups of students from 39 States in reading. Given that Hawaiian students rank among the lowest groups of students nationally in reading, and that Native Hawaiian students rank the lowest among Hawaiian students in reading, it is imperative that greater focus be placed on beginning reading and early education and literacy in Hawaii.

“(18) The findings described in paragraphs (16) and (17) are inconsistent with the high rates of literacy and integration of traditional culture and Western education historically achieved by Native Hawaiians through a Hawaiian language-based public school system established in 1840 by Kamehameha III.

“(19) Following the overthrow of the Kingdom of Hawaii in 1893, Hawaiian medium schools were banned. After annexation, throughout the territorial and statehood period of Hawaii, and until 1986, use of the Hawaiian language as an instructional medium in education in public schools was declared unlawful. The declaration caused incalculable harm to a culture that placed a very high value on the power of language, as exemplified in the traditional saying: ‘I ka ‘ōlelo nō ke ola;

PUBLIC LAW 107-110—JAN. 8, 2002

I ka ‘ōlelo nō ka make. In the language rests life; In the language rests death.’

“(20) Despite the consequences of over 100 years of non-indigenous influence, the Native Hawaiian people are determined to preserve, develop, and transmit to future generations their ancestral territory and their cultural identity in accordance with their own spiritual and traditional beliefs, customs, practices, language, and social institutions.

“(21) The State of Hawaii, in the constitution and statutes of the State of Hawaii—

“(A) reaffirms and protects the unique right of the Native Hawaiian people to practice and perpetuate their culture and religious customs, beliefs, practices, and language;

“(B) recognizes the traditional language of the Native Hawaiian people as an official language of the State of Hawaii, which may be used as the language of instruction for all subjects and grades in the public school system; and

“(C) promotes the study of the Hawaiian culture, language, and history by providing a Hawaiian education program and using community expertise as a suitable and essential means to further the program.

“SEC. 7203. PURPOSES.

20 USC 7513.

“The purposes of this part are to—

“(1) authorize and develop innovative educational programs to assist Native Hawaiians;

“(2) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including resources made available under this part, on Native Hawaiian education, and to provide periodic assessment and data collection;

“(3) supplement and expand programs and authorities in the area of education to further the purposes of this title; and

“(4) encourage the maximum participation of Native Hawaiians in planning and management of Native Hawaiian education programs.

“SEC. 7204. NATIVE HAWAIIAN EDUCATION COUNCIL AND ISLAND COUNCILS.

20 USC 7514.

“(a) ESTABLISHMENT OF NATIVE HAWAIIAN EDUCATION COUNCIL.—In order to better effectuate the purposes of this part through the coordination of educational and related services and programs available to Native Hawaiians, including those programs receiving funding under this part, the Secretary is authorized to establish a Native Hawaiian Education Council (hereafter in this part referred to as the ‘Education Council’).

“(b) COMPOSITION OF EDUCATION COUNCIL.—The Education Council shall consist of not more than 21 members, unless otherwise determined by a majority of the council.

“(c) CONDITIONS AND TERMS.—

“(1) CONDITIONS.—At least 10 members of the Education Council shall be Native Hawaiian education service providers and 10 members of the Education Council shall be Native Hawaiians or Native Hawaiian education consumers. In addition, a representative of the State of Hawaii Office of Hawaiian Affairs shall serve as a member of the Education Council.

“(2) APPOINTMENTS.—The members of the Education Council shall be appointed by the Secretary based on recommendations received from the Native Hawaiian community.

“(3) TERMS.—Members of the Education Council shall serve for staggered terms of 3 years, except as provided in paragraph (4).

PUBLIC LAW 107-110—JAN. 8, 2002

“(4) COUNCIL DETERMINATIONS.—Additional conditions and terms relating to membership on the Education Council, including term lengths and term renewals, shall be determined by a majority of the Education Council.

“(d) NATIVE HAWAIIAN EDUCATION COUNCIL GRANT.—The Secretary shall make a direct grant to the Education Council to carry out the following activities:

“(1) Coordinate the educational and related services and programs available to Native Hawaiians, including the programs assisted under this part.

“(2) Assess the extent to which such services and programs meet the needs of Native Hawaiians, and collect data on the status of Native Hawaiian education.

“(3) Provide direction and guidance, through the issuance of reports and recommendations, to appropriate Federal, State, and local agencies in order to focus and improve the use of resources, including resources made available under this part, relating to Native Hawaiian education, and serve, where appropriate, in an advisory capacity.

“(4) Make direct grants, if such grants enable the Education Council to carry out the duties of the Education Council, as described in paragraphs (1) through (3).

“(e) ADDITIONAL DUTIES OF THE EDUCATION COUNCIL.—

“(1) IN GENERAL.—The Education Council shall provide copies of any reports and recommendations issued by the Education Council, including any information that the Education Council provides to the Secretary pursuant to subsection (i), to the Secretary, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Indian Affairs of the Senate.

“(2) ANNUAL REPORT.—The Education Council shall prepare and submit to the Secretary an annual report on the Education Council’s activities.

“(3) ISLAND COUNCIL SUPPORT AND ASSISTANCE.—The Education Council shall provide such administrative support and financial assistance to the island councils established pursuant to subsection (f) as the Secretary determines to be appropriate, in a manner that supports the distinct needs of each island council.

“(f) ESTABLISHMENT OF ISLAND COUNCILS.—

“(1) IN GENERAL.—In order to better effectuate the purposes of this part and to ensure the adequate representation of island and community interests within the Education Council, the Secretary is authorized to facilitate the establishment of Native Hawaiian education island councils (hereafter in this part referred to as an ‘island council’) for the following islands:

“(A) Hawaii.

“(B) Maui.

“(C) Molokai.

“(D) Lanai.

“(E) Oahu.

“(F) Kauai.

“(G) Niihau.

“(2) COMPOSITION OF ISLAND COUNCILS.—Each island council shall consist of parents, students, and other community members who have an interest in the education of Native Hawaiians, and shall be representative of individuals concerned with the educational needs of all age groups, from children in preschool through adults. At least three-fourths of the members of each island council shall be Native Hawaiians.

“(g) ADMINISTRATIVE PROVISIONS RELATING TO EDUCATION COUNCIL AND ISLAND COUNCILS.—The Education Council and each island council shall meet at the call of the chairperson of the appropriate council, or upon the request of the majority of the members of the appropriate council, but in any event not less

PUBLIC LAW 107-110—JAN. 8, 2002

often than four times during each calendar year. The provisions of the Federal Advisory Committee Act shall not apply to the Education Council and each island council.

“(h) COMPENSATION.—Members of the Education Council and each island council shall not receive any compensation for service on the Education Council and each island council, respectively.

“(i) REPORT.—Not later than 4 years after the date of enactment of the No Child Left Behind Act of 2001, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Indian Affairs of the Senate a report that summarizes the annual reports of the Education Council, describes the allocation and use of funds under this part, and contains recommendations for changes in Federal, State, and local policy to advance the purposes of this part.

Deadline.

“SEC. 7205. PROGRAM AUTHORIZED.

20 USC 7515.

“(a) GENERAL AUTHORITY.—

“(1) GRANTS AND CONTRACTS.—The Secretary is authorized to make direct grants to, or enter into contracts with—

“(A) Native Hawaiian educational organizations;

“(B) Native Hawaiian community-based organizations;

“(C) public and private nonprofit organizations, agencies, and institutions with experience in developing or operating Native Hawaiian programs or programs of instruction in the Native Hawaiian language; and

“(D) consortia of the organizations, agencies, and institutions described in subparagraphs (A) through (C), to carry out programs that meet the purposes of this part.

“(2) PRIORITIES.—In awarding grants or contracts to carry out activities described in paragraph (3), the Secretary shall give priority to entities proposing projects that are designed to address—

“(A) beginning reading and literacy among students in kindergarten through third grade;

“(B) the needs of at-risk children and youth;

“(C) needs in fields or disciplines in which Native Hawaiians are underemployed; and

“(D) the use of the Hawaiian language in instruction.

“(3) AUTHORIZED ACTIVITIES.—Activities provided through programs carried out under this part may include—

“(A) the development and maintenance of a statewide Native Hawaiian early education and care system to provide a continuum of services for Native Hawaiian children from the prenatal period of the children through age 5;

“(B) the operation of family-based education centers that provide such services as—

“(i) programs for Native Hawaiian parents and their infants from the prenatal period of the infants through age 3;

“(ii) preschool programs for Native Hawaiians; and

“(iii) research on, and development and assessment of, family-based, early childhood, and preschool programs for Native Hawaiians;

“(C) activities that enhance beginning reading and literacy in either the Hawaiian or the English language among Native Hawaiian students in kindergarten through third grade and assistance in addressing the distinct features of combined English and Hawaiian literacy for Hawaiian speakers in fifth and sixth grade;

“(D) activities to meet the special needs of Native Hawaiian students with disabilities, including—

“(i) the identification of such students and their needs;

“(ii) the provision of support services to the families of those students; and

PUBLIC LAW 107-110—JAN. 8, 2002

- “(iii) other activities consistent with the requirements of the Individuals with Disabilities Education Act;
- “(E) activities that address the special needs of Native Hawaiian students who are gifted and talented, including—
- “(i) educational, psychological, and developmental activities designed to assist in the educational progress of those students; and
- “(ii) activities that involve the parents of those students in a manner designed to assist in the students’ educational progress;
- “(F) the development of academic and vocational curricula to address the needs of Native Hawaiian children and adults, including curriculum materials in the Hawaiian language and mathematics and science curricula that incorporate Native Hawaiian tradition and culture;
- “(G) professional development activities for educators, including—
- “(i) the development of programs to prepare prospective teachers to address the unique needs of Native Hawaiian students within the context of Native Hawaiian culture, language, and traditions;
- “(ii) in-service programs to improve the ability of teachers who teach in schools with concentrations of Native Hawaiian students to meet those students’ unique needs; and
- “(iii) the recruitment and preparation of Native Hawaiians, and other individuals who live in communities with a high concentration of Native Hawaiians, to become teachers;
- “(H) the operation of community-based learning centers that address the needs of Native Hawaiian families and communities through the coordination of public and private programs and services, including—
- “(i) preschool programs;
- “(ii) after-school programs;
- “(iii) vocational and adult education programs; and
- “(iv) programs that recognize and support the unique cultural and educational needs of Native Hawaiian children, and incorporate appropriately qualified Native Hawaiian elders and seniors;
- “(I) activities, including program co-location, to enable Native Hawaiians to enter and complete programs of post-secondary education, including—
- “(i) provision of full or partial scholarships for undergraduate or graduate study that are awarded to students based on their academic promise and financial need, with a priority, at the graduate level, given to students entering professions in which Native Hawaiians are underrepresented;
- “(ii) family literacy services;
- “(iii) counseling and support services for students receiving scholarship assistance;
- “(iv) counseling and guidance for Native Hawaiian secondary students who have the potential to receive scholarships; and
- “(v) faculty development activities designed to promote the matriculation of Native Hawaiian students;
- “(J) research and data collection activities to determine the educational status and needs of Native Hawaiian children and adults;
- “(K) other research and evaluation activities related to programs carried out under this part; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(L) other activities, consistent with the purposes of this part, to meet the educational needs of Native Hawaiian children and adults.

“(4) SPECIAL RULE AND CONDITIONS.—

“(A) INSTITUTIONS OUTSIDE HAWAII.—The Secretary shall not establish a policy under this section that prevents a Native Hawaiian student enrolled at a 2- or 4-year degree granting institution of higher education outside of the State of Hawaii from receiving a scholarship pursuant to paragraph (3)(I).

“(B) SCHOLARSHIP CONDITIONS.—The Secretary shall establish conditions for receipt of a scholarship awarded under paragraph (3)(I). The conditions shall require that an individual seeking such a scholarship enter into a contract to provide professional services, either during the scholarship period or upon completion of a program of postsecondary education, to the Native Hawaiian community.

“(b) ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a recipient of a grant or contract under subsection (a) for any fiscal year may be used for administrative purposes.

“(c) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section and section 7204 such sums as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“(2) RESERVATION.—Of the funds appropriated under this subsection, the Secretary shall reserve \$500,000 for fiscal year 2002 and each of the 5 succeeding fiscal years to make a direct grant to the Education Council to carry out section 7204.

“(3) AVAILABILITY.—Funds appropriated under this subsection shall remain available until expended.

“SEC. 7206. ADMINISTRATIVE PROVISIONS.

20 USC 7516.

“(a) APPLICATION REQUIRED.—No grant may be made under this part, and no contract may be entered into under this part, unless the entity seeking the grant or contract submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may determine to be necessary to carry out the provisions of this part.

“(b) SPECIAL RULE.—Each applicant for a grant or contract under this part shall submit the application for comment to the local educational agency serving students who will participate in the program to be carried out under the grant or contract, and include those comments, if any, with the application to the Secretary.

“SEC. 7207. DEFINITIONS.

20 USC 7517.

“In this part:

“(1) NATIVE HAWAIIAN.—The term ‘Native Hawaiian’ means any individual who is—

“(A) a citizen of the United States; and

“(B) a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii, as evidenced by—

“(i) genealogical records;

“(ii) Kupuna (elders) or Kamaaina (long-term community residents) verification; or

“(iii) certified birth records.

“(2) NATIVE HAWAIIAN COMMUNITY-BASED ORGANIZATION.—The term ‘Native Hawaiian community-based organization’ means any organization that is composed primarily of Native Hawaiians from a specific community and that assists in the

PUBLIC LAW 107-110—JAN. 8, 2002

social, cultural, and educational development of Native Hawaiians in that community.

“(3) NATIVE HAWAIIAN EDUCATIONAL ORGANIZATION.—The term ‘Native Hawaiian educational organization’ means a private nonprofit organization that—

“(A) serves the interests of Native Hawaiians;

“(B) has Native Hawaiians in substantive and policy-making positions within the organization;

“(C) incorporates Native Hawaiian perspective, values, language, culture, and traditions into the core function of the organization;

“(D) has demonstrated expertise in the education of Native Hawaiian youth; and

“(E) has demonstrated expertise in research and program development.

“(4) NATIVE HAWAIIAN LANGUAGE.—The term ‘Native Hawaiian language’ means the single Native American language indigenous to the original inhabitants of the State of Hawaii.

“(5) NATIVE HAWAIIAN ORGANIZATION.—The term ‘Native Hawaiian organization’ means a private nonprofit organization that—

“(A) serves the interests of Native Hawaiians;

“(B) has Native Hawaiians in substantive and policy-making positions within the organization; and

“(C) is recognized by the Governor of Hawaii for the purpose of planning, conducting, or administering programs (or portions of programs) for the benefit of Native Hawaiians.

“(6) OFFICE OF HAWAIIAN AFFAIRS.—The term ‘Office of Hawaiian Affairs’ means the Office of Hawaiian Affairs established by the Constitution of the State of Hawaii.

“PART C—ALASKA NATIVE EDUCATION

“SEC. 7301. SHORT TITLE.

“This part may be cited as the ‘Alaska Native Educational Equity, Support, and Assistance Act’.

“SEC. 7302. FINDINGS.

“Congress finds and declares the following:

“(1) The attainment of educational success is critical to the betterment of the conditions, long-term well-being, and preservation of the culture of Alaska Natives.

“(2) It is the policy of the Federal Government to encourage the maximum participation by Alaska Natives in the planning and the management of Alaska Native education programs.

“(3) Alaska Native children enter and exit school with serious educational handicaps.

“(4) The educational achievement of Alaska Native children is far below national norms. Native performance on standardized tests is low, Native student dropout rates are high, and Natives are significantly underrepresented among holders of baccalaureate degrees in the State of Alaska. As a result, Native students are being denied their opportunity to become full participants in society by grade school and high school educations that are condemning an entire generation to an underclass status and a life of limited choices.

“(5) The programs authorized in this part, combined with expanded Head Start, infant learning, and early childhood education programs, and parent education programs, are essential if educational handicaps are to be overcome.

“(6) The sheer magnitude of the geographic barriers to be overcome in delivering educational services in rural Alaska and Alaska villages should be addressed through the develop-

Alaska Native
Educational
Equity, Support,
and Assistance
Act.

20 USC 7541.

20 USC 7542.

PUBLIC LAW 107-110—JAN. 8, 2002

ment and implementation of innovative, model programs in a variety of areas.

“(7) Native children should be afforded the opportunity to begin their formal education on a par with their non-Native peers. The Federal Government should lend support to efforts developed by and undertaken within the Alaska Native community to improve educational opportunity for all students.

“SEC. 7303. PURPOSES.

20 USC 7543.

“The purposes of this part are as follows:

“(1) To recognize the unique educational needs of Alaska Natives.

“(2) To authorize the development of supplemental educational programs to benefit Alaska Natives.

“(3) To supplement existing programs and authorities in the area of education to further the purposes of this part.

“(4) To provide direction and guidance to appropriate Federal, State and local agencies to focus resources, including resources made available under this part, on meeting the educational needs of Alaska Natives.

“SEC. 7304. PROGRAM AUTHORIZED.

20 USC 7544.

“(a) GENERAL AUTHORITY.—

“(1) GRANTS AND CONTRACTS.—The Secretary is authorized to make grants to, or enter into contracts with, Alaska Native organizations, educational entities with experience in developing or operating Alaska Native programs or programs of instruction conducted in Alaska Native languages, cultural and community-based organizations with experience in developing or operating programs to benefit Alaska Natives, and consortia of organizations and entities described in this paragraph to carry out programs that meet the purposes of this part.

“(2) PERMISSIBLE ACTIVITIES.—Activities provided through programs carried out under this part may include the following:

“(A) The development and implementation of plans, methods, and strategies to improve the education of Alaska Natives.

“(B) The development of curricula and educational programs that address the educational needs of Alaska Native students, including the following:

“(i) Curriculum materials that reflect the cultural diversity or the contributions of Alaska Natives.

“(ii) Instructional programs that make use of Native Alaskan languages.

“(iii) Networks that introduce successful programs, materials, and techniques to urban and rural schools.

“(C) Professional development activities for educators, including the following:

“(i) Programs to prepare teachers to address the cultural diversity and unique needs of Alaska Native students.

“(ii) In-service programs to improve the ability of teachers to meet the unique needs of Alaska Native students.

“(iii) Recruitment and preparation of teachers who are Alaska Native, reside in communities with high concentrations of Alaska Native students, or are likely to succeed as teachers in isolated, rural communities and engage in cross-cultural instruction in Alaska.

“(D) The development and operation of home instruction programs for Alaska Native preschool children, to ensure the active involvement of parents in their children’s education from the earliest ages.

“(E) Family literacy services.

PUBLIC LAW 107-110—JAN. 8, 2002

“(F) The development and operation of student enrichment programs in science and mathematics that—

“(i) are designed to prepare Alaska Native students from rural areas, who are preparing to enter secondary school, to excel in science and math;

“(ii) provide appropriate support services to the families of such students that are needed to enable such students to benefit from the programs; and

“(iii) may include activities that recognize and support the unique cultural and educational needs of Alaska Native children, and incorporate appropriately qualified Alaska Native elders and seniors.

“(G) Research and data collection activities to determine the educational status and needs of Alaska Native children and adults.

“(H) Other research and evaluation activities related to programs carried out under this part.

“(I) Remedial and enrichment programs to assist Alaska Native students in performing at a high level on standardized tests.

“(J) Education and training of Alaska Native students enrolled in a degree program that will lead to certification or licensing as teachers.

“(K) Parenting education for parents and caregivers of Alaska Native children to improve parenting and caregiving skills (including skills relating to discipline and cognitive development), including parenting education provided through in-home visitation of new mothers.

“(L) Cultural education programs operated by the Alaska Native Heritage Center and designed to share the Alaska Native culture with students.

“(M) A cultural exchange program operated by the Alaska Humanities Forum and designed to share Alaska Native culture with urban students in a rural setting, which shall be known as the Rose Cultural Exchange Program.

“(N) Activities carried out through Even Start programs carried out under subpart 3 of part B of title I and Head Start programs carried out under the Head Start Act, including the training of teachers for programs described in this subparagraph.

“(O) Other early learning and preschool programs.

“(P) Dropout prevention programs such as the Cook Inlet Tribal Council’s Partners for Success program.

“(Q) An Alaska Initiative for Community Engagement program.

“(R) Career preparation activities to enable Alaska Native children and adults to prepare for meaningful employment, including programs providing tech-prep, mentoring, training, and apprenticeship activities.

“(S) Provision of operational support and purchasing of equipment, to develop regional vocational schools in rural areas of Alaska, including boarding schools, for Alaska Native students in grades 9 through 12, or at higher levels of education, to provide the students with necessary resources to prepare for skilled employment opportunities.

“(T) Other activities, consistent with the purposes of this part, to meet the educational needs of Alaska Native children and adults.

“(3) HOME INSTRUCTION PROGRAMS.—Home instruction programs for Alaska Native preschool children carried out under paragraph (2)(D) may include the following:

“(A) Programs for parents and their infants, from the prenatal period of the infant through age 3.

“(B) Preschool programs.

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) Training, education, and support for parents in such areas as reading readiness, observation, story telling, and critical thinking.

“(b) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a grantee under this section for any fiscal year may be used for administrative purposes.

“(c) PRIORITIES.—In awarding grants or contracts to carry out activities described in subsection (a)(2), except for activities listed in subsection (d)(2), the Secretary shall give priority to applications from Alaska Native regional nonprofit organizations, or consortia that include at least one Alaska Native regional nonprofit organization.

“(d) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2002 and each of the 5 succeeding fiscal years.

“(2) AVAILABILITY OF FUNDS.—Of the funds appropriated and made available under this section for a fiscal year, the Secretary shall make available—

“(A) not less than \$1,000,000 to support activities described in subsection (a)(2)(K);

“(B) not less than \$1,000,000 to support activities described in subsection (a)(2)(L);

“(C) not less than \$1,000,000 to support activities described in subsection (a)(2)(M);

“(D) not less than \$2,000,000 to support activities described in subsection (a)(2)(P); and

“(E) not less than \$2,000,000 to support activities described in subsection (a)(2)(Q).

“SEC. 7305. ADMINISTRATIVE PROVISIONS.

20 USC 7545.

“(a) APPLICATION REQUIRED.—No grant may be made under this part, and no contract may be entered into under this part, unless the entity seeking the grant or contract submits an application to the Secretary in such form, in such manner, and containing such information as the Secretary may determine necessary to carry out the provisions of this part.

“(b) APPLICATIONS.—A State educational agency or local educational agency may apply for an award under this part only as part of a consortium involving an Alaska Native organization. The consortium may include other eligible applicants.

“(c) CONSULTATION REQUIRED.—Each applicant for an award under this part shall provide for ongoing advice from and consultation with representatives of the Alaska Native community.

“(d) LOCAL EDUCATIONAL AGENCY COORDINATION.—Each applicant for an award under this part shall inform each local educational agency serving students who would participate in the program to be carried out under the grant or contract about the application.

“SEC. 7306. DEFINITIONS.

20 USC 7546.

“In this part:

“(1) ALASKA NATIVE.—The term ‘Alaska Native’ has the same meaning as the term ‘Native’ has in section 3(b) of the Alaska Native Claims Settlement Act.

“(2) ALASKA NATIVE ORGANIZATION.—The term ‘Alaska Native organization’ means a federally recognized tribe, consortium of tribes, regional nonprofit Native association, and another organization that—

“(A) has or commits to acquire expertise in the education of Alaska Natives; and

“(B) has Alaska Natives in substantive and policy-making positions within the organization.”.

PUBLIC LAW 107-110—JAN. 8, 2002

SEC. 702. CONFORMING AMENDMENTS.

(a) HIGHER EDUCATION ACT OF 1965.—Section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b)) is amended—

(1) in paragraph (1), by striking “section 9308” and inserting “section 7306”; and

(2) in paragraph (3), by striking “section 9212” and inserting “section 7207”.

20 USC 2326.

(b) PUBLIC LAW 88-210.—Section 116 of Public Law 88-210 (as added by section 1 of Public Law 105-332 (112 Stat. 3076)) is amended by striking “section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)” and inserting “section 7207 of the Native Hawaiian Education Act”.

(c) CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT OF 1998.—Section 116(a)(5) of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2326(a)(5)) is amended by striking “section 9212” and all that follows and inserting “section 7207 of the Native Hawaiian Education Act”.

(d) MUSEUM AND LIBRARY SERVICES ACT.—Section 261 of the Museum and Library Services Act (20 U.S.C. 9161) is amended by striking “section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)” and inserting “section 7207 of the Native Hawaiian Education Act”.

(e) ACT OF APRIL 16, 1934.—Section 5 of the Act of April 16, 1934 (commonly known as the “Johnson-O’Malley Act”) (88 Stat. 2213; 25 U.S.C. 456) is amended by striking “section 9104(c)(4)” and inserting “section 7114(c)(4)”.

(f) NATIVE AMERICAN LANGUAGES ACT.—Section 103 of the Native American Languages Act (25 U.S.C. 2902) is amended—

(1) in paragraph (2), by striking “section 9161(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7881(4))” and inserting “section 7151(3) of the Elementary and Secondary Education Act of 1965”; and

(2) in paragraph (3), by striking “section 9212(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7912(1))” and inserting “section 7207 of the Elementary and Secondary Education Act of 1965”.

(g) WORKFORCE INVESTMENT ACT OF 1998.—Section 166(b)(3) of the Workforce Investment Act of 1998 (29 U.S.C. 2911(b)(3)) is amended by striking “paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)” and inserting “section 7207 of the Native Hawaiian Education Act”.

(h) ASSETS FOR INDEPENDENCE ACT.—Section 404(11) of the Assets for Independence Act (42 U.S.C. 604 note) is amended by striking “section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912)” and inserting “section 7207 of the Native Hawaiian Education Act”.

20 USC 7401
note.**SEC. 703. SAVINGS PROVISIONS.**

Funds appropriated for parts A, B, and C of title IX of the Elementary and Secondary Education Act of 1965 (as in effect on the day before the date of enactment of this Act) shall be available for use under parts A, B, and C, respectively, of title VII of such Act, as added by this section.

TITLE VIII—IMPACT AID PROGRAM**SEC. 801. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.**

(a) FOUNDATION PAYMENTS FOR PRE-1995 RECIPIENTS.—Section 8002(h)(1) (20 U.S.C. 7702(h)(1)) is amended—

(1) in subparagraph (A), by striking “and was eligible to receive a payment under section 2 of the Act of September 30, 1950” and inserting “and that filed, or has been determined

PUBLIC LAW 107-110—JAN. 8, 2002

pursuant to statute to have filed a timely application, and met, or has been determined pursuant to statute to meet, the eligibility requirements of section 2(a)(1)(C) of the Act of September 30, 1950”; and

(2) in subparagraph (B), by striking “(or if the local educational agency was not eligible to receive a payment under such section 2 for fiscal year 1994” and inserting “(or if the local educational agency did not meet, or has not been determined pursuant to statute to meet, the eligibility requirements of section 2(a)(1)(C) of the Act of September 30, 1950 for fiscal year 1994”.

(b) PAYMENTS FOR 1995 RECIPIENTS.—Section 8002(h)(2) (20 U.S.C. 7702(h)(2)) is amended—

(1) in subparagraph (A), by adding at the end before the period “, or whose application under this section for fiscal year 1995 was determined pursuant to statute to be timely filed for purposes of payments for subsequent fiscal years”; and

(2) in subparagraph (B)(ii), by striking “for each local educational agency that received a payment under this section for fiscal year 1995” and inserting “for each local educational agency described in subparagraph (A)”.

(c) REMAINING FUNDS.—Section 8002(h)(4)(B) (20 U.S.C. 7702(h)(4)(B)) is amended—

(1) by striking “(in the same manner as percentage shares are determined for local educational agencies under paragraph (2)(B)(ii))” and inserting “(by dividing the maximum amount that the agency is eligible to receive under subsection (b) by the total of the maximum amounts for all such agencies)”; and

(2) by striking “, except that for the purpose of calculating a local educational agency’s assessed value of the Federal property” and inserting “, except that, for the purpose of calculating a local educational agency’s maximum amount under subsection (b)”.

(d) ADDITIONAL ASSISTANCE FOR CERTAIN LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION.—Section 8002 (20 U.S.C. 7702) is amended by striking subsection (j).

(e) MINIMUM PAYMENT WITH RESPECT TO LOSS OF ELIGIBILITY OF CERTAIN LOCAL EDUCATIONAL AGENCIES.—Section 8002 (20 U.S.C. 7702) is amended by adding at the end the following:

“(n) LOSS OF ELIGIBILITY.—

“(1) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary shall make a minimum payment to a local educational agency described in paragraph (2), for the first fiscal year that the agency loses eligibility for assistance under this section as a result of property located within the school district served by the agency failing to meet the definition of Federal property under section 8013(5)(C)(iii), in an amount equal to 90 percent of the amount received by the agency under this section for the preceding year.

“(2) LOCAL EDUCATIONAL AGENCY DESCRIBED.—A local educational agency described in this paragraph is an agency that—

“(A) was eligible for, and received, a payment under this section for fiscal year 2002; and

“(B) beginning in fiscal year 2003 or a subsequent fiscal year, is no longer eligible for payments under this section as provided for in subsection (a)(1)(C) as a result of the transfer of the Federal property involved to a non-Federal entity.”.

(f) APPLICATION FOR PAYMENT.—Notwithstanding any other provision of law, the Secretary shall treat as timely filed an application under section 8002 (20 U.S.C. 7702) from Academy School District 20, Colorado, for a payment for fiscal year 1999, and shall

PUBLIC LAW 107-110—JAN. 8, 2002

process that application from funds appropriated for that section for fiscal year 2001.

SEC. 802. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

(a) **ELIGIBILITY FOR CERTAIN HEAVILY IMPACTED LOCAL EDUCATIONAL AGENCIES.**—

(1) **IN GENERAL.**—Section 8003(b)(2)(C) (20 U.S.C. 7703(b)(2)(C)) is amended—

(A) in clauses (i) and (ii), by inserting after “Federal military installation” each place it appears the following: “(or if the agency is a qualified local educational agency as described in clause (iv))”; and

(B) by adding at the end the following:

“(iv) **QUALIFIED LOCAL EDUCATIONAL AGENCY.**—A qualified local educational agency described in this clause is an agency that meets the following requirements:

“(I) The boundaries of the agency are the same as island property designated by the Secretary of the Interior to be property that is held in trust by the Federal Government.

“(II) The agency has no taxing authority.

“(III) The agency received a payment under paragraph (1) for fiscal year 2001.”

(2) **EFFECTIVE DATE.**—The Secretary shall consider an application for a payment under section 8003(b)(2) for fiscal year 2002 from a qualified local educational agency described in section 8003(b)(2)(C)(iv), as added by paragraph (1), as meeting the requirements of section 8003(b)(2)(C)(iii), and shall provide a payment under section 8003(b)(2) for fiscal year 2002, if the agency submits to the Secretary an application for payment under such section not later than 30 days after the date of enactment of this Act.

(b) **APPLICATIONS FOR PAYMENT.**—

(1) **WARNER PUBLIC SCHOOLS, MUSKOGEE COUNTY, OKLAHOMA.**—Notwithstanding any other provision of law, the Secretary of Education shall treat as timely filed an application under section 8003 (20 U.S.C. 7703) from Warner Public Schools, Muskogee County, Oklahoma, for a payment for fiscal year 2002, and shall process that application for payment, if the Secretary has received the fiscal year 2002 application not later than 30 days after the date of enactment of this Act.

(2) **PINE POINT SCHOOL, SCHOOL DISTRICT 25, MINNESOTA.**—Notwithstanding any other provision of law, the Secretary shall treat as timely filed an application under section 8003 (20 U.S.C. 7703) from Pine Point School, School District 25, Minnesota, for a payment for fiscal year 2002, and shall process that application for payment, if the Secretary has received the fiscal year 2002 application not later than 30 days after the date of enactment of this Act.

SEC. 803. CONSTRUCTION.

Section 8007(b) (20 U.S.C. 7707(b)) is amended to read as follows:

“(b) **SCHOOL FACILITY EMERGENCY AND MODERNIZATION GRANTS AUTHORIZED.**—

“(1) **IN GENERAL.**—From 60 percent of the amount appropriated for each fiscal year under section 8014(e), the Secretary—

“(A) shall award emergency grants in accordance with this subsection to eligible local educational agencies to enable the agencies to carry out emergency repairs of school facilities; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) shall award modernization grants in accordance with this subsection to eligible local educational agencies to enable the agencies to carry out the modernization of school facilities.

“(2) PRIORITY.—In approving applications from local educational agencies for emergency grants and modernization grants under this subsection, the Secretary shall give priority to applications in accordance with the following:

“(A) The Secretary shall first give priority to applications for emergency grants from local educational agencies that meet the requirements of paragraph (3)(A) and, among such applications for emergency grants, shall give priority to those applications of local educational agencies based on the severity of the emergency, as determined by the Secretary.

“(B) The Secretary shall next give priority to applications for emergency grants from local educational agencies that meet the requirements of subparagraph (C) or (D) of paragraph (3) and, among such applications for emergency grants, shall give priority to those applications of local educational agencies based on the severity of the emergency, as determined by the Secretary.

“(C) The Secretary shall next give priority to applications for modernization grants from local educational agencies that meet the requirements of paragraph (3)(B) and, among such applications for modernization grants, shall give priority to those applications of local educational agencies based on the severity of the need for modernization, as determined by the Secretary.

“(D) The Secretary shall next give priority to applications for modernization grants from local educational agencies that meet the requirements of subparagraph (C) or (D) of paragraph (3) and, among such applications for modernization grants, shall give priority to those applications of local educational agencies based on the severity of the need for modernization, as determined by the Secretary.

“(3) ELIGIBILITY REQUIREMENTS.—

“(A) EMERGENCY GRANTS.—A local educational agency is eligible to receive an emergency grant under paragraph (2)(A) if—

“(i) the agency (or in the case of a local educational agency that does not have the authority to tax or issue bonds, the agency’s fiscal agent)—

“(I) has no practical capacity to issue bonds;

“(II) has minimal capacity to issue bonds and is at not less than 75 percent of the agency’s limit of bonded indebtedness; or

“(III) does not meet the requirements of subclauses (I) and (II) but is eligible to receive funds under section 8003(b)(2) for the fiscal year; and

“(ii) the agency is eligible to receive assistance under subsection (a) for the fiscal year and has a school facility emergency, as determined by the Secretary, that poses a health or safety hazard to the students and school personnel assigned to the school facility.

“(B) MODERNIZATION GRANTS.—A local educational agency is eligible to receive a modernization grant under paragraph (2)(C) if—

“(i) the agency is eligible to receive assistance under this title for the fiscal year;

“(ii) the agency (or in the case of a local educational agency that does not have the authority to tax or issue bonds, the agency’s fiscal agent) meets the

PUBLIC LAW 107-110—JAN. 8, 2002

requirements of subclause (I), (II), or (III) of subparagraph (A)(i); and

“(iii) the agency has facility needs resulting from the presence of the Federal Government, such as the enrollment of federally connected children, the presence of tax-exempt Federal property, or an increase in enrollment due to the expansion of Federal activities, housing privatization, or the acquisition of Federal property.

“(C) ADDITIONAL ELIGIBILITY FOR EMERGENCY AND MODERNIZATION GRANTS.—(i) A local educational agency is eligible to receive an emergency grant or a modernization grant under subparagraph (B) or (D) of paragraph (2), respectively, if the agency meets the following requirements:

“(I) The agency receives a basic support payment under section 8003(b) for the fiscal year and the agency meets at least one of the following requirements:

“(aa) The number of children determined under section 8003(a)(1)(C) for the agency for the preceding school year constituted at least 40 percent of the total student enrollment in the schools of the agency during the preceding school year.

“(bb) The number of children determined under subparagraphs (B) and (D)(i) of section 8003(a)(1) for the agency for the preceding school year constituted at least 40 percent of the total student enrollment in the schools of the agency during the preceding school year.

“(II) The agency (or in the case of a local educational agency that does not have the authority to tax or issue bonds, the agency’s fiscal agent) is at not less than 75 percent of the agency’s limit of bonded indebtedness.

“(III) The agency has an assessed value of real property per student that may be taxed for school purposes that is less than the average of the assessed value of real property per student that may be taxed for school purposes in the State in which the local educational agency is located.

“(ii) A local educational agency is also eligible to receive a modernization grant under this subparagraph if the agency is eligible to receive assistance under section 8002 for the fiscal year and meets the requirements of subclauses (II) and (III) of clause (i).

“(D) SPECIAL RULE.—

“(i) IN GENERAL.—Any school described in clause (ii) that desires to receive an emergency grant or a modernization grant under subparagraph (B) or (D) of paragraph (2), respectively, shall, except as provided in the following sentence, submit an application in accordance with paragraph (6), and shall otherwise be treated as a local educational agency for the purpose of this subsection. The school shall submit an application for the grant to the local educational agency of such school and the agency shall submit the application on behalf of the school to the Secretary.

“(ii) SCHOOL DESCRIBED.—A school described in this clause is a school that meets the following requirements:

“(I) The school is located within the geographic boundaries of a local educational agency that does not meet the applicable eligibility requirements under subparagraph (A), (B), or (C) for a grant under this subsection.

PUBLIC LAW 107-110—JAN. 8, 2002

“(II) The school meets at least one of the following requirements:

“(aa) The number of children determined under section 8003(a)(1)(C) for the school for the preceding school year constituted at least 40 percent of the total student enrollment in the school during the preceding school year.

“(bb) The number of children determined under subparagraphs (B) and (D)(i) of section 8003(a)(1) for the school for the preceding school year constituted at least 40 percent of the total student enrollment in the school during the preceding school year.

“(III) The school is located within the geographic boundaries of a local educational agency that meets the requirements of subclauses (II) and (III) of subparagraph (C)(i).

“(E) RULE OF CONSTRUCTION.—For purposes of subparagraph (A)(i), a local educational agency—

“(i) has no practical capacity to issue bonds if the total assessed value of real property that may be taxed for school purposes is less than \$25,000,000; and

“(ii) has minimal capacity to issue bonds if the total assessed value of real property that may be taxed for school purposes is at least \$25,000,000 but not more than \$50,000,000.

“(4) AWARD CRITERIA.—In awarding emergency grants and modernization grants under this subsection, the Secretary shall consider the following factors:

“(A) The ability of the local educational agency to respond to the emergency, or to pay for the modernization project, as the case may be, as measured by—

“(i) the agency’s level of bonded indebtedness;

“(ii) the assessed value of real property per student that may be taxed for school purposes compared to the average of the assessed value of real property per student that may be taxed for school purposes in the State in which the agency is located;

“(iii) the agency’s total tax rate for school purposes (or, if applicable, for capital expenditures) compared to the average total tax rate for school purposes (or the average capital expenditure tax rate, if applicable) in the State in which the agency is located; and

“(iv) funds that are available to the agency, from any other source, including subsection (a), that may be used for capital expenditures.

“(B) The percentage of property in the agency that is nontaxable due to the presence of the Federal Government.

“(C) The number and percentages of children described in subparagraphs (A), (B), (C), and (D) of section 8003(a)(1) served in the school facility with the emergency or served in the school facility proposed for modernization, as the case may be.

“(D) In the case of an emergency grant, the severity of the emergency, as measured by the threat that the condition of the school facility poses to the health, safety, and well-being of students.

“(E) In the case of a modernization grant—

“(i) the severity of the need for modernization, as measured by such factors as—

“(I) overcrowding, as evidenced by the use of portable classrooms, or the potential for future overcrowding because of increased enrollment; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(II) the agency’s inability to utilize technology or offer a curriculum in accordance with contemporary State standards due to the physical limitations of the current school facility; and

“(ii) the age of the school facility proposed for modernization.

“(5) OTHER AWARD PROVISIONS.—

“(A) GENERAL PROVISIONS.—

“(i) LIMITATIONS ON AMOUNT OF FUNDS.—

“(I) IN GENERAL.—The amount of funds provided under an emergency grant or a modernization grant awarded under this subsection to a local educational agency that meets the requirements of subclause (II) or (III) of paragraph (3)(A)(i) for purposes of eligibility under subparagraph (A) or (B) of paragraph (3) or that meets the requirements of clause (i) or (ii) of paragraph (3)(C) for purposes of eligibility under such paragraph (3)(C), or to a school that is eligible under paragraph (3)(D)—

“(aa) shall not exceed 50 percent of the total cost of the project to be assisted under this subsection; and

“(bb) shall not exceed \$4,000,000 during any 4-year period.

“(II) IN-KIND CONTRIBUTIONS.—A local educational agency may use in-kind contributions to meet the matching requirement of subclause (I)(aa).

“(ii) PROHIBITIONS ON USE OF FUNDS.—A local educational agency may not use funds provided under an emergency grant or modernization grant awarded under this subsection for—

“(I) a project for a school facility for which the agency does not have full title or other interest;

“(II) stadiums or other school facilities that are primarily used for athletic contests, exhibitions, or other events for which admission is charged to the general public; or

“(III) the acquisition of real property.

“(iii) SUPPLEMENT, NOT SUPPLANT.—A local educational agency shall use funds provided under an emergency grant or modernization grant awarded under this subsection only to supplement the amount of funds that would, in the absence of the Federal funds provided under the grant, be made available from non-Federal sources to carry out emergency repairs of school facilities or to carry out the modernization of school facilities, as the case may be, and not to supplant such funds.

“(iv) MAINTENANCE COSTS.—Nothing in this subsection shall be construed to authorize the payment of maintenance costs in connection with any school facility modernized in whole or in part with Federal funds provided under this subsection.

“(v) ENVIRONMENTAL SAFEGUARDS.—All projects carried out with Federal funds provided under this subsection shall comply with all relevant Federal, State, and local environmental laws and regulations.

“(vi) CARRY-OVER OF CERTAIN APPLICATIONS.—A local educational agency that applies for an emergency grant or a modernization grant under this subsection for a fiscal year and does not receive the grant for the fiscal year shall have the application for the grant considered for the following fiscal year, subject to the

PUBLIC LAW 107-110—JAN. 8, 2002

priority requirements of paragraph (2) and the award criteria requirements of paragraph (4).

“(B) EMERGENCY GRANTS; PROHIBITION ON USE OF FUNDS.—A local educational agency that is awarded an emergency grant under this subsection may not use amounts under the grant for the complete or partial replacement of an existing school facility unless such replacement is less expensive or more cost-effective than correcting the identified emergency.

“(6) APPLICATION.—A local educational agency that desires to receive an emergency grant or a modernization grant under this subsection shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall contain the following:

“(A) A description of how the local educational agency meets the award criteria under paragraph (4), including the information described in clauses (i) through (iv) of paragraph (4)(A) and subparagraphs (B) and (C) of paragraph (4).

“(B) In the case of an application for an emergency grant—

“(i) a description of the school facility deficiency that poses a health or safety hazard to the occupants of the facility and a description of how the deficiency will be repaired; and

“(ii) a signed statement from an appropriate local official certifying that a deficiency in the school facility threatens the health or safety of the occupants of the facility or that prevents the use of all or a portion of the building.

“(C) In the case of an application for a modernization grant—

“(i) an explanation of the need for the school facility modernization project;

“(ii) the date on which original construction of the facility to be modernized was completed;

“(iii) a listing of the school facilities to be modernized, including the number and percentage of children determined under section 8003(a)(1) in average daily attendance in each school facility; and

“(iv) a description of the ownership of the property on which the current school facility is located or on which the planned school facility will be located.

“(D) A description of the project for which a grant under this subsection will be used, including a cost estimate for the project.

“(E) A description of the interest in, or authority over, the school facility involved, such as an ownership interest or a lease arrangement.

“(F) Such other information and assurances as the Secretary may reasonably require.

“(7) REPORT.—

“(A) IN GENERAL.—Not later than January 1 of each year, the Secretary shall prepare and submit to the appropriate congressional committees a report that contains a justification for each grant awarded under this subsection for the prior fiscal year.

Deadline.

“(B) DEFINITION.—In this paragraph, the term ‘appropriate congressional committees’ means—

“(i) the Committee on Appropriations and the Committee on Education and the Workforce of the House of Representatives; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) the Committee on Appropriations and the Committee on Health, Education, Labor, and Pensions of the Senate.”.

SEC. 804. STATE CONSIDERATION OF PAYMENTS IN PROVIDING STATE AID.

Section 8009(b)(1) (20 U.S.C. 7709(b)(1)) is amended by inserting after “section 8003(a)(2)(B)” the following: “and, with respect to a local educational agency that receives a payment under section 8003(b)(2), the amount in excess of the amount that the agency would receive if the agency were deemed to be an agency eligible to receive a payment under section 8003(b)(1) and not section 8003(b)(2)”.

SEC. 805. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 8014 (20 U.S.C. 7714) is amended in subsections (a), (b), (c), and (f) by striking “three succeeding fiscal years” each place it appears and inserting “seven succeeding fiscal years”.

(b) CONSTRUCTION.—Section 8014(e) (20 U.S.C. 7714(e)) is amended by striking “for each of the three succeeding fiscal years” and inserting “for fiscal year 2001, \$150,000,000 for fiscal year 2002, and such sums as may be necessary for each of the five succeeding fiscal years”.

(c) ADDITIONAL ASSISTANCE FOR CERTAIN LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION.—Section 8014 (20 U.S.C. 7714) is amended by striking subsection (g).

TITLE IX—GENERAL PROVISIONS

SEC. 901. GENERAL PROVISIONS.

Title IX (20 U.S.C. 7801 et seq.) is amended to read as follows:

“TITLE IX—GENERAL PROVISIONS

“PART A—DEFINITIONS

20 USC 7801.

“SEC. 9101. DEFINITIONS.

“Except as otherwise provided, in this Act:

“(1) AVERAGE DAILY ATTENDANCE.—

“(A) IN GENERAL.—Except as provided otherwise by State law or this paragraph, the term ‘average daily attendance’ means—

“(i) the aggregate number of days of attendance of all students during a school year; divided by

“(ii) the number of days school is in session during that year.

“(B) CONVERSION.—The Secretary shall permit the conversion of average daily membership (or other similar data) to average daily attendance for local educational agencies in States that provide State aid to local educational agencies on the basis of average daily membership (or other similar data).

“(C) SPECIAL RULE.—If the local educational agency in which a child resides makes a tuition or other payment for the free public education of the child in a school located in another school district, the Secretary shall, for the purpose of this Act—

“(i) consider the child to be in attendance at a school of the agency making the payment; and

“(ii) not consider the child to be in attendance at a school of the agency receiving the payment.

PUBLIC LAW 107-110—JAN. 8, 2002

“(D) CHILDREN WITH DISABILITIES.—If a local educational agency makes a tuition payment to a private school or to a public school of another local educational agency for a child with a disability, as defined in section 602 of the Individuals with Disabilities Education Act, the Secretary shall, for the purpose of this Act, consider the child to be in attendance at a school of the agency making the payment.

“(2) AVERAGE PER-PUPIL EXPENDITURE.—The term ‘average per-pupil expenditure’ means, in the case of a State or of the United States—

“(A) without regard to the source of funds—

“(i) the aggregate current expenditures, during the third fiscal year preceding the fiscal year for which the determination is made (or, if satisfactory data for that year are not available, during the most recent preceding fiscal year for which satisfactory data are available) of all local educational agencies in the State or, in the case of the United States, for all States (which, for the purpose of this paragraph, means the 50 States and the District of Columbia); plus

“(ii) any direct current expenditures by the State for the operation of those agencies; divided by

“(B) the aggregate number of children in average daily attendance to whom those agencies provided free public education during that preceding year.

“(3) BEGINNING TEACHER.—The term ‘beginning teacher’ means a teacher in a public school who has been teaching less than a total of three complete school years.

“(4) CHILD.—The term ‘child’ means any person within the age limits for which the State provides free public education.

“(5) CHILD WITH A DISABILITY.—The term ‘child with a disability’ has the same meaning given that term in section 602 of the Individuals with Disabilities Education Act.

“(6) COMMUNITY-BASED ORGANIZATION.—The term ‘community-based organization’ means a public or private nonprofit organization of demonstrated effectiveness that—

“(A) is representative of a community or significant segments of a community; and

“(B) provides educational or related services to individuals in the community.

“(7) CONSOLIDATED LOCAL APPLICATION.—The term ‘consolidated local application’ means an application submitted by a local educational agency pursuant to section 9305.

“(8) CONSOLIDATED LOCAL PLAN.—The term ‘consolidated local plan’ means a plan submitted by a local educational agency pursuant to section 9305.

“(9) CONSOLIDATED STATE APPLICATION.—The term ‘consolidated State application’ means an application submitted by a State educational agency pursuant to section 9302.

“(10) CONSOLIDATED STATE PLAN.—The term ‘consolidated State plan’ means a plan submitted by a State educational agency pursuant to section 9302.

“(11) CORE ACADEMIC SUBJECTS.—The term ‘core academic subjects’ means English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography.

“(12) COUNTY.—The term ‘county’ means one of the divisions of a State used by the Secretary of Commerce in compiling and reporting data regarding counties.

“(13) COVERED PROGRAM.—The term ‘covered program’ means each of the programs authorized by—

“(A) part A of title I;

“(B) subpart 3 of part B of title I;

“(C) part C of title I;

PUBLIC LAW 107-110—JAN. 8, 2002

- “(D) part D of title I;
- “(E) part F of title I;
- “(F) part A of title II;
- “(G) part D of title II;
- “(H) part A of title III;
- “(I) part A of title IV;
- “(J) part B of title IV;
- “(K) part A of title V; and
- “(L) subpart 2 of part B of title VI.

“(14) CURRENT EXPENDITURES.—The term ‘current expenditures’ means expenditures for free public education—

“(A) including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities; but

“(B) not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds received under title I and part A of title V.

“(15) DEPARTMENT.—The term ‘Department’ means the Department of Education.

“(16) DISTANCE LEARNING.—The term ‘distance learning’ means the transmission of educational or instructional programming to geographically dispersed individuals and groups via telecommunications.

“(17) EDUCATIONAL SERVICE AGENCY.—The term ‘educational service agency’ means a regional public multiservice agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies.

“(18) ELEMENTARY SCHOOL.—The term ‘elementary school’ means a nonprofit institutional day or residential school, including a public elementary charter school, that provides elementary education, as determined under State law.

“(19) EXEMPLARY TEACHER.—The term ‘exemplary teacher’ means a teacher who—

“(A) is a highly qualified teacher such as a master teacher;

“(B) has been teaching for at least 5 years in a public or private school or institution of higher education;

“(C) is recommended to be an exemplary teacher by administrators and other teachers who are knowledgeable about the individual’s performance;

“(D) is currently teaching and based in a public school; and

“(E) assists other teachers in improving instructional strategies, improves the skills of other teachers, performs teacher mentoring, develops curricula, and offers other professional development.

“(20) FAMILY LITERACY SERVICES.—The term ‘family literacy services’ means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:

“(A) Interactive literacy activities between parents and their children.

“(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.

“(C) Parent literacy training that leads to economic self-sufficiency.

“(D) An age-appropriate education to prepare children for success in school and life experiences.

“(21) FREE PUBLIC EDUCATION.—The term ‘free public education’ means education that is provided—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) at public expense, under public supervision and direction, and without tuition charge; and

“(B) as elementary school or secondary school education as determined under applicable State law, except that the term does not include any education provided beyond grade 12.

“(22) GIFTED AND TALENTED.—The term ‘gifted and talented’, when used with respect to students, children, or youth, means students, children, or youth who give evidence of high achievement capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who need services or activities not ordinarily provided by the school in order to fully develop those capabilities.

“(23) HIGHLY QUALIFIED.—The term ‘highly qualified’—

“(A) when used with respect to any public elementary school or secondary school teacher teaching in a State, means that—

“(i) the teacher has obtained full State certification as a teacher (including certification obtained through alternative routes to certification) or passed the State teacher licensing examination, and holds a license to teach in such State, except that when used with respect to any teacher teaching in a public charter school, the term means that the teacher meets the requirements set forth in the State’s public charter school law; and

“(ii) the teacher has not had certification or licensure requirements waived on an emergency, temporary, or provisional basis;

“(B) when used with respect to—

“(i) an elementary school teacher who is new to the profession, means that the teacher—

“(I) holds at least a bachelor’s degree; and

“(II) has demonstrated, by passing a rigorous State test, subject knowledge and teaching skills in reading, writing, mathematics, and other areas of the basic elementary school curriculum (which may consist of passing a State-required certification or licensing test or tests in reading, writing, mathematics, and other areas of the basic elementary school curriculum); or

“(ii) a middle or secondary school teacher who is new to the profession, means that the teacher holds at least a bachelor’s degree and has demonstrated a high level of competency in each of the academic subjects in which the teacher teaches by—

“(I) passing a rigorous State academic subject test in each of the academic subjects in which the teacher teaches (which may consist of a passing level of performance on a State-required certification or licensing test or tests in each of the academic subjects in which the teacher teaches); or

“(II) successful completion, in each of the academic subjects in which the teacher teaches, of an academic major, a graduate degree, coursework equivalent to an undergraduate academic major, or advanced certification or credentialing; and

“(C) when used with respect to an elementary, middle, or secondary school teacher who is not new to the profession, means that the teacher holds at least a bachelor’s degree and—

“(i) has met the applicable standard in clause (i) or (ii) of subparagraph (B), which includes an option for a test; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) demonstrates competence in all the academic subjects in which the teacher teaches based on a high objective uniform State standard of evaluation that—

“(I) is set by the State for both grade appropriate academic subject matter knowledge and teaching skills;

“(II) is aligned with challenging State academic content and student academic achievement standards and developed in consultation with core content specialists, teachers, principals, and school administrators;

“(III) provides objective, coherent information about the teacher’s attainment of core content knowledge in the academic subjects in which a teacher teaches;

“(IV) is applied uniformly to all teachers in the same academic subject and the same grade level throughout the State;

“(V) takes into consideration, but not be based primarily on, the time the teacher has been teaching in the academic subject;

“(VI) is made available to the public upon request; and

“(VII) may involve multiple, objective measures of teacher competency.

“(24) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given that term in section 101(a) of the Higher Education Act of 1965.

“(25) LIMITED ENGLISH PROFICIENT.—The term ‘limited English proficient’, when used with respect to an individual, means an individual—

“(A) who is aged 3 through 21;

“(B) who is enrolled or preparing to enroll in an elementary school or secondary school;

“(C)(i) who was not born in the United States or whose native language is a language other than English;

“(ii)(I) who is a Native American or Alaska Native, or a native resident of the outlying areas; and

“(II) who comes from an environment where a language other than English has had a significant impact on the individual’s level of English language proficiency; or

“(iii) who is migratory, whose native language is a language other than English, and who comes from an environment where a language other than English is dominant; and

“(D) whose difficulties in speaking, reading, writing, or understanding the English language may be sufficient to deny the individual—

“(i) the ability to meet the State’s proficient level of achievement on State assessments described in section 1111(b)(3);

“(ii) the ability to successfully achieve in classrooms where the language of instruction is English; or

“(iii) the opportunity to participate fully in society.

“(26) LOCAL EDUCATIONAL AGENCY.—

“(A) IN GENERAL.—The term ‘local educational agency’ means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or of or for a combination of school districts or counties that is recognized in a State as an

PUBLIC LAW 107-110—JAN. 8, 2002

administrative agency for its public elementary schools or secondary schools.

“(B) ADMINISTRATIVE CONTROL AND DIRECTION.—The term includes any other public institution or agency having administrative control and direction of a public elementary school or secondary school.

“(C) BIA SCHOOLS.—The term includes an elementary school or secondary school funded by the Bureau of Indian Affairs but only to the extent that including the school makes the school eligible for programs for which specific eligibility is not provided to the school in another provision of law and the school does not have a student population that is smaller than the student population of the local educational agency receiving assistance under this Act with the smallest student population, except that the school shall not be subject to the jurisdiction of any State educational agency other than the Bureau of Indian Affairs.

“(D) EDUCATIONAL SERVICE AGENCIES.—The term includes educational service agencies and consortia of those agencies.

“(E) STATE EDUCATIONAL AGENCY.—The term includes the State educational agency in a State in which the State educational agency is the sole educational agency for all public schools.

“(27) MENTORING.—The term ‘mentoring’, except when used to refer to teacher mentoring, means a process by which a responsible adult, postsecondary student, or secondary school student works with a child to provide a positive role model for the child, to establish a supportive relationship with the child, and to provide the child with academic assistance and exposure to new experiences and examples of opportunity that enhance the ability of the child to become a responsible adult.

“(28) NATIVE AMERICAN AND NATIVE AMERICAN LANGUAGE.—The terms ‘Native American’ and ‘Native American language’ have the same meaning given those terms in section 103 of the Native American Languages Act of 1990.

“(29) OTHER STAFF.—The term ‘other staff’ means pupil services personnel, librarians, career guidance and counseling personnel, education aides, and other instructional and administrative personnel.

“(30) OUTLYING AREA.—The term ‘outlying area’ means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, and for the purpose of section 1121(b) and any other discretionary grant program under this Act, includes the freely associated states of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau until an agreement for the extension of United States education assistance under the Compact of Free Association for each of the freely associated states becomes effective after the date of enactment of the No Child Left Behind Act of 2001.

“(31) PARENT.—The term ‘parent’ includes a legal guardian or other person standing in loco parentis (such as a grandparent or stepparent with whom the child lives, or a person who is legally responsible for the child’s welfare).

“(32) PARENTAL INVOLVEMENT.—The term ‘parental involvement’ means the participation of parents in regular, two-way, and meaningful communication involving student academic learning and other school activities, including ensuring—

“(A) that parents play an integral role in assisting their child’s learning;

“(B) that parents are encouraged to be actively involved in their child’s education at school;

“(C) that parents are full partners in their child’s education and are included, as appropriate, in decisionmaking

PUBLIC LAW 107-110—JAN. 8, 2002

and on advisory committees to assist in the education of their child;

“(D) the carrying out of other activities, such as those described in section 1118.

“(33) POVERTY LINE.—The term ‘poverty line’ means the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act) applicable to a family of the size involved.

“(34) PROFESSIONAL DEVELOPMENT.—The term ‘professional development’—

“(A) includes activities that—

“(i) improve and increase teachers’ knowledge of the academic subjects the teachers teach, and enable teachers to become highly qualified;

“(ii) are an integral part of broad schoolwide and districtwide educational improvement plans;

“(iii) give teachers, principals, and administrators the knowledge and skills to provide students with the opportunity to meet challenging State academic content standards and student academic achievement standards;

“(iv) improve classroom management skills;

“(v)(I) are high quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher’s performance in the classroom; and

“(II) are not 1-day or short-term workshops or conferences;

“(vi) support the recruiting, hiring, and training of highly qualified teachers, including teachers who became highly qualified through State and local alternative routes to certification;

“(vii) advance teacher understanding of effective instructional strategies that are—

“(I) based on scientifically based research (except that this subclause shall not apply to activities carried out under part D of title II); and

“(II) strategies for improving student academic achievement or substantially increasing the knowledge and teaching skills of teachers; and

“(viii) are aligned with and directly related to—

“(I) State academic content standards, student academic achievement standards, and assessments; and

“(II) the curricula and programs tied to the standards described in subclause (I) except that this subclause shall not apply to activities described in clauses (ii) and (iii) of section 2123(3)(B);

“(ix) are developed with extensive participation of teachers, principals, parents, and administrators of schools to be served under this Act;

“(x) are designed to give teachers of limited English proficient children, and other teachers and instructional staff, the knowledge and skills to provide instruction and appropriate language and academic support services to those children, including the appropriate use of curricula and assessments;

“(xi) to the extent appropriate, provide training for teachers and principals in the use of technology so that technology and technology applications are effectively used in the classroom to improve teaching and learning in the curricula and core academic subjects in which the teachers teach;

PUBLIC LAW 107-110—JAN. 8, 2002

“(xii) as a whole, are regularly evaluated for their impact on increased teacher effectiveness and improved student academic achievement, with the findings of the evaluations used to improve the quality of professional development;

“(xiii) provide instruction in methods of teaching children with special needs;

“(xiv) include instruction in the use of data and assessments to inform and instruct classroom practice; and

“(xv) include instruction in ways that teachers, principals, pupil services personnel, and school administrators may work more effectively with parents; and

“(B) may include activities that—

“(i) involve the forming of partnerships with institutions of higher education to establish school-based teacher training programs that provide prospective teachers and beginning teachers with an opportunity to work under the guidance of experienced teachers and college faculty;

“(ii) create programs to enable paraprofessionals (assisting teachers employed by a local educational agency receiving assistance under part A of title I) to obtain the education necessary for those paraprofessionals to become certified and licensed teachers; and

“(iii) provide follow-up training to teachers who have participated in activities described in subparagraph (A) or another clause of this subparagraph that are designed to ensure that the knowledge and skills learned by the teachers are implemented in the classroom.

“(35) PUBLIC TELECOMMUNICATIONS ENTITY.—The term ‘public telecommunications entity’ has the meaning given that term in section 397(12) of the Communications Act of 1934.

“(36) PUPIL SERVICES PERSONNEL; PUPIL SERVICES.—

“(A) PUPIL SERVICES PERSONNEL.—The term ‘pupil services personnel’ means school counselors, school social workers, school psychologists, and other qualified professional personnel involved in providing assessment, diagnosis, counseling, educational, therapeutic, and other necessary services (including related services as that term is defined in section 602 of the Individuals with Disabilities Education Act) as part of a comprehensive program to meet student needs.

“(B) PUPIL SERVICES.—The term ‘pupil services’ means the services provided by pupil services personnel.

“(37) SCIENTIFICALLY BASED RESEARCH.—The term ‘scientifically based research’—

“(A) means research that involves the application of rigorous, systematic, and objective procedures to obtain reliable and valid knowledge relevant to education activities and programs; and

“(B) includes research that—

“(i) employs systematic, empirical methods that draw on observation or experiment;

“(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

“(iii) relies on measurements or observational methods that provide reliable and valid data across evaluators and observers, across multiple measurements and observations, and across studies by the same or different investigators;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iv) is evaluated using experimental or quasi-experimental designs in which individuals, entities, programs, or activities are assigned to different conditions and with appropriate controls to evaluate the effects of the condition of interest, with a preference for random-assignment experiments, or other designs to the extent that those designs contain within-condition or across-condition controls;

“(v) ensures that experimental studies are presented in sufficient detail and clarity to allow for replication or, at a minimum, offer the opportunity to build systematically on their findings; and

“(vi) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

“(38) SECONDARY SCHOOL.—The term ‘secondary school’ means a nonprofit institutional day or residential school, including a public secondary charter school, that provides secondary education, as determined under State law, except that the term does not include any education beyond grade 12.

“(39) SECRETARY.—The term ‘Secretary’ means the Secretary of Education.

STATE.—The term ‘State’ means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas.

“(41) STATE EDUCATIONAL AGENCY.—The term ‘State educational agency’ means the agency primarily responsible for the State supervision of public elementary schools and secondary schools.

“(42) TEACHER MENTORING.—The term ‘teacher mentoring’ means activities that—

“(A) consist of structured guidance and regular and ongoing support for teachers, especially beginning teachers, that—

“(i) are designed to help the teachers continue to improve their practice of teaching and to develop their instructional skills; and

part of an ongoing developmental induction process—

“(I) involve the assistance of an exemplary teacher and other appropriate individuals from a school, local educational agency, or institution of higher education; and

“(II) may include coaching, classroom observation, team teaching, and reduced teaching loads; and

“(B) may include the establishment of a partnership by a local educational agency with an institution of higher education, another local educational agency, a teacher organization, or another organization.

“(43) TECHNOLOGY.—The term ‘technology’ means state-of-the-art technology products and services.

20 USC 7802.

“SEC. 9102. APPLICABILITY OF TITLE.

“Parts B, C, D, and E of this title do not apply to title VIII of this Act.

20 USC 7803.

“SEC. 9103. APPLICABILITY TO BUREAU OF INDIAN AFFAIRS OPERATED SCHOOLS.

“For the purpose of any competitive program under this Act—

“(1) a consortium of schools operated by the Bureau of Indian Affairs;

“(2) a school operated under a contract or grant with the Bureau of Indian Affairs in consortium with another contract or grant school or a tribal or community organization; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) a Bureau of Indian Affairs school in consortium with an institution of higher education, a contract or grant school, or a tribal or community organization, shall be given the same consideration as a local educational agency.

“PART B—FLEXIBILITY IN THE USE OF ADMINISTRATIVE AND OTHER FUNDS

“SEC. 9201. CONSOLIDATION OF STATE ADMINISTRATIVE FUNDS FOR ELEMENTARY AND SECONDARY EDUCATION PROGRAMS. 20 USC 7821.

“(a) CONSOLIDATION OF ADMINISTRATIVE FUNDS.—

“(1) IN GENERAL.—A State educational agency may consolidate the amounts specifically made available to it for State administration under one or more of the programs under paragraph (2) if the State educational agency can demonstrate that the majority of its resources are derived from non-Federal sources.

“(2) APPLICABILITY.—This section applies to any program under this Act under which funds are authorized to be used for administration, and such other programs as the Secretary may designate.

“(b) USE OF FUNDS.—

“(1) IN GENERAL.—A State educational agency shall use the amount available under this section for the administration of the programs included in the consolidation under subsection (a).

“(2) ADDITIONAL USES.—A State educational agency may also use funds available under this section for administrative activities designed to enhance the effective and coordinated use of funds under programs included in the consolidation under subsection (a), such as—

“(A) the coordination of those programs with other Federal and non-Federal programs;

“(B) the establishment and operation of peer-review mechanisms under this Act;

“(C) the administration of this title;

“(D) the dissemination of information regarding model programs and practices;

“(E) technical assistance under any program under this Act;

“(F) State-level activities designed to carry out this title;

“(G) training personnel engaged in audit and other monitoring activities; and

“(H) implementation of the Cooperative Audit Resolution and Oversight Initiative of the Department.

“(c) RECORDS.—A State educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual program, to account for costs relating to the administration of programs included in the consolidation under subsection (a).

“(d) REVIEW.—To determine the effectiveness of State administration under this section, the Secretary may periodically review the performance of State educational agencies in using consolidated administrative funds under this section and take such steps as the Secretary finds appropriate to ensure the effectiveness of that administration.

“(e) UNUSED ADMINISTRATIVE FUNDS.—If a State educational agency does not use all of the funds available to the agency under this section for administration, the agency may use those funds during the applicable period of availability as funds available under one or more programs included in the consolidation under subsection (a).

PUBLIC LAW 107-110—JAN. 8, 2002

“(f) CONSOLIDATION OF FUNDS FOR STANDARDS AND ASSESSMENT DEVELOPMENT.—In order to develop challenging State academic standards and assessments, a State educational agency may consolidate the amounts described in subsection (a) for those purposes under title I.

20 USC 7822.

“SEC. 9202. SINGLE LOCAL EDUCATIONAL AGENCY STATES.

“A State educational agency that also serves as a local educational agency shall, in its applications or plans under this Act, describe how the agency will eliminate duplication in conducting administrative functions.

20 USC 7823.

“SEC. 9203. CONSOLIDATION OF FUNDS FOR LOCAL ADMINISTRATION.

“(a) GENERAL AUTHORITY.—In accordance with regulations of the Secretary and for any fiscal year, a local educational agency, with the approval of its State educational agency, may consolidate and use for the administration of one or more programs under this Act (or such other programs as the Secretary shall designate) not more than the percentage, established in each program, of the total available for the local educational agency under those programs.

“(b) STATE PROCEDURES.—Within 1 year after the date of enactment of the No Child Left Behind Act of 2001, a State educational agency shall, in collaboration with local educational agencies in the State, establish procedures for responding to requests from local educational agencies to consolidate administrative funds under subsection (a) and for establishing limitations on the amount of funds under those programs that may be used for administration on a consolidated basis.

“(c) CONDITIONS.—A local educational agency that consolidates administrative funds under this section for any fiscal year shall not use any other funds under the programs included in the consolidation for administration for that fiscal year.

“(d) USES OF ADMINISTRATIVE FUNDS.—A local educational agency that consolidates administrative funds under this section may use the consolidated funds for the administration of the programs and for uses, at the school district and school levels, comparable to those described in section 9201(b)(2).

“(e) RECORDS.—A local educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual program, to account for costs relating to the administration of the programs included in the consolidation.

20 USC 7824.

“SEC. 9204. CONSOLIDATED SET-ASIDE FOR DEPARTMENT OF THE INTERIOR FUNDS.

“(a) GENERAL AUTHORITY.—

“(1) TRANSFER.—The Secretary shall transfer to the Department of the Interior, as a consolidated amount for covered programs, the Indian education programs under part A of title VII, and the education for homeless children and youth program under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act, the amounts allotted to the Department of the Interior under those programs.

“(2) AGREEMENT.—

“(A) IN GENERAL.—The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of the programs specified in paragraph (1), for the distribution and use of those program funds under terms that the Secretary determines best meet the purposes of those programs.

“(B) CONTENTS.—The agreement shall—

“(i) set forth the plans of the Secretary of the Interior for the use of the amount transferred and the achievement measures to assess program effectiveness, including measurable goals and objectives; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) be developed in consultation with Indian tribes.

“(b) ADMINISTRATION.—The Department of the Interior may use not more than 1.5 percent of the funds consolidated under this section for its costs related to the administration of the funds transferred under this section.

**“PART C—COORDINATION OF PROGRAMS;
CONSOLIDATED STATE AND LOCAL PLANS
AND APPLICATIONS**

“SEC. 9301. PURPOSES.

20 USC 7841.

“The purposes of this part are—

“(1) to improve teaching and learning by encouraging greater cross-program coordination, planning, and service delivery;

“(2) to provide greater flexibility to State and local authorities through consolidated plans, applications, and reporting; and

“(3) to enhance the integration of programs under this Act with State and local programs.

“SEC. 9302. OPTIONAL CONSOLIDATED STATE PLANS OR APPLICATIONS.

20 USC 7842.

“(a) GENERAL AUTHORITY.—

“(1) SIMPLIFICATION.—In order to simplify application requirements and reduce the burden for State educational agencies under this Act, the Secretary, in accordance with subsection (b), shall establish procedures and criteria under which, after consultation with the Governor, a State educational agency may submit a consolidated State plan or a consolidated State application meeting the requirements of this section for—

“(A) each of the covered programs in which the State participates; and

“(B) such other programs as the Secretary may designate.

“(2) CONSOLIDATED APPLICATIONS AND PLANS.—After consultation with the Governor, a State educational agency that submits a consolidated State plan or a consolidated State application under this section shall not be required to submit separate State plans or applications under any of the programs to which the consolidated State plan or consolidated State application under this section applies.

“(b) COLLABORATION.—

“(1) IN GENERAL.—In establishing criteria and procedures under this section, the Secretary shall collaborate with State educational agencies and, as appropriate, with other State agencies, local educational agencies, public and private nonprofit agencies, organizations, and institutions, private schools, and representatives of parents, students, and teachers.

“(2) CONTENTS.—Through the collaborative process described in paragraph (1), the Secretary shall establish, for each program under this Act to which this section applies, the descriptions, information, assurances, and other material required to be included in a consolidated State plan or consolidated State application.

“(3) NECESSARY MATERIALS.—The Secretary shall require only descriptions, information, assurances (including assurances of compliance with applicable provisions regarding participation by private school children and teachers), and other materials that are absolutely necessary for the consideration of the consolidated State plan or consolidated State application.

PUBLIC LAW 107-110—JAN. 8, 2002

20 USC 7843.

“SEC. 9303. CONSOLIDATED REPORTING.

“(a) IN GENERAL.—In order to simplify reporting requirements and reduce reporting burdens, the Secretary shall establish procedures and criteria under which a State educational agency, in consultation with the Governor of the State, may submit a consolidated State annual report.

“(b) CONTENTS.—The report shall contain information about the programs included in the report, including the performance of the State under those programs, and other matters as the Secretary determines are necessary, such as monitoring activities.

“(c) REPLACEMENT.—The report shall replace separate individual annual reports for the programs included in the consolidated State annual report.

20 USC 7844.

“SEC. 9304. GENERAL APPLICABILITY OF STATE EDUCATIONAL AGENCY ASSURANCES.

“(a) ASSURANCES.—A State educational agency, in consultation with the Governor of the State, that submits a consolidated State plan or consolidated State application under this Act, whether separately or under section 9302, shall have on file with the Secretary a single set of assurances, applicable to each program for which the plan or application is submitted, that provides that—

“(1) each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;

“(2)(A) the control of funds provided under each such program and title to property acquired with program funds will be in a public agency, a nonprofit private agency, institution, or organization, or an Indian tribe, if the law authorizing the program provides for assistance to those entities; and

“(B) the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer those funds and property to the extent required by the authorizing law;

“(3) the State will adopt and use proper methods of administering each such program, including—

“(A) the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program;

“(B) the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation; and

“(C) the adoption of written procedures for the receipt and resolution of complaints alleging violations of law in the administration of the programs;

“(4) the State will cooperate in carrying out any evaluation of each such program conducted by or for the Secretary or other Federal officials;

“(5) the State will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to the State under each such program;

“(6) the State will—

“(A) make reports to the Secretary as may be necessary to enable the Secretary to perform the Secretary’s duties under each such program; and

“(B) maintain such records, provide such information to the Secretary, and afford such access to the records as the Secretary may find necessary to carry out the Secretary’s duties; and

“(7) before the plan or application was submitted to the Secretary, the State afforded a reasonable opportunity for public comment on the plan or application and considered such comment.

“(b) GEPA PROVISION.—Section 441 of the General Education Provisions Act shall not apply to programs under this Act.

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 9305. CONSOLIDATED LOCAL PLANS OR APPLICATIONS.

20 USC 7845.

“(a) GENERAL AUTHORITY.—**“(1) CONSOLIDATED PLAN.—**A local educational agency receiving funds under more than one covered program may submit plans or applications to the State educational agency under those programs on a consolidated basis.**“(2) AVAILABILITY TO GOVERNOR.—**The State educational agency shall make any consolidated local plans and applications available to the Governor.**“(b) REQUIRED CONSOLIDATED PLANS OR APPLICATIONS.—**A State educational agency that has an approved consolidated State plan or application under section 9302 may require local educational agencies in the State receiving funds under more than one program included in the consolidated State plan or consolidated State application to submit consolidated local plans or applications under those programs, but may not require those agencies to submit separate plans.**“(c) COLLABORATION.—**A State educational agency, in consultation with the Governor, shall collaborate with local educational agencies in the State in establishing procedures for the submission of the consolidated State plans or consolidated State applications under this section.**“(d) NECESSARY MATERIALS.—**The State educational agency shall require only descriptions, information, assurances, and other material that are absolutely necessary for the consideration of the local educational agency plan or application.**“SEC. 9306. OTHER GENERAL ASSURANCES.**

20 USC 7846.

“(a) ASSURANCES.—Any applicant, other than a State educational agency that submits a plan or application under this Act, whether separately or pursuant to section 9305, shall have on file with the State educational agency a single set of assurances, applicable to each program for which a plan or application is submitted, that provides that—**“(1)** each such program will be administered in accordance with all applicable statutes, regulations, program plans, and applications;**“(2)(A)** the control of funds provided under each such program and title to property acquired with program funds will be in a public agency or in a nonprofit private agency, institution, organization, or Indian tribe, if the law authorizing the program provides for assistance to those entities; and**“(B)** the public agency, nonprofit private agency, institution, or organization, or Indian tribe will administer the funds and property to the extent required by the authorizing statutes;**“(3)** the applicant will adopt and use proper methods of administering each such program, including—**“(A)** the enforcement of any obligations imposed by law on agencies, institutions, organizations, and other recipients responsible for carrying out each program; and**“(B)** the correction of deficiencies in program operations that are identified through audits, monitoring, or evaluation;**“(4)** the applicant will cooperate in carrying out any evaluation of each such program conducted by or for the State educational agency, the Secretary, or other Federal officials;**“(5)** the applicant will use such fiscal control and fund accounting procedures as will ensure proper disbursement of, and accounting for, Federal funds paid to the applicant under each such program;**“(6)** the applicant will—**“(A)** submit such reports to the State educational agency (which shall make the reports available to the Governor) and the Secretary as the State educational agency and Secretary may require to enable the State educational

Reports.

PUBLIC LAW 107-110—JAN. 8, 2002

agency and the Secretary to perform their duties under each such program; and

“(B) maintain such records, provide such information, and afford such access to the records as the State educational agency (after consultation with the Governor) or the Secretary may reasonably require to carry out the State educational agency’s or the Secretary’s duties; and

“(7) before the application was submitted, the applicant afforded a reasonable opportunity for public comment on the application and considered such comment.

“(b) GEPA PROVISION.—Section 442 of the General Education Provisions Act shall not apply to programs under this Act.

“PART D—WAIVERS

20 USC 7861.

“SEC. 9401. WAIVERS OF STATUTORY AND REGULATORY REQUIREMENTS.

“(a) IN GENERAL.—Except as provided in subsection (c), the Secretary may waive any statutory or regulatory requirement of this Act for a State educational agency, local educational agency, Indian tribe, or school through a local educational agency, that—

“(1) receives funds under a program authorized by this Act; and

“(2) requests a waiver under subsection (b).

“(b) REQUEST FOR WAIVER.—

“(1) IN GENERAL.—A State educational agency, local educational agency, or Indian tribe that desires a waiver shall submit a waiver request to the Secretary that—

“(A) identifies the Federal programs affected by the requested waiver;

“(B) describes which Federal statutory or regulatory requirements are to be waived and how the waiving of those requirements will—

“(i) increase the quality of instruction for students; and

“(ii) improve the academic achievement of students;

“(C) describes, for each school year, specific, measurable educational goals, in accordance with section 1111(b), for the State educational agency and for each local educational agency, Indian tribe, or school that would be affected by the waiver and the methods to be used to measure annually such progress for meeting such goals and outcomes;

“(D) explains how the waiver will assist the State educational agency and each affected local educational agency, Indian tribe, or school in reaching those goals; and

“(E) describes how schools will continue to provide assistance to the same populations served by programs for which waivers are requested.

“(2) ADDITIONAL INFORMATION.—Such requests—

“(A) may provide for waivers of requirements applicable to State educational agencies, local educational agencies, Indian tribes, and schools; and

“(B) shall be developed and submitted—

“(i)(I) by local educational agencies (on behalf of those agencies and schools) to State educational agencies; and

“(II) by State educational agencies (on behalf of, and based on the requests of, local educational agencies) to the Secretary; or

“(ii) by Indian tribes (on behalf of schools operated by the tribes) to the Secretary.

“(3) GENERAL REQUIREMENTS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) STATE EDUCATIONAL AGENCIES.—In the case of a waiver request submitted by a State educational agency acting on its own behalf, the State educational agency shall—

“(i) provide all interested local educational agencies in the State with notice and a reasonable opportunity to comment on the request;

“(ii) submit the comments to the Secretary; and

“(iii) provide notice and information to the public regarding the waiver request in the manner in which the applying agency customarily provides similar notices and information to the public.

“(B) LOCAL EDUCATIONAL AGENCIES.—In the case of a waiver request submitted by a local educational agency that receives funds under this Act—

“(i) the request shall be reviewed by the State educational agency and be accompanied by the comments, if any, of the State educational agency; and

“(ii) notice and information regarding the waiver request shall be provided to the public by the agency requesting the waiver in the manner in which that agency customarily provides similar notices and information to the public.

“(c) RESTRICTIONS.—The Secretary shall not waive under this section any statutory or regulatory requirements relating to—

“(1) the allocation or distribution of funds to States, local educational agencies, or other recipients of funds under this Act;

“(2) maintenance of effort;

“(3) comparability of services;

“(4) use of Federal funds to supplement, not supplant, non-Federal funds;

“(5) equitable participation of private school students and teachers;

“(6) parental participation and involvement;

“(7) applicable civil rights requirements;

“(8) the requirement for a charter school under subpart 1 of part B of title V;

“(9) the prohibitions regarding—

“(A) State aid in section 9522;

“(B) use of funds for religious worship or instruction in section 9505; and

“(C) activities in section 9526; or

“(10) the selection of a school attendance area or school under subsections (a) and (b) of section 1113, except that the Secretary may grant a waiver to allow a school attendance area or school to participate in activities under part A of title I if the percentage of children from low-income families in the school attendance area or who attend the school is not more than 10 percentage points below the lowest percentage of those children for any school attendance area or school of the local educational agency that meets the requirements of subsections (a) and (b) of section 1113.

“(d) DURATION AND EXTENSION OF WAIVER.—

“(1) IN GENERAL.—Except as provided in paragraph (2), a waiver approved by the Secretary under this section may be for a period not to exceed 4 years.

“(2) EXTENSION.—The Secretary may extend the period described in paragraph (1) if the Secretary determines that—

“(A) the waiver has been effective in enabling the State or affected recipient to carry out the activities for which the waiver was requested and the waiver has contributed to improved student achievement; and

“(B) the extension is in the public interest.

“(e) REPORTS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) LOCAL WAIVER.—A local educational agency that receives a waiver under this section shall, at the end of the second year for which a waiver is received under this section and each subsequent year, submit a report to the State educational agency that—

“(A) describes the uses of the waiver by the agency or by schools;

“(B) describes how schools continued to provide assistance to the same populations served by the programs for which waivers were granted; and

“(C) evaluates the progress of the agency and of schools in improving the quality of instruction or the academic achievement of students.

“(2) STATE WAIVER.—A State educational agency that receives reports required under paragraph (1) shall annually submit a report to the Secretary that is based on those reports and contains such information as the Secretary may require.

“(3) INDIAN TRIBE WAIVER.—An Indian tribe that receives a waiver under this section shall annually submit a report to the Secretary that—

“(A) describes the uses of the waiver by schools operated by the tribe; and

“(B) evaluates the progress of those schools in improving the quality of instruction or the academic achievement of students.

“(4) REPORT TO CONGRESS.—Beginning in fiscal year 2002 and for each subsequent year, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report—

“(A) summarizing the uses of waivers by State educational agencies, local educational agencies, Indian tribes, and schools; and

“(B) describing whether the waivers—

“(i) increased the quality of instruction to students;

or

“(ii) improved the academic achievement of students.

“(f) TERMINATION OF WAIVERS.—The Secretary shall terminate a waiver under this section if the Secretary determines, after notice and an opportunity for a hearing, that the performance of the State or other recipient affected by the waiver has been inadequate to justify a continuation of the waiver or if the waiver is no longer necessary to achieve its original purposes.

“(g) PUBLICATION.—A notice of the Secretary’s decision to grant each waiver under subsection (a) shall be published in the Federal Register and the Secretary shall provide for the dissemination of the notice to State educational agencies, interested parties, including educators, parents, students, advocacy and civil rights organizations, and the public.

Federal Register,
publication.

“PART E—UNIFORM PROVISIONS

“Subpart 1—Private Schools

20 USC 7881.

“SEC. 9501. PARTICIPATION BY PRIVATE SCHOOL CHILDREN AND TEACHERS.

“(a) PRIVATE SCHOOL PARTICIPATION.—

“(1) IN GENERAL.—Except as otherwise provided in this Act, to the extent consistent with the number of eligible children in areas served by a State educational agency, local educational agency, educational service agency, consortium of those agencies, or another entity receiving financial assistance under a program specified in subsection (b), who are enrolled in private elementary schools and secondary schools in areas served by

PUBLIC LAW 107-110—JAN. 8, 2002

such agency, consortium, or entity, the agency, consortium, or entity shall, after timely and meaningful consultation with appropriate private school officials provide to those children and their teachers or other educational personnel, on an equitable basis, special educational services or other benefits that address their needs under the program.

“(2) SECULAR, NEUTRAL, AND NONIDEOLOGICAL SERVICES OR BENEFITS.—Educational services or other benefits, including materials and equipment, provided under this section, shall be secular, neutral, and nonideological.

“(3) SPECIAL RULE.—Educational services and other benefits provided under this section for private school children, teachers, and other educational personnel shall be equitable in comparison to services and other benefits for public school children, teachers, and other educational personnel participating in the program and shall be provided in a timely manner.

“(4) EXPENDITURES.—Expenditures for educational services and other benefits provided under this section for eligible private school children, their teachers, and other educational personnel serving those children shall be equal, taking into account the number and educational needs of the children to be served, to the expenditures for participating public school children.

“(5) PROVISION OF SERVICES.—An agency, consortium, or entity described in subsection (a)(1) of this section may provide those services directly or through contracts with public and private agencies, organizations, and institutions.

“(b) APPLICABILITY.—

“(1) IN GENERAL.—This section applies to programs under—

“(A) subparts 1 and 3 of part B of title I;

“(B) part C of title I;

“(C) part A of title II, to the extent provided in paragraph (3);

“(D) part B of title II;

“(E) part D of title II;

“(F) part A of title III;

“(G) part A of title IV; and

“(H) part B of title IV.

“(2) DEFINITION.—For the purpose of this section, the term ‘eligible children’ means children eligible for services under a program described in paragraph (1).

“(3) APPLICATION.—(A) Except as provided in subparagraph (B), this subpart, including subsection (a)(4), applies to funds awarded to a local educational agency under part A of title II only to the extent that the local educational agency uses funds under that part to provide professional development to teachers and others.

“(B) Subject to subparagraph (A), the share of the local educational agency’s subgrant under part A of title II that is used for professional development and subject to a determination of equitable expenditures under subsection (a)(4) shall not be less than the aggregate share of that agency’s awards that were used for professional development for fiscal year 2001 under section 2203(1)(B) (as such section was in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001) and section 306 of the Department of Education Appropriations Act, 2001.

“(c) CONSULTATION.—

“(1) IN GENERAL.—To ensure timely and meaningful consultation, a State educational agency, local educational agency, educational service agency, consortium of those agencies, or entity shall consult with appropriate private school officials during the design and development of the programs under this Act, on issues such as—

“(A) how the children’s needs will be identified;

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) what services will be offered;

“(C) how, where, and by whom the services will be provided;

“(D) how the services will be assessed and how the results of the assessment will be used to improve those services;

“(E) the size and scope of the equitable services to be provided to the eligible private school children, teachers, and other educational personnel and the amount of funds available for those services; and

“(F) how and when the agency, consortium, or entity will make decisions about the delivery of services, including a thorough consideration and analysis of the views of the private school officials on the provision of contract services through potential third-party providers.

“(2) DISAGREEMENT.—If the agency, consortium, or entity disagrees with the views of the private school officials on the provision of services through a contract, the agency, consortium, or entity shall provide to the private school officials a written explanation of the reasons why the local educational agency has chosen not to use a contractor.

“(3) TIMING.—The consultation required by paragraph (1) shall occur before the agency, consortium, or entity makes any decision that affects the opportunities of eligible private school children, teachers, and other educational personnel to participate in programs under this Act, and shall continue throughout the implementation and assessment of activities under this section.

“(4) DISCUSSION REQUIRED.—The consultation required by paragraph (1) shall include a discussion of service delivery mechanisms that the agency, consortium, or entity could use to provide equitable services to eligible private school children, teachers, administrators, and other staff.

“(d) PUBLIC CONTROL OF FUNDS.—

“(1) IN GENERAL.—The control of funds used to provide services under this section, and title to materials, equipment, and property purchased with those funds, shall be in a public agency for the uses and purposes provided in this Act, and a public agency shall administer the funds and property.

“(2) PROVISION OF SERVICES.—

“(A) IN GENERAL.—The provision of services under this section shall be provided—

“(i) by employees of a public agency; or

“(ii) through contract by the public agency with an individual, association, agency, organization, or other entity.

“(B) INDEPENDENCE; PUBLIC AGENCY.—In the provision of those services, the employee, person, association, agency, organization, or other entity shall be independent of the private school and of any religious organization, and the employment or contract shall be under the control and supervision of the public agency.

“(C) COMMINGLING OF FUNDS PROHIBITED.—Funds used to provide services under this section shall not be commingled with non-Federal funds.

20 USC 7882.

“SEC. 9502. STANDARDS FOR BY-PASS.

“(a) IN GENERAL.—If, by reason of any provision of law, a State educational agency, local educational agency, educational service agency, consortium of those agencies, or other entity is prohibited from providing for the participation in programs of children enrolled in, or teachers or other educational personnel from, private elementary schools and secondary schools, on an equitable basis, or if the Secretary determines that the agency, consortium,

PUBLIC LAW 107-110—JAN. 8, 2002

or entity has substantially failed or is unwilling to provide for that participation, as required by section 9501, the Secretary shall—

“(1) waive the requirements of that section for the agency, consortium, or entity; and

“(2) arrange for the provision of equitable services to those children, teachers, or other educational personnel through arrangements that shall be subject to the requirements of this section and of sections 9501, 9503, and 9504.

“(b) DETERMINATION.—In making the determination under subsection (a), the Secretary shall consider one or more factors, including the quality, size, scope, and location of the program, and the opportunity of private school children, teachers, and other educational personnel to participate in the program.

“SEC. 9503. COMPLAINT PROCESS FOR PARTICIPATION OF PRIVATE SCHOOL CHILDREN. 20 USC 7883.

“(a) PROCEDURES FOR COMPLAINTS.—The Secretary shall develop and implement written procedures for receiving, investigating, and resolving complaints from parents, teachers, or other individuals and organizations concerning violations of section 9501 by a State educational agency, local educational agency, educational service agency, consortium of those agencies, or entity. The individual or organization shall submit the complaint to the State educational agency for a written resolution by the State educational agency within a reasonable period of time.

“(b) APPEALS TO SECRETARY.—The resolution may be appealed by an interested party to the Secretary not later than 30 days after the State educational agency resolves the complaint or fails to resolve the complaint within a reasonable period of time. The appeal shall be accompanied by a copy of the State educational agency’s resolution, and a complete statement of the reasons supporting the appeal. The Secretary shall investigate and resolve the appeal not later than 120 days after receipt of the appeal.

Deadline.

Deadline.

“SEC. 9504. BY-PASS DETERMINATION PROCESS.

20 USC 7884.

“(a) REVIEW.—

“(1) IN GENERAL.—

“(A) WRITTEN OBJECTIONS.—The Secretary shall not take any final action under section 9502 until the State educational agency, local educational agency, educational service agency, consortium of those agencies, or entity affected by the action has had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary to show cause why that action should not be taken.

“(B) PRIOR TO REDUCTION.—Pending final resolution of any investigation or complaint that could result in a determination under this section, the Secretary may withhold from the allocation of the affected State educational agency or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of those services.

“(2) PETITION FOR REVIEW.—

“(A) PETITION.—If the affected agency, consortium, or entity is dissatisfied with the Secretary’s final action after a proceeding under paragraph (1), the agency, consortium, or entity may, within 60 days after notice of that action, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action.

“(B) TRANSMISSION.—A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary.

“(C) FILING.—The Secretary, upon receipt of the copy of the petition, shall file in the court the record of the

PUBLIC LAW 107-110—JAN. 8, 2002

proceedings on which the Secretary based the action, as provided in section 2112 of title 28, United States Code.

“(3) FINDINGS OF FACT.—

“(A) IN GENERAL.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may then make new or modified findings of fact and may modify the Secretary’s previous action, and shall file in the court the record of the further proceedings.

“(B) NEW OR MODIFIED FINDINGS.—Any new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

“(4) JURISDICTION.—

“(A) IN GENERAL.—Upon the filing of a petition, the court shall have jurisdiction to affirm the action of the Secretary or to set the action aside, in whole or in part.

“(B) JUDGMENT.—The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

“(b) DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines, in consultation with that agency, consortium, or entity and representatives of the affected private school children, teachers, or other educational personnel, that there will no longer be any failure or inability on the part of the agency, consortium, or entity to meet the applicable requirements of section 9501 or any other provision of this Act.

“(c) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services pursuant to this section, the Secretary shall, after consultation with the appropriate public and private school officials, pay the cost of those services, including the administrative costs of arranging for those services, from the appropriate allocation or allocations under this Act.

“(d) PRIOR DETERMINATION.—Any by-pass determination by the Secretary under this Act as in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001 shall remain in effect to the extent the Secretary determines that that determination is consistent with the purpose of this section.

20 USC 7885.

“**SEC. 9505. PROHIBITION AGAINST FUNDS FOR RELIGIOUS WORSHIP OR INSTRUCTION.**

“Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction.

20 USC 7886.

“**SEC. 9506. PRIVATE, RELIGIOUS, AND HOME SCHOOLS.**

“(a) APPLICABILITY TO NONRECIPIENT PRIVATE SCHOOLS.—Nothing in this Act shall be construed to affect any private school that does not receive funds or services under this Act, nor shall any student who attends a private school that does not receive funds or services under this Act be required to participate in any assessment referenced in this Act.

“(b) APPLICABILITY TO HOME SCHOOLS.—Nothing in this Act shall be construed to affect a home school, whether or not a home school is treated as a home school or a private school under State law, nor shall any student schooled at home be required to participate in any assessment referenced in this Act.

“(c) RULE OF CONSTRUCTION ON PROHIBITION OF FEDERAL CONTROL OVER NONPUBLIC SCHOOLS.—Nothing in this Act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or

PUBLIC LAW 107-110—JAN. 8, 2002

home school under State law. This section shall not be construed to bar private, religious, or home schools from participation in programs or services under this Act.

“(d) **RULE OF CONSTRUCTION ON STATE AND LOCAL EDUCATIONAL AGENCY MANDATES.**—Nothing in this Act shall be construed to require any State educational agency or local educational agency that receives funds under this Act to mandate, direct, or control the curriculum of a private or home school, regardless or whether or not a home school is treated as a private school under state law, nor shall any funds under this Act be used for this purpose.

“Subpart 2—Other Provisions

“SEC. 9521. MAINTENANCE OF EFFORT.

20 USC 7901.

“(a) **IN GENERAL.**—A local educational agency may receive funds under a covered program for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of the agency and the State with respect to the provision of free public education by the agency for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

“(b) **REDUCTION IN CASE OF FAILURE TO MEET.**—

“(1) **IN GENERAL.**—The State educational agency shall reduce the amount of the allocation of funds under a covered program in any fiscal year in the exact proportion by which a local educational agency fails to meet the requirement of subsection (a) of this section by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures (using the measure most favorable to the local agency).

“(2) **SPECIAL RULE.**—No such lesser amount shall be used for computing the effort required under subsection (a) of this section for subsequent years.

“(c) **WAIVER.**—The Secretary may waive the requirements of this section if the Secretary determines that a waiver would be equitable due to—

“(1) exceptional or uncontrollable circumstances, such as a natural disaster; or

“(2) a precipitous decline in the financial resources of the local educational agency.

“SEC. 9522. PROHIBITION REGARDING STATE AID.

20 USC 7902.

“A State shall not take into consideration payments under this Act (other than under title VIII) in determining the eligibility of any local educational agency in that State for State aid, or the amount of State aid, with respect to free public education of children.

“SEC. 9523. PRIVACY OF ASSESSMENT RESULTS.

20 USC 7903.

“Any results from an individual assessment referred to in this Act of a student that become part of the education records of the student shall have the protections provided in section 444 of the General Education Provisions Act.

“SEC. 9524. SCHOOL PRAYER.

20 USC 7904.

“(a) **GUIDANCE.**—The Secretary shall provide and revise guidance, not later than September 1, 2002, and of every second year thereafter, to State educational agencies, local educational agencies, and the public on constitutionally protected prayer in public elementary schools and secondary schools, including making the guidance available on the Internet. The guidance shall be reviewed, prior to distribution, by the Office of Legal Counsel of the Department of Justice for verification that the guidance represents the

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

current state of the law concerning constitutionally protected prayer in public elementary schools and secondary schools.

“(b) CERTIFICATION.—As a condition of receiving funds under this Act, a local educational agency shall certify in writing to the State educational agency involved that no policy of the local educational agency prevents, or otherwise denies participation in, constitutionally protected prayer in public elementary schools and secondary schools, as detailed in the guidance required under subsection (a). The certification shall be provided by October 1 of each year. The State educational agency shall report to the Secretary by November 1 of each year a list of those local educational agencies that have not filed the certification or against which complaints have been made to the State educational agency that the local educational agencies are not in compliance with this section.

“(c) ENFORCEMENT.—The Secretary is authorized and directed to effectuate subsection (b) by issuing, and securing compliance with, rules or orders with respect to a local educational agency that fails to certify, or is found to have certified in bad faith, that no policy of the local educational agency prevents, or otherwise denies participation in, constitutionally protected prayer in public elementary schools and secondary schools.

“SEC. 9525. EQUAL ACCESS TO PUBLIC SCHOOL FACILITIES.

“(a) SHORT TITLE.—This section may be cited as the ‘Boy Scouts of America Equal Access Act’.

“(b) IN GENERAL.—

“(1) EQUAL ACCESS.—Notwithstanding any other provision of law, no public elementary school, public secondary school, local educational agency, or State educational agency that has a designated open forum or a limited public forum and that receives funds made available through the Department shall deny equal access or a fair opportunity to meet to, or discriminate against, any group officially affiliated with the Boy Scouts of America, or any other youth group listed in title 36 of the United States Code (as a patriotic society), that wishes to conduct a meeting within that designated open forum or limited public forum, including denying such access or opportunity or discriminating for reasons based on the membership or leadership criteria or oath of allegiance to God and country of the Boy Scouts of America or of the youth group listed in title 36 of the United States Code (as a patriotic society).

“(2) VOLUNTARY SPONSORSHIP.—Nothing in this section shall be construed to require any school, agency, or a school served by an agency to sponsor any group officially affiliated with the Boy Scouts of America, or any other youth group listed in title 36 of the United States Code (as a patriotic society).

“(c) TERMINATION OF ASSISTANCE AND OTHER ACTION.—

“(1) DEPARTMENTAL ACTION.—The Secretary is authorized and directed to effectuate subsection (b) by issuing and securing compliance with rules or orders with respect to a public elementary school, public secondary school, local educational agency, or State educational agency that receives funds made available through the Department and that denies equal access, or a fair opportunity to meet, or discriminates, as described in subsection (b).

“(2) PROCEDURE.—The Secretary shall issue and secure compliance with the rules or orders, under paragraph (1), through the Office for Civil Rights and in a manner consistent with the procedure used by a Federal department or agency under section 602 of the Civil Rights Act of 1964. If the public school or agency does not comply with the rules or orders, then notwithstanding any other provision of law, no funds made available through the Department shall be provided to a school that fails to comply with such rules or orders or

PUBLIC LAW 107-110—JAN. 8, 2002

to any agency or school served by an agency that fails to comply with such rules or orders.

“(3) JUDICIAL REVIEW.—Any action taken by the Secretary under paragraph (1) shall be subject to the judicial review described in section 603 of the Civil Rights Act of 1964. Any person aggrieved by the action may obtain that judicial review in the manner, and to the extent, provided in section 603 of such Act.

“(d) DEFINITION AND RULE.—

“(1) DEFINITION.—In this section, the term ‘youth group’ means any group or organization intended to serve young people under the age of 21.

“(2) RULE.—For the purpose of this section, an elementary school or secondary school has a limited public forum whenever the school involved grants an offering to, or opportunity for, one or more outside youth or community groups to meet on school premises or in school facilities before or after the hours during which attendance at the school is compulsory.

“SEC. 9526. GENERAL PROHIBITIONS.

20 USC 7906.

“(a) PROHIBITION.—None of the funds authorized under this Act shall be used—

“(1) to develop or distribute materials, or operate programs or courses of instruction directed at youth, that are designed to promote or encourage sexual activity, whether homosexual or heterosexual;

“(2) to distribute or to aid in the distribution by any organization of legally obscene materials to minors on school grounds;

“(3) to provide sex education or HIV-prevention education in schools unless that instruction is age appropriate and includes the health benefits of abstinence; or

“(4) to operate a program of contraceptive distribution in schools.

“(b) LOCAL CONTROL.—Nothing in this section shall be construed to—

“(1) authorize an officer or employee of the Federal Government to mandate, direct, review, or control a State, local educational agency, or school’s instructional content, curriculum, and related activities;

“(2) limit the application of the General Education Provisions Act;

“(3) require the distribution of scientifically or medically false or inaccurate materials or to prohibit the distribution of scientifically or medically true or accurate materials; or

“(4) create any legally enforceable right.

“SEC. 9527. PROHIBITIONS ON FEDERAL GOVERNMENT AND USE OF FEDERAL FUNDS.

20 USC 7907.

“(a) GENERAL PROHIBITION.—Nothing in this Act shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school’s curriculum, program of instruction, or allocation of State or local resources, or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act.

“(b) PROHIBITION ON ENDORSEMENT OF CURRICULUM.—Notwithstanding any other prohibition of Federal law, no funds provided to the Department under this Act may be used by the Department to endorse, approve, or sanction any curriculum designed to be used in an elementary school or secondary school.

“(c) PROHIBITION ON REQUIRING FEDERAL APPROVAL OR CERTIFICATION OF STANDARDS.—

“(1) IN GENERAL.—Notwithstanding any other provision of Federal law, no State shall be required to have academic con-

PUBLIC LAW 107-110—JAN. 8, 2002

tent or student academic achievement standards approved or certified by the Federal Government, in order to receive assistance under this Act.

“(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to affect requirements under title I or part A of title VI.

“(d) RULE OF CONSTRUCTION ON BUILDING STANDARDS.—Nothing in this Act shall be construed to mandate national school building standards for a State, local educational agency, or school.

20 USC 7908.

“SEC. 9528. ARMED FORCES RECRUITER ACCESS TO STUDENTS AND STUDENT RECRUITING INFORMATION.

“(a) POLICY.—

“(1) ACCESS TO STUDENT RECRUITING INFORMATION.—Notwithstanding section 444(a)(5)(B) of the General Education Provisions Act and except as provided in paragraph (2), each local educational agency receiving assistance under this Act shall provide, on a request made by military recruiters or an institution of higher education, access to secondary school students names, addresses, and telephone listings.

“(2) CONSENT.—A secondary school student or the parent of the student may request that the student’s name, address, and telephone listing described in paragraph (1) not be released without prior written parental consent, and the local educational agency or private school shall notify parents of the option to make a request and shall comply with any request.

“(3) SAME ACCESS TO STUDENTS.—Each local educational agency receiving assistance under this Act shall provide military recruiters the same access to secondary school students as is provided generally to post secondary educational institutions or to prospective employers of those students.

Deadline.

“(b) NOTIFICATION.—The Secretary, in consultation with the Secretary of Defense, shall, not later than 120 days after the date of enactment of the No Child Left Behind Act of 2001, notify principals, school administrators, and other educators about the requirements of this section.

“(c) EXCEPTION.—The requirements of this section do not apply to a private secondary school that maintains a religious objection to service in the Armed Forces if the objection is verifiable through the corporate or other organizational documents or materials of that school.

“(d) SPECIAL RULE.—A local educational agency prohibited by Connecticut State law (either explicitly by statute or through statutory interpretation by the State Supreme Court or State Attorney General) from providing military recruiters with information or access as required by this section shall have until May 31, 2002, to comply with that requirement.

20 USC 7909.

“SEC. 9529. PROHIBITION ON FEDERALLY SPONSORED TESTING.

“(a) GENERAL PROHIBITION.—Notwithstanding any other provision of Federal law and except as provided in subsection (b), no funds provided under this Act to the Secretary or to the recipient of any award may be used to develop, pilot test, field test, implement, administer, or distribute any federally sponsored national test in reading, mathematics, or any other subject, unless specifically and explicitly authorized by law.

“(b) EXCEPTIONS.—Subsection (a) shall not apply to international comparative assessments developed under the authority of section 404(a)(6) of the National Education Statistics Act of 1994 and administered to only a representative sample of pupils in the United States and in foreign nations.

20 USC 7910.

“SEC. 9530. LIMITATIONS ON NATIONAL TESTING OR CERTIFICATION FOR TEACHERS.

“(a) MANDATORY NATIONAL TESTING OR CERTIFICATION OF TEACHERS.—Notwithstanding any other provision of this Act or

PUBLIC LAW 107-110—JAN. 8, 2002

any other provision of law, no funds available to the Department or otherwise available under this Act may be used for any purpose relating to a mandatory nationwide test or certification of teachers or education paraprofessionals, including any planning, development, implementation, or administration of such test or certification.

“(b) PROHIBITION ON WITHHOLDING FUNDS.—The Secretary is prohibited from withholding funds from any State educational agency or local educational agency if the State educational agency or local educational agency fails to adopt a specific method of teacher or paraprofessional certification.

“SEC. 9531. PROHIBITION ON NATIONWIDE DATABASE.

20 USC 7911.

“Nothing in this Act (other than section 1308(b)) shall be construed to authorize the development of a nationwide database of personally identifiable information on individuals involved in studies or other collections of data under this Act.

“SEC. 9532. UNSAFE SCHOOL CHOICE OPTION.

20 USC 7912.

“(a) UNSAFE SCHOOL CHOICE POLICY.—Each State receiving funds under this Act shall establish and implement a statewide policy requiring that a student attending a persistently dangerous public elementary school or secondary school, as determined by the State in consultation with a representative sample of local educational agencies, or who becomes a victim of a violent criminal offense, as determined by State law, while in or on the grounds of a public elementary school or secondary school that the student attends, be allowed to attend a safe public elementary school or secondary school within the local educational agency, including a public charter school.

“(b) CERTIFICATION.—As a condition of receiving funds under this Act, a State shall certify in writing to the Secretary that the State is in compliance with this section.

“SEC. 9533. PROHIBITION ON DISCRIMINATION.

20 USC 7913.

“Nothing in this Act shall be construed to require, authorize, or permit, the Secretary, or a State educational agency, local educational agency, or school to grant to a student, or deny or impose upon a student, any financial or educational benefit or burden, in violation of the fifth or 14th amendments to the Constitution or other law relating to discrimination in the provision of federally funded programs or activities.

“SEC. 9534. CIVIL RIGHTS.

20 USC 7914.

“(a) IN GENERAL.—Nothing in this Act shall be construed to permit discrimination on the basis of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972), national origin, or disability in any program funded under this Act.

“(b) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to require the disruption of services to a child or the displacement of a child enrolled in or participating in a program administered by an eligible entity, as defined in section 1116 of title I and part B of title V, at the commencement of the entity’s participation in a grant under section 1116 of title I or part B of title V.

“SEC. 9535. RULEMAKING.

20 USC 7915.

“The Secretary shall issue regulations under this Act only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this Act.

“SEC. 9536. SEVERABILITY.

20 USC 7916.

“If any provision of this Act is held invalid, the remainder of this Act shall be unaffected thereby.

PUBLIC LAW 107-110—JAN. 8, 2002

“PART F—EVALUATIONS

20 USC 7941.

“SEC. 9601. EVALUATIONS.

“(a) RESERVATION OF FUNDS.—Except as provided in subsections (b) and (c), the Secretary may reserve not more than 0.5 percent of the amount appropriated to carry out each categorical program and demonstration project authorized under this Act—

“(1) to conduct—

“(A) comprehensive evaluations of the program or project; and

“(B) studies of the effectiveness of the program or project and its administrative impact on schools and local educational agencies;

“(2) to evaluate the aggregate short- and long-term effects and cost efficiencies across Federal programs assisted or authorized under this Act and related Federal preschool, elementary, and secondary programs under any other Federal law; and

“(3) to increase the usefulness of evaluations of grant recipients in order to ensure the continuous progress of the program or project by improving the quality, timeliness, efficiency, and use of information relating to performance under the program or project.

“(b) TITLES I AND III EXCLUDED.—The Secretary may not reserve under subsection (a) funds appropriated to carry out any program authorized under title I or title III.

“(c) EVALUATION ACTIVITIES AUTHORIZED ELSEWHERE.—If, under any other provision of this Act (other than title I), funds are authorized to be reserved or used for evaluation activities with respect to a program or project, the Secretary may not reserve additional funds under this section for the evaluation of that program or project.”.

TITLE X—REPEALS, REDESIGNATIONS, AND AMENDMENTS TO OTHER STATUTES

PART A—REPEALS

SEC. 1011. REPEALS.

The following provisions of law are repealed:

(1) Part G of title XV of the Higher Education Amendments of 1992 (20 U.S.C. 1070a–11 note), relating to the Advanced Placement fee payment program.

(2) Part B of title VIII of the Higher Education Amendments of 1998 (20 U.S.C. 1070a–11 note), relating to the Advanced Placement incentive program.

(3) Part F of the General Education Provisions Act (20 U.S.C. 1235 et seq.), relating to Ready to Learn Television.

(4) The following provisions of the Goals 2000: Educate America Act (20 U.S.C. 5801 et seq.):

(A) Parts A and C of title II (20 U.S.C. 5821 et seq., 5871), relating to the National Education Goals Panel.

(B) Title VI (20 U.S.C. 5951), relating to the International Education Program.

(5) The following provisions of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.):

(A) Titles X through XII (20 U.S.C. 8001 et seq.).

(B) Sections 13001 and 13002 (20 U.S.C. 8601, 8602).

(C) Title XIV (20 U.S.C. 8801 et seq.).

(6) The Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9301 et seq.).

PUBLIC LAW 107-110—JAN. 8, 2002

SEC. 1012. CONFORMING CLERICAL AND TECHNICAL AMENDMENTS.

The table of contents in section 1(b) of the Goals 2000: Educate America Act (20 U.S.C. 5801 note) is amended by striking the items relating to the following provisions:

- (1) Parts A and C of title II (including the items relating to sections within those parts).
- (2) Sections 231, 232, 234, and 235.
- (3) Titles III through VI (including the items relating to sections within those titles).

PART B—REDESIGNATIONS**SEC. 1021. COMPREHENSIVE REGIONAL ASSISTANCE CENTERS.**

(a) **IN GENERAL.**—Part A of title XIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8621 et seq.) is transferred to and redesignated as part K of the Educational Research, Development, Dissemination, and Improvement Act of 1994. 20 USC 6053-6053d.

(b) **SECTIONS.**—Sections 13101 through 13105 of such part are redesignated as sections 1001 through 1005, respectively. 20 USC 6053-6053d.

(c) **DEFINED TERMS.**—Part K of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (as transferred and redesignated by this section) is amended by adding at the end the following new section: 20 USC 6053e.

“SEC. 1006. DEFINED TERMS.

“In this part, the definitions of terms defined in section 9101 of the Elementary and Secondary Education Act of 1965 shall apply.”.

SEC. 1022. NATIONAL DIFFUSION NETWORK.

(a) **IN GENERAL.**—Part B of title XIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8651 et seq.) is transferred to and redesignated as part L of the Educational Research, Development, Dissemination, and Improvement Act of 1994. 20 USC 6054, 6054a.

(b) **SECTIONS.**—Sections 13201 and 13102 of such part are redesignated as sections 1011 and 1012, respectively. 20 USC 6054, 6054a.

(c) **DEFINED TERMS.**—Part L of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (as transferred and redesignated by this section) is amended by adding at the end the following new section: 20 USC 6054b.

“SEC. 1013. DEFINED TERMS.

“In this part, the definitions of terms defined in section 9101 of the Elementary and Secondary Education Act of 1965 shall apply.”.

SEC. 1023. EISENHOWER REGIONAL MATHEMATICS AND SCIENCE EDUCATION CONSORTIA.

(a) **IN GENERAL.**—Part C of title XIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8671 et seq.) is transferred to and redesignated as part M of the Educational Research, Development, Dissemination, and Improvement Act of 1994. 20 USC 6055-6055g.

(b) **SECTIONS.**—Sections 13301 through 13108 of such part are redesignated as sections 1021 through 1028, respectively. 20 USC 6055-6055g.

(c) **DEFINED TERMS.**—Part M of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (as transferred and redesignated by this section) is amended by adding at the end the following new section: 20 USC 6055h.

“SEC. 1029. DEFINED TERMS.

“In this part, the definitions of terms defined in section 9101 of the Elementary and Secondary Education Act of 1965 shall apply.”.

PUBLIC LAW 107-110—JAN. 8, 2002

SEC. 1024. TECHNOLOGY-BASED TECHNICAL ASSISTANCE.

20 USC 6056. (a) **IN GENERAL.**—Part D of title XIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8701) is transferred to and redesignated as part N of the Educational Research, Development, Dissemination, and Improvement Act of 1994.

20 USC 6056. (b) **SECTIONS.**—Section 13401 of such part is redesignated as section 1031.

20 USC 6056a. (c) **DEFINED TERMS.**—Part N of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (as transferred and redesignated by this section) is amended by adding at the end the following new section:

“SEC. 1032. DEFINED TERMS.

“In this part, the definitions of terms defined in section 9101 of the Elementary and Secondary Education Act of 1965 shall apply.”.

SEC. 1025. CONFORMING AMENDMENTS.

(a) **PARTS K THROUGH M.**—Parts K through M of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (as transferred and redesignated by sections 1021 through 1024 of this Act) are amended as follows:

- (1) Insert “of such Act” in—
 - 20 USC 6053a. (A) section 1002(a)(1)(A), after “title I”; and
 - (B) section 1002(a)(1)(B), after “section 1114”.
- (2) Insert “of the Elementary and Secondary Education Act of 1965 (as such Act was in effect on the day before the date of enactment of the No Child Left Behind Act of 2001)” in—
 - 20 USC 6053, 6054. (A) sections 1001(a)(2)(A) and 1011(e)(1), after “title I”;
 - (B) sections 1002(b)(1) and section 1011(g)(3)(A), after “section 1114”; and
 - (C) in section 1011(e)(3), after “title III”.
- (3) In section 1011(a)(1), strike “(hereafter referred to in this Act as ‘NDN’)”.
- 20 USC 6055f. (4) In subsections (c) and (g)(1) of section 1011 and in section 1027(1)(E), strike “of the Educational Research, Development, Dissemination, and Improvement Act of 1994”.
- (5) In subsections (a)(2)(A) and (d) of section 1011, strike “part A” and insert “part K”.
- (6) In sections 1002(a)(4) and 1011(e)(3), strike “part C” and insert “part M”.
- (7) In section 1002(a), strike “section 13101(a)” and insert “section 1001(a)”.
- 20 USC 6053b. (8) In section 1003(b)(1), strike “section 13102” and insert “section 1002”.
- 20 USC 6053c. (9) In section 1004(b)(1), strike “section 13105” and insert “section 1005”.
- (10) In sections 1002(a)(7) and 1003(b)(2), strike “section 13201” and insert “section 1011”.
- 20 USC 6055a. (11) In section 1022(2) and (3), strike “section 13301(a)(1)” and insert “section 1021(a)(1)”.
- (12) In section 1027(4), strike “section 13301” and insert “section 1021”.
- 20 USC 6055d. (13) In subsections (a) and (b) of section 1025, strike “section 13303” and insert “section 1023”.
- (14) In the text preceding paragraph (1) of section 1022, strike “section 13304” and insert “section 1024”.
- 20 USC 6055. (15) In section 1021(a)(3), strike “section 13308” and insert “section 1028”.
- 20 USC 6053b, 6054. (16) In sections 1003(b)(2) and 1011(f)(4), strike “section 13401” and insert “section 1031”.
- (17) Strike “this Act” and insert “the Elementary and Secondary Education Act of 1965 (as such Act was in effect

PUBLIC LAW 107-110—JAN. 8, 2002

on the day before the date of enactment of the No Child Left Behind Act of 2001” in—

(A) section 1001(a)(1) (the first occurrence only); 20 USC 6053.

(B) paragraphs (1) through (3) of section 1001(c);

(C) paragraphs (1), (2), (6), and (8) of section 1002(a); 20 USC 6053a.

(D) section 1011(e); and

(E) section 1031(2). 20 USC 6056.

(18) In paragraphs (1) and (2) of section 1004(b), strike “this Act” and insert “the Elementary and Secondary Education Act of 1965”. 20 USC 6053c.

(19) In section 1001(a)(1) (the second occurrence only) and in section 1002(a)(1)(C), strike “this Act” and insert “such Act”.

(20) Section 1011 is amended—

(A) in subsection (a)(1), by striking “In order to implement the purposes of this title, the” and inserting “The”; and

(B) in subsection (f)(5), by striking “to achieve the purposes of this title”.

(21) In section 1022(1), strike “, the Eisenhower National Clearinghouse for Science and Mathematics Education established under section 2102(b)”. 20 USC 6055a.

(22) In section 1026(a), strike “section 14701” and insert “section 9601”. 20 USC 6055e.

(b) TITLE XIII HEADING.—The Elementary and Secondary Education Act of 1965 is amended by striking the heading of title XIII.

PART C—HOMELESS EDUCATION

SEC. 1031. SHORT TITLE.

This part may be cited as the “McKinney-Vento Homeless Education Assistance Improvements Act of 2001”.

SEC. 1032. EDUCATION FOR HOMELESS CHILDREN AND YOUTHS.

Subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.) is amended to read as follows:

“Subtitle B—Education for Homeless Children and Youths

“SEC. 721. STATEMENT OF POLICY.

“The following is the policy of the Congress:

“(1) Each State educational agency shall ensure that each child of a homeless individual and each homeless youth has equal access to the same free, appropriate public education, including a public preschool education, as provided to other children and youths.

“(2) In any State that has a compulsory residency requirement as a component of the State’s compulsory school attendance laws or other laws, regulations, practices, or policies that may act as a barrier to the enrollment, attendance, or success in school of homeless children and youths, the State will review and undertake steps to revise such laws, regulations, practices, or policies to ensure that homeless children and youths are afforded the same free, appropriate public education as provided to other children and youths.

“(3) Homelessness alone is not sufficient reason to separate students from the mainstream school environment.

“(4) Homeless children and youths should have access to the education and other services that such children and youths need to ensure that such children and youths have an opportunity to meet the same challenging State student academic achievement standards to which all students are held.

McKinney-Vento
Homeless
Education
Assistance
Improvements
Act of 2001.
42 USC 11301
note.

42 USC 11431.

PUBLIC LAW 107-110—JAN. 8, 2002

42 USC 11432.

“SEC. 722. GRANTS FOR STATE AND LOCAL ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTHS.

“(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants to States in accordance with the provisions of this section to enable such States to carry out the activities described in subsections (d) through (g).

“(b) APPLICATION.—No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

“(c) ALLOCATION AND RESERVATIONS.—

“(1) ALLOCATION.—(A) Subject to subparagraph (B), the Secretary is authorized to allot to each State an amount that bears the same ratio to the amount appropriated for such year under section 726 that remains after the Secretary reserves funds under paragraph (2) and uses funds to carry out section 724(d) and (h), as the amount allocated under section 1122 of the Elementary and Secondary Education Act of 1965 to the State for that year bears to the total amount allocated under section 1122 of such Act to all States for that year, except that no State shall receive less than the greater of—

“(i) \$150,000;

“(ii) one-fourth of 1 percent of the amount appropriated under section 726 for that year; or

“(iii) the amount such State received under this section for fiscal year 2001.

“(B) If there are insufficient funds in a fiscal year to allot to each State the minimum amount under subparagraph (A), the Secretary shall ratably reduce the allotments to all States based on the proportionate share that each State received under this subsection for the preceding fiscal year.

“(2) RESERVATIONS.—(A) The Secretary is authorized to reserve 0.1 percent of the amount appropriated for each fiscal year under section 726 to be allocated by the Secretary among the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, according to their respective need for assistance under this subtitle, as determined by the Secretary.

“(B)(i) The Secretary shall transfer 1 percent of the amount appropriated for each fiscal year under section 726 to the Department of the Interior for programs for Indian students served by schools funded by the Secretary of the Interior, as determined under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), that are consistent with the purposes of the programs described in this subtitle.

“(ii) The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of this subtitle, for the distribution and use of the funds described in clause (i) under terms that the Secretary determines best meet the purposes of the programs described in this subtitle. Such agreement shall set forth the plans of the Secretary of the Interior for the use of the amounts transferred, including appropriate goals, objectives, and milestones.

“(3) STATE DEFINED.—For purposes of this subsection, the term ‘State’ does not include the United States Virgin Islands, Guam, American Samoa, or the Commonwealth of the Northern Mariana Islands.

“(d) ACTIVITIES.—Grants under this section shall be used for the following:

“(1) To carry out the policies set forth in section 721 in the State.

“(2) To provide activities for, and services to, homeless children, including preschool-aged homeless children, and

PUBLIC LAW 107-110—JAN. 8, 2002

youths that enable such children and youths to enroll in, attend, and succeed in school, or, if appropriate, in preschool programs.

“(3) To establish or designate an Office of Coordinator for Education of Homeless Children and Youths in the State educational agency in accordance with subsection (f).

“(4) To prepare and carry out the State plan described in subsection (g).

“(5) To develop and implement professional development programs for school personnel to heighten their awareness of, and capacity to respond to, specific problems in the education of homeless children and youths.

“(e) STATE AND LOCAL SUBGRANTS.—

“(1) MINIMUM DISBURSEMENTS BY STATES.—From the sums made available each year to carry out this subtitle, the State educational agency shall distribute not less than 75 percent in subgrants to local educational agencies for the purposes of carrying out section 723, except that States funded at the minimum level set forth in subsection (c)(1) shall distribute not less than 50 percent in subgrants to local educational agencies for the purposes of carrying out section 723.

“(2) USE BY STATE EDUCATIONAL AGENCY.—A State educational agency may use funds made available for State use under this subtitle to conduct activities under subsection (f) directly or through grants or contracts.

“(3) PROHIBITION ON SEGREGATING HOMELESS STUDENTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B) and section 723(a)(2)(B)(ii), in providing a free public education to a homeless child or youth, no State receiving funds under this subtitle shall segregate such child or youth in a separate school, or in a separate program within a school, based on such child’s or youth’s status as homeless.

“(B) EXCEPTION.—Notwithstanding subparagraph (A), paragraphs (1)(J)(i) and (3) of subsection (g), section 723(a)(2), and any other provision of this subtitle relating to the placement of homeless children or youths in schools, a State that has a separate school for homeless children or youths that was operated in fiscal year 2000 in a covered county shall be eligible to receive funds under this subtitle for programs carried out in such school if—

“(i) the school meets the requirements of subparagraph (C);

“(ii) any local educational agency serving a school that the homeless children and youths enrolled in the separate school are eligible to attend meets the requirements of subparagraph (E); and

“(iii) the State is otherwise eligible to receive funds under this subtitle.

“(C) SCHOOL REQUIREMENTS.—For the State to be eligible under subparagraph (B) to receive funds under this subtitle, the school described in such subparagraph shall—

“(i) provide written notice, at the time any child or youth seeks enrollment in such school, and at least twice annually while the child or youth is enrolled in such school, to the parent or guardian of the child or youth (or, in the case of an unaccompanied youth, the youth) that—

“(I) shall be signed by the parent or guardian (or, in the case of an unaccompanied youth, the youth);

“(II) sets forth the general rights provided under this subtitle;

“(III) specifically states—

PUBLIC LAW 107-110—JAN. 8, 2002

“(aa) the choice of schools homeless children and youths are eligible to attend, as provided in subsection (g)(3)(A);

“(bb) that no homeless child or youth is required to attend a separate school for homeless children or youths;

“(cc) that homeless children and youths shall be provided comparable services described in subsection (g)(4), including transportation services, educational services, and meals through school meals programs; and

“(dd) that homeless children and youths should not be stigmatized by school personnel; and

“(IV) provides contact information for the local liaison for homeless children and youths and the State Coordinator for Education of Homeless Children and Youths;

“(ii)(I) provide assistance to the parent or guardian of each homeless child or youth (or, in the case of an unaccompanied youth, the youth) to exercise the right to attend the parent’s or guardian’s (or youth’s) choice of schools, as provided in subsection (g)(3)(A); and

“(II) coordinate with the local educational agency with jurisdiction for the school selected by the parent or guardian (or youth), to provide transportation and other necessary services;

“(iii) ensure that the parent or guardian (or, in the case of an unaccompanied youth, the youth) shall receive the information required by this subparagraph in a manner and form understandable to such parent or guardian (or youth), including, if necessary and to the extent feasible, in the native language of such parent or guardian (or youth); and

“(iv) demonstrate in the school’s application for funds under this subtitle that such school—

“(I) is complying with clauses (i) and (ii); and

“(II) is meeting (as of the date of submission of the application) the same Federal and State standards, regulations, and mandates as other public schools in the State (such as complying with sections 1111 and 1116 of the Elementary and Secondary Education Act of 1965 and providing a full range of education and related services, including services applicable to students with disabilities).

“(D) SCHOOL INELIGIBILITY.—A separate school described in subparagraph (B) that fails to meet the standards, regulations, and mandates described in subparagraph (C)(iv)(II) shall not be eligible to receive funds under this subtitle for programs carried out in such school after the first date of such failure.

“(E) LOCAL EDUCATIONAL AGENCY REQUIREMENTS.—For the State to be eligible to receive the funds described in subparagraph (B), the local educational agency described in subparagraph (B)(ii) shall—

“(i) implement a coordinated system for ensuring that homeless children and youths—

“(I) are advised of the choice of schools provided in subsection (g)(3)(A);

“(II) are immediately enrolled, in accordance with subsection (g)(3)(C), in the school selected under subsection (g)(3)(A); and

PUBLIC LAW 107-110—JAN. 8, 2002

“(III) are promptly provided necessary services described in subsection (g)(4), including transportation, to allow homeless children and youths to exercise their choices of schools under subsection (g)(3)(A);

“(ii) document that written notice has been provided—

“(I) in accordance with subparagraph (C)(i) for each child or youth enrolled in a separate school under subparagraph (B); and

“(II) in accordance with subsection (g)(6)(A)(v);

“(iii) prohibit schools within the agency’s jurisdiction from referring homeless children or youths to, or requiring homeless children and youths to enroll in or attend, a separate school described in subparagraph (B);

“(iv) identify and remove any barriers that exist in schools within the agency’s jurisdiction that may have contributed to the creation or existence of separate schools described in subparagraph (B); and

“(v) not use funds received under this subtitle to establish—

“(I) new or additional separate schools for homeless children or youths; or

“(II) new or additional sites for separate schools for homeless children or youths, other than the sites occupied by the schools described in subparagraph (B) in fiscal year 2000.

“(F) REPORT.—

“(i) PREPARATION.—The Secretary shall prepare a report on the separate schools and local educational agencies described in subparagraph (B) that receive funds under this subtitle in accordance with this paragraph. The report shall contain, at a minimum, information on—

“(I) compliance with all requirements of this paragraph;

“(II) barriers to school access in the school districts served by the local educational agencies; and

“(III) the progress the separate schools are making in integrating homeless children and youths into the mainstream school environment, including the average length of student enrollment in such schools.

“(ii) COMPLIANCE WITH INFORMATION REQUESTS.—

For purposes of enabling the Secretary to prepare the report, the separate schools and local educational agencies shall cooperate with the Secretary and the State Coordinator for Education of Homeless Children and Youths established in the State under subsection (d)(3), and shall comply with any requests for information by the Secretary and State Coordinator for such State.

“(iii) SUBMISSION.—Not later than 2 years after the date of enactment of the McKinney-Vento Homeless Education Assistance Improvements Act of 2001, the Secretary shall submit the report described in clause (i) to—

“(I) the President;

“(II) the Committee on Education and the Workforce of the House of Representatives; and

“(III) the Committee on Health, Education, Labor, and Pensions of the Senate.

“(G) DEFINITION.—For purposes of this paragraph, the term ‘covered county’ means—

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

- “(i) San Joaquin County, California;
- “(ii) Orange County, California;
- “(iii) San Diego County, California; and
- “(iv) Maricopa County, Arizona.

“(f) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator for Education of Homeless Children and Youths established in each State shall—

“(1) gather reliable, valid, and comprehensive information on the nature and extent of the problems homeless children and youths have in gaining access to public preschool programs and to public elementary schools and secondary schools, the difficulties in identifying the special needs of such children and youths, any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties, and the success of the programs under this subtitle in allowing homeless children and youths to enroll in, attend, and succeed in, school;

“(2) develop and carry out the State plan described in subsection (g);

“(3) collect and transmit to the Secretary, at such time and in such manner as the Secretary may require, a report containing such information as the Secretary determines is necessary to assess the educational needs of homeless children and youths within the State;

“(4) facilitate coordination between the State educational agency, the State social services agency, and other agencies (including agencies providing mental health services) to provide services to homeless children, including preschool-aged homeless children, and youths, and to families of such children and youths;

“(5) in order to improve the provision of comprehensive education and related services to homeless children and youths and their families, coordinate and collaborate with—

“(A) educators, including child development and preschool program personnel;

“(B) providers of services to homeless and runaway children and youths and homeless families (including domestic violence agencies, shelter operators, transitional housing facilities, runaway and homeless youth centers, and transitional living programs for homeless youths);

“(C) local educational agency liaisons designated under subsection (g)(1)(J)(ii) for homeless children and youths; and

“(D) community organizations and groups representing homeless children and youths and their families; and

“(6) provide technical assistance to local educational agencies in coordination with local educational agency liaisons designated under subsection (g)(1)(J)(ii), to ensure that local educational agencies comply with the requirements of section 722(e)(3) and paragraphs (3) through (7) of subsection (g).

“(g) STATE PLAN.—

“(1) IN GENERAL.—Each State shall submit to the Secretary a plan to provide for the education of homeless children and youths within the State. Such plan shall include the following:

“(A) A description of how such children and youths are (or will be) given the opportunity to meet the same challenging State academic achievement standards all students are expected to meet.

“(B) A description of the procedures the State educational agency will use to identify such children and youths in the State and to assess their special needs.

“(C) A description of procedures for the prompt resolution of disputes regarding the educational placement of homeless children and youths.

PUBLIC LAW 107-110—JAN. 8, 2002

“(D) A description of programs for school personnel (including principals, attendance officers, teachers, enrollment personnel, and pupil services personnel) to heighten the awareness of such personnel of the specific needs of runaway and homeless youths.

“(E) A description of procedures that ensure that homeless children and youths who meet the relevant eligibility criteria are able to participate in Federal, State, or local food programs.

“(F) A description of procedures that ensure that—

“(i) homeless children have equal access to the same public preschool programs, administered by the State agency, as provided to other children in the State;

“(ii) homeless youths and youths separated from the public schools are identified and accorded equal access to appropriate secondary education and support services; and

“(iii) homeless children and youths who meet the relevant eligibility criteria are able to participate in Federal, State, or local before- and after-school care programs.

“(G) Strategies to address problems identified in the report provided to the Secretary under subsection (f)(3).

“(H) Strategies to address other problems with respect to the education of homeless children and youths, including problems resulting from enrollment delays that are caused by—

“(i) immunization and medical records requirements;

“(ii) residency requirements;

“(iii) lack of birth certificates, school records, or other documentation;

“(iv) guardianship issues; or

“(v) uniform or dress code requirements.

“(I) A demonstration that the State educational agency and local educational agencies in the State have developed, and shall review and revise, policies to remove barriers to the enrollment and retention of homeless children and youths in schools in the State.

“(J) Assurances that—

“(i) the State educational agency and local educational agencies in the State will adopt policies and practices to ensure that homeless children and youths are not stigmatized or segregated on the basis of their status as homeless;

“(ii) local educational agencies will designate an appropriate staff person, who may also be a coordinator for other Federal programs, as a local educational agency liaison for homeless children and youths, to carry out the duties described in paragraph (6)(A); and

“(iii) the State and its local educational agencies will adopt policies and practices to ensure that transportation is provided, at the request of the parent or guardian (or in the case of an unaccompanied youth, the liaison), to and from the school of origin, as determined in paragraph (3)(A), in accordance with the following, as applicable:

“(I) If the homeless child or youth continues to live in the area served by the local educational agency in which the school of origin is located, the child’s or youth’s transportation to and from the school of origin shall be provided or arranged

PUBLIC LAW 107-110—JAN. 8, 2002

by the local educational agency in which the school of origin is located.

“(II) If the homeless child’s or youth’s living arrangements in the area served by the local educational agency of origin terminate and the child or youth, though continuing his or her education in the school of origin, begins living in an area served by another local educational agency, the local educational agency of origin and the local educational agency in which the homeless child or youth is living shall agree upon a method to apportion the responsibility and costs for providing the child with transportation to and from the school of origin. If the local educational agencies are unable to agree upon such method, the responsibility and costs for transportation shall be shared equally.

“(2) COMPLIANCE.—

“(A) IN GENERAL.—Each plan adopted under this subsection shall also describe how the State will ensure that local educational agencies in the State will comply with the requirements of paragraphs (3) through (7).

“(B) COORDINATION.—Such plan shall indicate what technical assistance the State will furnish to local educational agencies and how compliance efforts will be coordinated with the local educational agency liaisons designated under paragraph (1)(J)(ii).

“(3) LOCAL EDUCATIONAL AGENCY REQUIREMENTS.—

“(A) IN GENERAL.—The local educational agency serving each child or youth to be assisted under this subtitle shall, according to the child’s or youth’s best interest—

“(i) continue the child’s or youth’s education in the school of origin for the duration of homelessness—

“(I) in any case in which a family becomes homeless between academic years or during an academic year; or

“(II) for the remainder of the academic year, if the child or youth becomes permanently housed during an academic year; or

“(ii) enroll the child or youth in any public school that nonhomeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

“(B) BEST INTEREST.—In determining the best interest of the child or youth under subparagraph (A), the local educational agency shall—

“(i) to the extent feasible, keep a homeless child or youth in the school of origin, except when doing so is contrary to the wishes of the child’s or youth’s parent or guardian;

“(ii) provide a written explanation, including a statement regarding the right to appeal under subparagraph (E), to the homeless child’s or youth’s parent or guardian, if the local educational agency sends such child or youth to a school other than the school of origin or a school requested by the parent or guardian; and

“(iii) in the case of an unaccompanied youth, ensure that the homeless liaison designated under paragraph (1)(J)(ii) assists in placement or enrollment decisions under this subparagraph, considers the views of such unaccompanied youth, and provides notice to such youth of the right to appeal under subparagraph (E).

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) ENROLLMENT.—(i) The school selected in accordance with this paragraph shall immediately enroll the homeless child or youth, even if the child or youth is unable to produce records normally required for enrollment, such as previous academic records, medical records, proof of residency, or other documentation.

“(ii) The enrolling school shall immediately contact the school last attended by the child or youth to obtain relevant academic and other records.

“(iii) If the child or youth needs to obtain immunizations, or immunization or medical records, the enrolling school shall immediately refer the parent or guardian of the child or youth to the local educational agency liaison designated under paragraph (1)(J)(ii), who shall assist in obtaining necessary immunizations, or immunization or medical records, in accordance with subparagraph (D).

“(D) RECORDS.—Any record ordinarily kept by the school, including immunization or medical records, academic records, birth certificates, guardianship records, and evaluations for special services or programs, regarding each homeless child or youth shall be maintained—

“(i) so that the records are available, in a timely fashion, when a child or youth enters a new school or school district; and

“(ii) in a manner consistent with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

“(E) ENROLLMENT DISPUTES.—If a dispute arises over school selection or enrollment in a school—

“(i) the child or youth shall be immediately admitted to the school in which enrollment is sought, pending resolution of the dispute;

“(ii) the parent or guardian of the child or youth shall be provided with a written explanation of the school’s decision regarding school selection or enrollment, including the rights of the parent, guardian, or youth to appeal the decision;

“(iii) the child, youth, parent, or guardian shall be referred to the local educational agency liaison designated under paragraph (1)(J)(ii), who shall carry out the dispute resolution process as described in paragraph (1)(C) as expeditiously as possible after receiving notice of the dispute; and

“(iv) in the case of an unaccompanied youth, the homeless liaison shall ensure that the youth is immediately enrolled in school pending resolution of the dispute.

“(F) PLACEMENT CHOICE.—The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parents or has been temporarily placed elsewhere.

“(G) SCHOOL OF ORIGIN DEFINED.—In this paragraph, the term ‘school of origin’ means the school that the child or youth attended when permanently housed or the school in which the child or youth was last enrolled.

“(H) CONTACT INFORMATION.—Nothing in this subtitle shall prohibit a local educational agency from requiring a parent or guardian of a homeless child to submit contact information.

“(4) COMPARABLE SERVICES.—Each homeless child or youth to be assisted under this subtitle shall be provided services comparable to services offered to other students in the school selected under paragraph (3), including the following:

“(A) Transportation services.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) Educational services for which the child or youth meets the eligibility criteria, such as services provided under title I of the Elementary and Secondary Education Act of 1965 or similar State or local programs, educational programs for children with disabilities, and educational programs for students with limited English proficiency.

“(C) Programs in vocational and technical education.

“(D) Programs for gifted and talented students.

“(E) School nutrition programs.

“(5) COORDINATION.—

“(A) IN GENERAL.—Each local educational agency serving homeless children and youths that receives assistance under this subtitle shall coordinate—

“(i) the provision of services under this subtitle with local social services agencies and other agencies or programs providing services to homeless children and youths and their families, including services and programs funded under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); and

“(ii) with other local educational agencies on inter-district issues, such as transportation or transfer of school records.

“(B) HOUSING ASSISTANCE.—If applicable, each State educational agency and local educational agency that receives assistance under this subtitle shall coordinate with State and local housing agencies responsible for developing the comprehensive housing affordability strategy described in section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705) to minimize educational disruption for children and youths who become homeless.

“(C) COORDINATION PURPOSE.—The coordination required under subparagraphs (A) and (B) shall be designed to—

“(i) ensure that homeless children and youths have access and reasonable proximity to available education and related support services; and

“(ii) raise the awareness of school personnel and service providers of the effects of short-term stays in a shelter and other challenges associated with homelessness.

“(6) LOCAL EDUCATIONAL AGENCY LIAISON.—

“(A) DUTIES.—Each local educational agency liaison for homeless children and youths, designated under paragraph (1)(J)(ii), shall ensure that—

“(i) homeless children and youths are identified by school personnel and through coordination activities with other entities and agencies;

“(ii) homeless children and youths enroll in, and have a full and equal opportunity to succeed in, schools of that local educational agency;

“(iii) homeless families, children, and youths receive educational services for which such families, children, and youths are eligible, including Head Start and Even Start programs and preschool programs administered by the local educational agency, and referrals to health care services, dental services, mental health services, and other appropriate services;

“(iv) the parents or guardians of homeless children and youths are informed of the educational and related opportunities available to their children and are provided with meaningful opportunities to participate in the education of their children;

“(v) public notice of the educational rights of homeless children and youths is disseminated where such

PUBLIC LAW 107-110—JAN. 8, 2002

children and youths receive services under this Act, such as schools, family shelters, and soup kitchens;

“(vi) enrollment disputes are mediated in accordance with paragraph (3)(E); and

“(vii) the parent or guardian of a homeless child or youth, and any unaccompanied youth, is fully informed of all transportation services, including transportation to the school of origin, as described in paragraph (1)(J)(iii), and is assisted in accessing transportation to the school that is selected under paragraph (3)(A).

“(B) NOTICE.—State coordinators established under subsection (d)(3) and local educational agencies shall inform school personnel, service providers, and advocates working with homeless families of the duties of the local educational agency liaisons.

“(C) LOCAL AND STATE COORDINATION.—Local educational agency liaisons for homeless children and youths shall, as a part of their duties, coordinate and collaborate with State coordinators and community and school personnel responsible for the provision of education and related services to homeless children and youths.

“(7) REVIEW AND REVISIONS.—

“(A) IN GENERAL.—Each State educational agency and local educational agency that receives assistance under this subtitle shall review and revise any policies that may act as barriers to the enrollment of homeless children and youths in schools that are selected under paragraph (3).

“(B) CONSIDERATION.—In reviewing and revising such policies, consideration shall be given to issues concerning transportation, immunization, residency, birth certificates, school records and other documentation, and guardianship.

“(C) SPECIAL ATTENTION.—Special attention shall be given to ensuring the enrollment and attendance of homeless children and youths who are not currently attending school.

“SEC. 723. LOCAL EDUCATIONAL AGENCY SUBGRANTS FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTHS.

42 USC 11433.

“(a) GENERAL AUTHORITY.—

“(1) IN GENERAL.—The State educational agency shall, in accordance with section 722(e), and from amounts made available to such agency under section 726, make subgrants to local educational agencies for the purpose of facilitating the enrollment, attendance, and success in school of homeless children and youths.

“(2) SERVICES.—

“(A) IN GENERAL.—Services under paragraph (1)—

“(i) may be provided through programs on school grounds or at other facilities;

“(ii) shall, to the maximum extent practicable, be provided through existing programs and mechanisms that integrate homeless children and youths with non-homeless children and youths; and

“(iii) shall be designed to expand or improve services provided as part of a school’s regular academic program, but not to replace such services provided under such program.

“(B) SERVICES ON SCHOOL GROUNDS.—If services under paragraph (1) are provided on school grounds, schools—

“(i) may use funds under this subtitle to provide the same services to other children and youths who are determined by the local educational agency to be at risk of failing in, or dropping out of, school, subject to the requirements of clause (ii); and

PUBLIC LAW 107-110—JAN. 8, 2002

“(ii) except as otherwise provided in section 722(e)(3)(B), shall not provide services in settings within a school that segregate homeless children and youths from other children and youths, except as necessary for short periods of time—

“(I) for health and safety emergencies; or

“(II) to provide temporary, special, and supplementary services to meet the unique needs of homeless children and youths.

“(3) REQUIREMENT.—Services provided under this section shall not replace the regular academic program and shall be designed to expand upon or improve services provided as part of the school’s regular academic program.

“(b) APPLICATION.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and containing or accompanied by such information as the State educational agency may reasonably require. Such application shall include the following:

“(1) An assessment of the educational and related needs of homeless children and youths in the area served by such agency (which may be undertaken as part of needs assessments for other disadvantaged groups).

“(2) A description of the services and programs for which assistance is sought to address the needs identified in paragraph (1).

“(3) An assurance that the local educational agency’s combined fiscal effort per student, or the aggregate expenditures of that agency and the State with respect to the provision of free public education by such agency for the fiscal year preceding the fiscal year for which the determination is made, was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

“(4) An assurance that the applicant complies with, or will use requested funds to comply with, paragraphs (3) through (7) of section 722(g).

“(5) A description of policies and procedures, consistent with section 722(e)(3), that the agency will implement to ensure that activities carried out by the agency will not isolate or stigmatize homeless children and youths.

“(c) AWARDS.—

“(1) IN GENERAL.—The State educational agency shall, in accordance with the requirements of this subtitle and from amounts made available to it under section 726, make competitive subgrants to local educational agencies that submit applications under subsection (b). Such subgrants shall be awarded on the basis of the need of such agencies for assistance under this subtitle and the quality of the applications submitted.

“(2) NEED.—In determining need under paragraph (1), the State educational agency may consider the number of homeless children and youths enrolled in preschool, elementary, and secondary schools within the area served by the local educational agency, and shall consider the needs of such children and youths and the ability of the local educational agency to meet such needs. The State educational agency may also consider the following:

“(A) The extent to which the proposed use of funds will facilitate the enrollment, retention, and educational success of homeless children and youths.

“(B) The extent to which the application—

“(i) reflects coordination with other local and State agencies that serve homeless children and youths; and

“(ii) describes how the applicant will meet the requirements of section 722(g)(3).

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) The extent to which the applicant exhibits in the application and in current practice a commitment to education for all homeless children and youths.

“(D) Such other criteria as the State agency determines appropriate.

“(3) QUALITY.—In determining the quality of applications under paragraph (1), the State educational agency shall consider the following:

“(A) The applicant’s needs assessment under subsection (b)(1) and the likelihood that the program presented in the application will meet such needs.

“(B) The types, intensity, and coordination of the services to be provided under the program.

“(C) The involvement of parents or guardians of homeless children or youths in the education of their children.

“(D) The extent to which homeless children and youths will be integrated within the regular education program.

“(E) The quality of the applicant’s evaluation plan for the program.

“(F) The extent to which services provided under this subtitle will be coordinated with other services available to homeless children and youths and their families.

“(G) Such other measures as the State educational agency considers indicative of a high-quality program, such as the extent to which the local educational agency will provide case management or related services to unaccompanied youths.

“(4) DURATION OF GRANTS.—Grants awarded under this section shall be for terms not to exceed 3 years.

“(d) AUTHORIZED ACTIVITIES.—A local educational agency may use funds awarded under this section for activities that carry out the purpose of this subtitle, including the following:

“(1) The provision of tutoring, supplemental instruction, and enriched educational services that are linked to the achievement of the same challenging State academic content standards and challenging State student academic achievement standards the State establishes for other children and youths.

“(2) The provision of expedited evaluations of the strengths and needs of homeless children and youths, including needs and eligibility for programs and services (such as educational programs for gifted and talented students, children with disabilities, and students with limited English proficiency, services provided under title I of the Elementary and Secondary Education Act of 1965 or similar State or local programs, programs in vocational and technical education, and school nutrition programs).

“(3) Professional development and other activities for educators and pupil services personnel that are designed to heighten the understanding and sensitivity of such personnel to the needs of homeless children and youths, the rights of such children and youths under this subtitle, and the specific educational needs of runaway and homeless youths.

“(4) The provision of referral services to homeless children and youths for medical, dental, mental, and other health services.

“(5) The provision of assistance to defray the excess cost of transportation for students under section 722(g)(4)(A), not otherwise provided through Federal, State, or local funding, where necessary to enable students to attend the school selected under section 722(g)(3).

“(6) The provision of developmentally appropriate early childhood education programs, not otherwise provided through Federal, State, or local funding, for preschool-aged homeless children.

PUBLIC LAW 107-110—JAN. 8, 2002

“(7) The provision of services and assistance to attract, engage, and retain homeless children and youths, and unaccompanied youths, in public school programs and services provided to nonhomeless children and youths.

“(8) The provision for homeless children and youths of before- and after-school, mentoring, and summer programs in which a teacher or other qualified individual provides tutoring, homework assistance, and supervision of educational activities.

“(9) If necessary, the payment of fees and other costs associated with tracking, obtaining, and transferring records necessary to enroll homeless children and youths in school, including birth certificates, immunization or medical records, academic records, guardianship records, and evaluations for special programs or services.

“(10) The provision of education and training to the parents of homeless children and youths about the rights of, and resources available to, such children and youths.

“(11) The development of coordination between schools and agencies providing services to homeless children and youths, as described in section 722(g)(5).

“(12) The provision of pupil services (including violence prevention counseling) and referrals for such services.

“(13) Activities to address the particular needs of homeless children and youths that may arise from domestic violence.

“(14) The adaptation of space and purchase of supplies for any nonschool facilities made available under subsection (a)(2) to provide services under this subsection.

“(15) The provision of school supplies, including those supplies to be distributed at shelters or temporary housing facilities, or other appropriate locations.

“(16) The provision of other extraordinary or emergency assistance needed to enable homeless children and youths to attend school.

42 USC 11434.

“SEC. 724. SECRETARIAL RESPONSIBILITIES.

“(a) REVIEW OF STATE PLANS.—In reviewing the State plan submitted by a State educational agency under section 722(g), the Secretary shall use a peer review process and shall evaluate whether State laws, policies, and practices described in such plan adequately address the problems of homeless children and youths relating to access to education and placement as described in such plan.

“(b) TECHNICAL ASSISTANCE.—The Secretary shall provide support and technical assistance to a State educational agency to assist such agency in carrying out its responsibilities under this subtitle, if requested by the State educational agency.

“(c) NOTICE.—The Secretary shall, before the next school year that begins after the date of enactment of the McKinney-Vento Homeless Education Assistance Improvements Act of 2001, create and disseminate nationwide a public notice of the educational rights of homeless children and youths and disseminate such notice to other Federal agencies, programs, and grantees, including Head Start grantees, Health Care for the Homeless grantees, Emergency Food and Shelter grantees, and homeless assistance programs administered by the Department of Housing and Urban Development.

“(d) EVALUATION AND DISSEMINATION.—The Secretary shall conduct evaluation and dissemination activities of programs designed to meet the educational needs of homeless elementary and secondary school students, and may use funds appropriated under section 726 to conduct such activities.

“(e) SUBMISSION AND DISTRIBUTION.—The Secretary shall require applications for grants under this subtitle to be submitted to the Secretary not later than the expiration of the 60-day period beginning on the date that funds are available for purposes of

PUBLIC LAW 107-110—JAN. 8, 2002

making such grants and shall make such grants not later than the expiration of the 120-day period beginning on such date.

“(f) DETERMINATION BY SECRETARY.—The Secretary, based on the information received from the States and information gathered by the Secretary under subsection (h), shall determine the extent to which State educational agencies are ensuring that each homeless child and homeless youth has access to a free appropriate public education, as described in section 721(1).

“(g) GUIDELINES.—The Secretary shall develop, issue, and publish in the Federal Register, not later than 60 days after the date of enactment of the McKinney-Vento Homeless Education Assistance Improvements Act of 2001, school enrollment guidelines for States with respect to homeless children and youths. The guidelines shall describe—

Federal Register,
publication.
Deadline.

“(1) successful ways in which a State may assist local educational agencies to immediately enroll homeless children and youths in school; and

“(2) how a State can review the State’s requirements regarding immunization and medical or school records and make such revisions to the requirements as are appropriate and necessary in order to enroll homeless children and youths in school immediately.

“(h) INFORMATION.—

“(1) IN GENERAL.—From funds appropriated under section 726, the Secretary shall, directly or through grants, contracts, or cooperative agreements, periodically collect and disseminate data and information regarding—

“(A) the number and location of homeless children and youths;

“(B) the education and related services such children and youths receive;

“(C) the extent to which the needs of homeless children and youths are being met; and

“(D) such other data and information as the Secretary determines to be necessary and relevant to carry out this subtitle.

“(2) COORDINATION.—The Secretary shall coordinate such collection and dissemination with other agencies and entities that receive assistance and administer programs under this subtitle.

“(i) REPORT.—Not later than 4 years after the date of enactment of the McKinney-Vento Homeless Education Assistance Improvements Act of 2001, the Secretary shall prepare and submit to the President and the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the status of education of homeless children and youths, which shall include information on—

Deadline.

“(1) the education of homeless children and youths; and

“(2) the actions of the Secretary and the effectiveness of the programs supported under this subtitle.

“SEC. 725. DEFINITIONS.

42 USC 11434a.

“For purposes of this subtitle:

“(1) The terms ‘enroll’ and ‘enrollment’ include attending classes and participating fully in school activities.

“(2) The term ‘homeless children and youths’—

“(A) means individuals who lack a fixed, regular, and adequate nighttime residence (within the meaning of section 103(a)(1)); and

“(B) includes—

“(i) children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the

PUBLIC LAW 107-110—JAN. 8, 2002

lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement;

“(ii) children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings (within the meaning of section 103(a)(2)(C));

“(iii) children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and

“(iv) migratory children (as such term is defined in section 1309 of the Elementary and Secondary Education Act of 1965) who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in clauses (i) through (iii).

“(3) The terms ‘local educational agency’ and ‘State educational agency’ have the meanings given such terms in section 9101 of the Elementary and Secondary Education Act of 1965.

“(4) The term ‘Secretary’ means the Secretary of Education.

“(5) The term ‘State’ means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(6) The term ‘unaccompanied youth’ includes a youth not in the physical custody of a parent or guardian.

42 USC 11435.

“SEC. 726. AUTHORIZATION OF APPROPRIATIONS.

“For the purpose of carrying out this subtitle, there are authorized to be appropriated \$70,000,000 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2003 through 2007.”.

SEC. 1033. CONFORMING AMENDMENT.

The table of contents of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 note) is amended so that the items relating to subtitle B of title VII read as follows:

“Subtitle B—Education for Homeless Children and Youths

“Sec. 721. Statement of policy.

“Sec. 722. Grants for State and local activities for the education of homeless children and youths.

“Sec. 723. Local educational agency subgrants for the education of homeless children and youths.

“Sec. 724. Secretarial responsibilities.

“Sec. 725. Definitions.

“Sec. 726. Authorization of appropriations.”.

42 USC 11301
note.**SEC. 1034. TECHNICAL AMENDMENT.**

(a) IN GENERAL.—Section 1 of Public Law 106-400 (42 U.S.C. 11301) is amended by striking “Section 1 of” and inserting “Section 101 of”.

42 USC 11301
note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be deemed to be effective on the date of enactment of Public Law 106-400.

Native American
Education
Improvement Act
of 2001.
25 USC 2000
note.**PART D—NATIVE AMERICAN EDUCATION
IMPROVEMENT****SEC. 1041. SHORT TITLE.**

This part may be cited as the “Native American Education Improvement Act of 2001”.

25 USC 2022–
2026.**SEC. 1042. AMENDMENTS TO THE EDUCATION AMENDMENTS OF 1978.**

Part B of title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.) is amended to read as follows:

PUBLIC LAW 107-110—JAN. 8, 2002

“PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

“SEC. 1120. DECLARATION OF POLICY.

25 USC 2000.

“Congress declares that the Federal Government has the sole responsibility for the operation and financial support of the Bureau of Indian Affairs funded school system that it has established on or near Indian reservations and Indian trust lands throughout the Nation for Indian children. It is the policy of the United States to fulfill the Federal Government’s unique and continuing trust relationship with and responsibility to the Indian people for the education of Indian children and for the operation and financial support of the Bureau of Indian Affairs-funded school system to work in full cooperation with tribes toward the goal of ensuring that the programs of the Bureau of Indian Affairs-funded school system are of the highest quality and provide for the basic elementary and secondary educational needs of Indian children, including meeting the unique educational and cultural needs of those children.

“SEC. 1121. ACCREDITATION FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS.

25 USC 2001.

“(a) PURPOSE; DECLARATIONS OF PURPOSE.—

“(1) PURPOSE.—The purpose of the accreditation required under this section shall be to ensure that Indian students being served by a school funded by the Bureau of Indian Affairs are provided with educational opportunities that equal or exceed those for all other students in the United States.

“(2) DECLARATIONS OF PURPOSE.—Local school boards for schools operated by the Bureau of Indian Affairs, in cooperation and consultation with the appropriate tribal governing bodies and their communities, are encouraged to adopt declarations of purpose for education for their communities, taking into account the implications of such declarations on education in their communities and for their schools. In adopting such declarations of purpose, the school boards shall consider the effect the declarations may have on the motivation of students and faculties.

“(b) ACCREDITATION.—

“(1) DEADLINE.—

“(A) IN GENERAL.—Not later than 24 months after the date of enactment of the Native American Education Improvement Act of 2001, each Bureau-funded school shall, to the extent that necessary funds are provided, be a candidate for accreditation or be accredited—

Deadline.

“(i) by a tribal accrediting body, if the accreditation standards of the tribal accrediting body have been accepted by formal action of the tribal governing body and such accreditation is acknowledged by a generally recognized State certification or regional accrediting agency;

“(ii) by a regional accreditation agency;

“(iii) by State accreditation standards for the State in which the Bureau-funded school is located; or

“(iv) in the case of a Bureau-funded school that is located on a reservation that is located in more than one State, in accordance with the State accreditation standards of one State as selected by the tribal government.

“(B) FEASIBILITY STUDY.—Not later than 12 months after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary of the Interior and the Secretary of Education shall, in consultation with Indian tribes, Indian education organizations,

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

and accrediting agencies, develop and submit to the appropriate committees of Congress a report on the desirability and feasibility of establishing a tribal accreditation agency that would—

“(i) review and acknowledge the accreditation standards for Bureau-funded schools; and

“(ii) establish accreditation procedures to facilitate the application, review of the standards and review processes, and recognition of qualified and credible tribal departments of education as accrediting bodies serving tribal schools.

“(2) DETERMINATION OF ACCREDITATION TO BE APPLIED.—The accreditation type applied for each school shall be determined by the tribal governing body, or the school board, if authorized by the tribal governing body.

“(3) ASSISTANCE TO SCHOOL BOARDS.—

“(A) IN GENERAL.—The Secretary, through contracts and grants, shall provide technical and financial assistance to Bureau-funded schools, to the extent that necessary amounts are made available, to enable such schools to obtain the accreditation required under this subsection, if the school boards request that such assistance, in part or in whole, be provided.

“(B) ENTITIES THROUGH WHICH ASSISTANCE MAY BE PROVIDED.—The Secretary may provide such assistance directly or through the Department of Education, an institution of higher education, a private not-for-profit organization or for-profit organization, an educational service agency, or another entity with demonstrated experience in assisting schools in obtaining accreditation.

“(4) APPLICATION OF CURRENT STANDARDS DURING ACCREDITATION.—A Bureau-funded school that is seeking accreditation shall remain subject to the standards issued under section 1121 of the Education Amendments of 1978 and in effect on the day before the date of enactment of the Native American Education Improvement Act of 2001 until such time as the school is accredited, except that if any of such standards are in conflict with the standards of the accrediting agency, the standards of such agency shall apply in such case.

Deadline.

“(5) ANNUAL REPORT ON UNACCREDITED SCHOOLS.—Not later than 90 days after the end of each school year, the Secretary shall prepare and submit to the Committee on Appropriations, the Committee on Education and the Workforce, and the Committee on Resources of the House of Representatives and the Committee on Appropriations, the Committee on Indian Affairs, and the Committee on Health, Education, Labor, and Pensions of the Senate, a report concerning unaccredited Bureau-funded schools that—

“(A) identifies those Bureau-funded schools that fail to be accredited or to be candidates for accreditation within the period provided for in paragraph (1);

“(B) with respect to each Bureau-funded school identified under subparagraph (A), identifies the reasons that each such school is not accredited or a candidate for accreditation, as determined by the appropriate accreditation agency, and a description of any possible way in which to remedy such nonaccreditation; and

“(C) with respect to each Bureau-funded school for which the reported reasons for the lack of accreditation under subparagraph (B) are a result of the school’s inadequate basic resources, contains information and funding requests for the full funding needed to provide such schools with accreditation, such funds if provided shall be applied to such unaccredited school under this paragraph.

“(6) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) IN GENERAL.—Prior to including a Bureau-funded school in an annual report required under paragraph (5), the Secretary shall—

“(i) ensure that the school has exhausted all administrative remedies provided by the accreditation agency; and

“(ii) provide the school with an opportunity to review the data on which such inclusion is based.

“(B) PROVISION OF ADDITIONAL INFORMATION.—If the school board of a school that the Secretary has proposed for inclusion in an annual report under paragraph (5) believes that such inclusion is in error, the school board may provide to the Secretary such information as the board believes is in conflict with the information and conclusions of the Secretary with respect to the determination to include the school in such annual report. The Secretary shall consider such information provided by the school board before making a final determination concerning the inclusion of the school in any such report.

“(C) PUBLICATION OF ACCREDITATION STATUS.—Not later than 30 days after making an initial determination to include a school in an annual report under paragraph (5), the Secretary shall make public the final determination on the accreditation status of the school.

Deadline.

“(7) SCHOOL PLAN.—

“(A) IN GENERAL.—Not later than 120 days after the date on which a school is included in an annual report under paragraph (5), the school shall develop a school plan, in consultation with interested parties including parents, school staff, the school board, and other outside experts (if appropriate), that shall be submitted to the Secretary for approval. The school plan shall cover a 3-year period and shall—

Deadline.

“(i) incorporate strategies that address the specific issues that caused the school to fail to be accredited or fail to be a candidate for accreditation;

“(ii) incorporate policies and practices concerning the school that have the greatest likelihood of ensuring that the school will obtain accreditation during the 3-year period beginning on the date on which the plan is implemented;

“(iii) contain an assurance that the school will reserve the necessary funds, from the funds described in paragraph (3), for each fiscal year for the purpose of obtaining accreditation;

“(iv) specify how the funds described in clause (iii) will be used to obtain accreditation;

“(v) establish specific annual, objective goals for measuring continuous and significant progress made by the school in a manner that will ensure the accreditation of the school within the 3-year period described in clause (ii);

“(vi) identify how the school will provide written notification about the lack of accreditation to the parents of each student enrolled in such school, in a format and, to the extent practicable, in a language the parents can understand; and

“(vii) specify the responsibilities of the school board and any assistance to be provided by the Secretary under paragraph (3).

“(B) IMPLEMENTATION.—A school shall implement the school plan under subparagraph (A) expeditiously, but in no event later than the beginning of the school year following the school year in which the school was included in

PUBLIC LAW 107-110—JAN. 8, 2002

Deadline.

the annual report under paragraph (5) so long as the necessary resources have been provided to the school.

“(C) REVIEW OF PLAN.—Not later than 45 days after receiving a school plan, the Secretary shall—

“(i) establish a peer-review process to assist with the review of the plan; and

“(ii) promptly review the school plan, work with the school as necessary, and approve the school plan if the plan meets the requirements of this paragraph.

“(8) CORRECTIVE ACTION.—

“(A) DEFINITION.—In this subsection, the term ‘corrective action’ means any action that—

“(i) substantially and directly responds to—

“(I) the failure of a school to achieve accreditation; and

“(II) any underlying staffing, curriculum, or other programmatic problem in the school that contributed to the lack of accreditation; and

“(ii) is designed to increase substantially the likelihood that the school will be accredited.

“(B) WAIVER.—The Secretary shall grant a waiver which shall exempt a school from any or all of the requirements of this paragraph and paragraph (7) (though such school shall be required to comply with the standards contained in part 36 of title 25, Code of Federal Register, as in effect on the date of enactment of the Native American Education Improvement Act of 2001) if the school—

“(i) is identified in the report described in paragraph (5)(C); and

“(ii) fails to be accredited for reasons that are beyond the control of the school board, as determined by the Secretary, including, but not limited to—

“(I) a significant decline in financial resources;

“(II) the poor condition of facilities, vehicles, or other property; and

“(III) a natural disaster.

“(C) DUTIES OF SECRETARY.—After providing assistance to a school under paragraph (3), the Secretary shall—

“(i) annually review the progress of the school under the applicable school plan to determine whether the school is meeting, or making adequate progress toward achieving the goals described in paragraph (7)(A)(v) with respect to reaccreditation or becoming a candidate for accreditation;

“(ii) except as provided in subparagraph (B), continue to provide assistance while implementing the school’s plan, and, if determined appropriate by the Secretary, take corrective action with respect to the school if it fails to be accredited at the end of the third full year immediately following the date that the school’s plan was first in effect under paragraph (7);

“(iii) provide all students enrolled in a school that is eligible for a corrective action determination by the Secretary under clause (ii) with the option to transfer to another public or Bureau-funded school, including a public charter school, that is accredited;

“(iv) promptly notify the parents of children enrolled in a school that is eligible for a corrective action determination by the Secretary under clause (ii) of the option to transfer their child to another public or Bureau-funded school; and

“(v) provide, or pay for the provision of, transportation for each student described in clause (iii) to the school described in clause (iii) to which the student

PUBLIC LAW 107-110—JAN. 8, 2002

elects to be transferred to the extent funds are available, as determined by the tribal governing body.

“(D) FAILURE OF SCHOOL PLAN OF BUREAU-OPERATED SCHOOL.—With respect to a Bureau-operated school that fails to be accredited at the end of the third full year immediately following the date that the school’s plan was first in effect under paragraph (7), the Secretary may take one or more of the following corrective actions:

“(i) Institute and fully implement actions suggested by the accrediting agency.

“(ii) Consult with the tribe involved to determine the causes for the lack of accreditation including potential staffing and administrative changes that are or may be necessary.

“(iii) Set aside a certain amount of funds that may only be used by the school to obtain accreditation.

“(iv)(I) Provide the tribe with a 60-day period during which to determine whether the tribe desires to operate the school as a contract or grant school before meeting the accreditation requirements in section 5207(c) of the Tribally Controlled Schools Act of 1988 at the beginning of the next school year following the determination to take corrective action. If the tribe agrees to operate the school as a contract or grant school, the tribe shall prepare a plan, pursuant to paragraph (7), for approval by the Secretary in accordance with paragraph (7), to achieve accreditation.

“(II) If the tribe declines to assume control of the school, the Secretary, in consultation with the tribe, may contract with an outside entity, consistent with applicable law, or appoint a receiver or trustee to operate and administer the affairs of the school until the school is accredited. The outside entity, receiver, or trustee shall prepare a plan, pursuant to paragraph (7), for approval by the Secretary in accordance with paragraph (7).

“(III) Upon accreditation of the school, the Secretary shall allow the tribe to continue to operate the school as a grant or contract school, or if the school is being controlled by an outside entity, provide the tribe with the option to assume operation of the school as a contract school, in accordance with the Indian Self-Determination Act, or as a grant school in accordance with the Tribally Controlled Schools Act of 1988, at the beginning of the school year following the school year in which the school obtains accreditation. If the tribe declines, the Secretary may allow the outside entity, receiver, or trustee to continue the operation of the school or reassume control of the school.

“(E) FAILURE OF SCHOOL PLAN OF CONTRACT OR GRANT SCHOOL.—

“(i) CORRECTIVE ACTION.—With respect to a contract or grant school that fails to be accredited at the end of the third full year immediately following the date that the school’s plan was first in effect under paragraph (7), the Secretary may take one or more of the corrective actions described in subparagraph (D)(i) and (D)(ii). The Secretary shall implement such corrective action for at least 1 year prior to taking any action described under clause (ii).

“(ii) OUTSIDE ENTITY.—If the corrective action described in clause (i) does not result in accreditation of the school, the Secretary, in conjunction with the tribal governing body, may contract with an outside entity to operate the school in order to achieve accredi-

PUBLIC LAW 107-110—JAN. 8, 2002

tation of the school within 2 school years. Prior to entering into such a contract, the Secretary shall develop a proposal for such operation which shall include, at a minimum, the following elements:

“(I) The identification of one or more outside entities each of which has demonstrated to the Secretary its ability to develop a satisfactory plan for achieving accreditation and its willingness and availability to undertake such a plan.

“(II) A plan for implementing operation of the school by such an outside entity, including the methodology for oversight and evaluation of the performance of the outside entity by the Secretary and the tribe.

Deadline.

“(iii) PROPOSAL AMENDMENTS.—The tribal governing body shall have 60 days to amend the plan developed pursuant to clause (ii), including identifying another outside entity to operate the school. The Secretary shall reach agreement with the tribal governing body on the proposal and any such amendments to the plan not later than 30 days after the expiration of the 60-day period described in the preceding sentence. After the approval of the proposal and any amendments, the Secretary, with continuing consultation with such tribal governing body, shall implement the proposal.

“(iv) ACCREDITATION.—Upon accreditation of the school, the tribe shall have the option to assume the operation and administration of the school as a contract school after complying with the Indian Self-Determination Act, or as a grant school, after complying with the Tribally Controlled Schools Act of 1988, at the beginning of the school year following the year in which the school obtains accreditation.

“(v) RETROCEDE.—Nothing in this subparagraph shall limit a tribe’s right to retrocede operation of a school to the Secretary pursuant to section 105(e) of the Indian Self-Determination Act (with respect to a contract school) or section 5204(f) of the Tribally Controlled Schools Act of 1988 (with respect to a grant school).

“(vi) CONSISTENT.—The provisions of this subparagraph shall be construed to be consistent with the provisions of the Tribally Controlled Schools Act of 1988 and the Indian Self-Determination Act as in effect on the day before the date of enactment of the Native American Education Improvement Act of 2001, and shall not be construed as expanding the authority of the Secretary under any other law.

“(F) HEARING.—With respect to a school that is operated pursuant to a grant, or a school that is operated under a contract under the Indian Self-Determination Act, prior to implementing any corrective action under this paragraph, the Secretary shall provide notice and an opportunity for a hearing to the affected school pursuant to section 5207 of the Tribally Controlled Schools Act of 1988.

“(9) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded to school employees under applicable law (including applicable regulations or court orders) or under the terms of any collective bargaining agreement, memorandum of understanding, or other agreement between such employees and their employers.

“(10) FISCAL CONTROL AND FUND ACCOUNTING STANDARDS.—The Bureau shall, either directly or through contract with

PUBLIC LAW 107-110—JAN. 8, 2002

an Indian organization, establish a consistent system of reporting standards for fiscal control and fund accounting for all contract and grant schools. Such standards shall provide data comparable to those used by Bureau-operated schools.

“(c) ANNUAL PLAN.—

“(1) IN GENERAL.—Except as provided in subsection (b), the Secretary shall implement the standards in effect under this section on the day before the date of enactment of the Native American Education Improvement Act of 2001.

“(2) PLAN.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress, all Bureau-funded schools, and the tribal governing bodies of such schools a detailed plan to ensure that all Bureau-funded schools are accredited, or if such schools are in the process of obtaining accreditation that such schools meet the Bureau standards in effect on the day before the date of enactment of the Native American Education Improvement Act of 2001 to the extent that such standards do not conflict with the standards of the accrediting agency. Such plan shall include detailed information on the status of each school’s educational program in relation to the applicable standards, specific cost estimates for meeting such standards at each school, and specific timelines for bringing each school up to the level required by such standards.

“(d) CLOSURE OR CONSOLIDATION OF SCHOOLS.—

“(1) IN GENERAL.—Except as specifically required by law—

“(A) no Bureau-funded school or dormitory operated on or after January 1, 1992, may be closed, consolidated, or transferred to another authority; and

“(B) no program of such a school may be substantially curtailed except in accordance with the requirements of this subsection.

“(2) EXCEPTIONS.—This subsection (other than this paragraph) shall not apply—

“(A) in those cases in which the tribal governing body for a school, or the local school board concerned (if designated by the tribal governing body to act under this paragraph), requests the closure, consolidation, or substantial curtailment; or

“(B) if a temporary closure, consolidation, or substantial curtailment is required by facility conditions that constitute an immediate hazard to health and safety.

“(3) REGULATIONS.—The Secretary shall, by regulation, promulgate standards and procedures for the closure, transfer to another authority, consolidation, or substantial curtailment of Bureau schools, in accordance with the requirements of this subsection.

“(4) NOTICE.—

“(A) IN GENERAL.—In a case in which closure, transfer to another authority, consolidation, or substantial curtailment of a school is under active consideration or review by any division of the Bureau or the Department of the Interior, the affected tribe, tribal governing body, and designated local school board will be notified immediately in writing, kept fully and currently informed, and afforded an opportunity to comment with respect to such consideration or review.

“(B) DECISION TO CLOSE.—If a formal decision is made to close, transfer to another authority, consolidate, or substantially curtail a school, the affected tribe, tribal governing body, and designated school board shall be notified not later than 180 days before the end of the school year preceding the proposed closure date.

“(C) COPIES.—Copies of any such notices and information shall be—

Notification.
Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

Federal Register,
publication.

“(i) submitted promptly to the appropriate committees of Congress; and

“(ii) published in the Federal Register.

“(5) REPORT.—The Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the designated school board, a report describing the process of the active consideration or review referred to in paragraph (4) that includes—

“(A) a study of the impact of such action on the student population;

“(B) a description of those students with particular educational and social needs;

“(C) recommendations to ensure that alternative services are available to such students; and

“(D) a description of the consultation conducted between the potential service provider, current service provider, parents, tribal representatives and the tribe or tribes involved, and the Director of the Office of Indian Education Programs within the Bureau regarding such students.

“(6) LIMITATION ON CERTAIN ACTIONS.—No irrevocable action may be taken in furtherance of any such proposed school closure, transfer to another authority, consolidation, or substantial curtailment (including any action which would prejudice the personnel or programs of such school) prior to the end of the first full academic year after such report is made.

“(7) TRIBAL GOVERNING BODY APPROVAL REQUIRED FOR CERTAIN ACTIONS.—The Secretary may, with the approval of the tribal governing body, terminate, contract, transfer to any other authority, consolidate, or substantially curtail the operation or facilities of—

“(A) any Bureau-funded school that is operated on or after January 1, 1999;

“(B) any program of such a school that is operated on or after January 1, 1999; or

“(C) any school board of a school operated under a grant under the Tribally Controlled Schools Act of 1988.

“(e) APPLICATION FOR CONTRACTS OR GRANTS FOR NON-BUREAU-FUNDED SCHOOLS OR EXPANSION OF BUREAU-FUNDED SCHOOLS.—

“(1) REVIEW BY SECRETARY.—

“(A) CONSIDERATION OF FACTORS.—

“(i) IN GENERAL.—The Secretary shall consider only the factors described in subparagraph (B) in reviewing—

“(I) applications from any tribe for the awarding of a contract or grant for a school that is not a Bureau-funded school; and

“(II) applications from any tribe or school board of any Bureau-funded school for—

“(aa) a school which is not a Bureau-funded school; or

“(bb) the expansion of a Bureau-funded school which would increase the amount of funds received by the Indian tribe or school board under section 1127.

“(ii) NO DENIAL BASED ON GEOGRAPHIC PROXIMITY.—With respect to applications described in this subparagraph, the Secretary shall give consideration to all factors described in subparagraph (B), but no such application shall be denied based primarily upon the geographic proximity of comparable public education.

“(B) FACTORS.—With respect to applications described in subparagraph (A), the Secretary shall consider the following factors relating to the program and services that are the subject of the application:

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) The adequacy of the facilities or the potential to obtain or provide adequate facilities.

“(ii) Geographic and demographic factors in the affected areas.

“(iii) The adequacy of the applicant’s program plans or, in the case of a Bureau-funded school, of projected needs analysis done either by the tribe or the Bureau.

“(iv) Geographic proximity of comparable public education.

“(v) The stated needs of all affected parties, including students, families, tribal governments at both the central and local levels, and school organizations.

“(vi) Adequacy and comparability of programs already available.

“(vii) Consistency of available programs with tribal educational codes or tribal legislation on education.

“(viii) The history and success of those services for the proposed population to be served, as determined from all factors, including standardized examination performance.

“(2) DETERMINATION ON APPLICATION.—

“(A) IN GENERAL.—Not later than 180 days after the date on which an application described in paragraph (1)(A) is submitted to the Secretary, the Secretary shall make a determination of whether to approve the application.

Deadline.

“(B) FAILURE TO MAKE DETERMINATION.—If the Secretary fails to make a determination with respect to an application by the date described in subparagraph (A), the application shall be deemed to have been approved by the Secretary.

“(3) REQUIREMENTS FOR APPLICATIONS.—

“(A) IN GENERAL.—Notwithstanding paragraph (2)(B), an application described in paragraph (1)(A) may be approved by the Secretary only if—

“(i) the application has been approved by the tribal governing body of the students served by (or to be served by) the school or program that is the subject of the application; and

“(ii) written evidence of such approval is submitted with the application.

“(B) INCLUDED INFORMATION.—Each application described in paragraph (1)(A) shall include information concerning each of the factors described in paragraph (1)(B).

“(4) DENIAL OF APPLICATIONS.—If the Secretary denies an application described in paragraph (1)(A), the Secretary shall—

“(A) state the objections to the application in writing to the applicant not later than 180 days after the date the application is submitted to the Secretary;

Deadline.

“(B) provide assistance to the applicant to overcome the stated objections;

“(C) provide to the applicant a hearing on the record regarding the denial, under the same rules and regulations as apply under the Indian Self-Determination and Education Assistance Act; and

“(D) provide to the applicant a notice of the applicant’s appeals rights and an opportunity to appeal the decision resulting from the hearing under subparagraph (D).

“(5) EFFECTIVE DATE OF A SUBJECT APPLICATION.—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, an action that is the subject of any application described in paragraph (1)(A) that is approved by the Secretary shall become effective—

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) at the beginning of the academic year following the fiscal year in which the application is approved; or

“(ii) at an earlier date determined by the Secretary.

“(B) APPLICATIONS DEEMED APPROVED.—If an application is deemed to have been approved by the Secretary under paragraph (2)(B), the action that is the subject of the application shall become effective—

“(i) on the date that is 18 months after the date on which the application is submitted to the Secretary; or

“(ii) at an earlier date determined by the Secretary.

“(6) STATUTORY CONSTRUCTION.—Nothing in this section or any other provision of law, shall be construed to preclude the expansion of grades and related facilities at a Bureau-funded school, if such expansion is paid for with non-Bureau funds. Subject to the availability of appropriated funds the Secretary is authorized to provide the necessary funds needed to supplement the cost of operations and maintenance of such expansion.

“(f) JOINT ADMINISTRATION.—Administrative, transportation, and program cost funds received by Bureau-funded schools, and any program from the Department of Education or any other Federal agency for the purpose of providing education or related services, and other funds received for such education and related services from nonfederally funded programs, shall be apportioned and the funds shall be retained at the school.

“(g) GENERAL USE OF FUNDS.—Funds received by Bureau-funded schools from the Bureau of Indian Affairs, and under any program from the Department of Education or any other Federal agency, for the purpose of providing education or related services may be used for schoolwide projects to improve the educational program for all Indian students.

“(h) STUDY ON ADEQUACY OF FUNDS AND FORMULAS.—

“(1) STUDY.—The Comptroller General of the United States shall conduct a study to determine the adequacy of funding, and formulas used by the Bureau to determine funding, for programs operated by Bureau-funded schools, taking into account unique circumstances applicable to Bureau-funded schools. The study shall analyze existing information gathered and contained in germane studies that have been conducted or are currently being conducted with regard to Bureau-funded schools.

“(2) ACTION.—Upon completion of the study, the Secretary of the Interior shall take such action as necessary to ensure distribution of the findings of the study to all affected Indian tribes, local school boards, and associations of local school boards.

25 USC 2002.

“SEC. 1122. NATIONAL CRITERIA FOR HOME-LIVING SITUATIONS.

“(a) REVISION OF STANDARDS.—

“(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Education, Indian organizations and tribes, and Bureau-funded schools, shall revise the national standards for home-living (dormitory) situations to include such factors as heating, lighting, cooling, adult-child ratios, needs for counselors (including special needs related to off-reservation home-living (dormitory) situations), therapeutic programs, space, and privacy.

“(2) IMPLEMENTATION.—Such standards shall be implemented in Bureau-operated schools, and shall serve as minimum standards for contract or grant schools.

“(3) REVISION AFTER ESTABLISHMENT.—Once established, any revisions of such standards shall be developed according to the requirements established under section 1137.

PUBLIC LAW 107-110—JAN. 8, 2002

“(b) IMPLEMENTATION.—The Secretary shall implement the revised standards established under this section immediately upon completion of the standards.

“(c) PLAN.—

“(1) IN GENERAL.—The Secretary shall submit to the appropriate committees of Congress, the tribes, and the affected schools, and publish in the Federal Register, a detailed plan to bring all Bureau-funded schools that provide home-living (dormitory) situations up to the standards established under this section.

Federal Register,
publication.

“(2) COMPONENTS OF PLAN.—The plan described in paragraph (1) shall include—

“(A) a statement of the relative needs of each Bureau-funded home-living (dormitory) school;

“(B) projected future needs of each Bureau-funded home-living (dormitory) school;

“(C) detailed information on the status of each school in relation to the standards established under this section;

“(D) specific cost estimates for meeting each standard for each such school;

“(E) aggregate cost estimates for bringing all such schools into compliance with the criteria established under this section; and

“(F) specific timelines for bringing each school into compliance with such standards.

“(d) WAIVER.—

“(1) IN GENERAL.—A tribal governing body or local school board may, in accordance with this subsection, waive the standards established under this section for a school described in subsection (a).

“(2) INAPPROPRIATE STANDARDS.—

“(A) IN GENERAL.—A tribal governing body, or the local school board so designated by the tribal governing body, may waive, in whole or in part, the standards established under this section if such standards are determined by such body or board to be inappropriate for the needs of students from that tribe.

“(B) ALTERNATIVE STANDARDS.—The tribal governing body or school board involved shall, not later than 60 days after providing a waiver under subparagraph (A) for a school, submit to the Director a proposal for alternative standards that take into account the specific needs of the tribe's children. Such alternative standards shall be established by the Director for the school involved unless specifically rejected by the Director for good cause and in writing provided to the affected tribes or local school board.

Deadline.

“(e) CLOSURE FOR FAILURE TO MEET STANDARDS PROHIBITED.—No school in operation on or before July 1, 1999 (regardless of compliance or noncompliance with the standards established under this section), may be closed, transferred to another authority, or consolidated, and no program of such a school may be substantially curtailed, because the school failed to meet such standards.

“SEC. 1123. CODIFICATION OF REGULATIONS.

25 USC 2003.

“(a) PART 32 OF TITLE 25, CODE OF FEDERAL REGULATIONS.—The provisions of part 32 of title 25, Code of Federal Regulations, as in effect on January 1, 1987, are incorporated into this Act and shall be treated as though such provisions are set forth in this subsection. Such provisions may be altered only by means of an Act of Congress. To the extent that such provisions of part 32 do not conform with this Act or any statutory provision of law enacted before November 1, 1978, the provisions of this Act and the provisions of such other statutory law shall govern.

“(b) DEFINITION OF REGULATION.—In this section, the term ‘regulation’ means any rule, regulation, guideline, interpretation,

PUBLIC LAW 107-110—JAN. 8, 2002

order, or requirement of general applicability prescribed by any officer or employee of the executive branch.

25 USC 2004.
Regulations.

“SEC. 1124. SCHOOL BOUNDARIES.

“(a) **ESTABLISHMENT BY SECRETARY.**—The Secretary shall establish, by regulation, separate geographical attendance areas for each Bureau-funded school.

“(b) **ESTABLISHMENT BY TRIBAL BODY.**—In any case where there is more than one Bureau-funded school located on an Indian reservation, at the direction of the tribal governing body, the relevant school boards of the Bureau-funded schools on the reservation may, by mutual consent, establish the relevant attendance areas for such schools, subject to the approval of the tribal governing body. Any such boundaries so established shall be accepted by the Secretary.

“(c) **BOUNDARY REVISIONS.**—

“(1) **NOTICE.**—On or after July 1, 2001, no geographical attendance area shall be revised or established with respect to any Bureau-funded school unless the tribal governing body or the local school board concerned (if so designated by the tribal governing body) has been afforded—

“(A) at least 6 months notice of the intention of the Bureau to revise or establish such attendance area; and

“(B) the opportunity to propose alternative boundaries.

“(2) **REVISION PROCESS.**—Any tribe may petition the Secretary for revision of existing attendance area boundaries. The Secretary shall accept such proposed alternative or revised boundaries unless the Secretary finds, after consultation with the affected tribe or tribes, that such revised boundaries do not reflect the needs of the Indian students to be served or do not provide adequate stability to all of the affected programs. The Secretary shall cause such revisions to be published in the Federal Register.

“(3) **TRIBAL RESOLUTION DETERMINATION.**—Nothing in this section shall deny a tribal governing body the authority, on a continuing basis, to adopt a tribal resolution allowing parents the choice of the Bureau-funded school their children may attend, regardless of the attendance boundaries established under this section.

“(d) **FUNDING RESTRICTIONS.**—

“(1) **IN GENERAL.**—The Secretary shall not deny funding to a Bureau-funded school for any eligible Indian student attending the school solely because that student’s home or domicile is outside of the geographical attendance area established for that school under this section.

“(2) **TRANSPORTATION.**—No funding shall be made available without tribal authorization to enable a school to provide transportation for any student to or from the school and a location outside the approved attendance area of the school.

“(e) **RESERVATION AS BOUNDARY.**—When there is only one Bureau-funded program located on an Indian reservation—

“(1) the attendance area for the program shall be the boundaries (established by treaty, agreement, legislation, court decisions, or executive decisions and as accepted by the tribe) of the reservation served; and

“(2) those students residing near the reservation shall also receive services from such program.

“(f) **OFF-RESERVATION HOME-LIVING (DORMITORY) SCHOOLS.**—

“(1) **IN GENERAL.**—Notwithstanding any geographical attendance areas, attendance at off-reservation home-living (dormitory) schools shall include students requiring special emphasis programs to be implemented at each off-reservation home-living (dormitory) school.

Federal Register,
publication.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) COORDINATION.—Such attendance shall be coordinated between education line officers, the family, and the referring and receiving programs.

“SEC. 1125. FACILITIES CONSTRUCTION.

25 USC 2005.

“(a) NATIONAL SURVEY OF FACILITIES CONDITIONS.—

“(1) IN GENERAL.—Not later than 12 months after the date of enactment of the Native American Education Improvement Act of 2001, the General Accounting Office shall compile, collect, and secure the data that are needed to prepare a national survey of the physical conditions of all Bureau-funded school facilities.

Deadline.

“(2) DATA AND METHODOLOGIES.—In preparing the national survey required under paragraph (1), the General Accounting Office shall use the following data and methodologies:

“(A) The existing Department of Defense formula for determining the condition and adequacy of Department of Defense facilities.

“(B) Data related to conditions of Bureau-funded schools that has previously been compiled, collected, or secured from whatever source derived so long as the data are accurate, relevant, timely, and necessary to the survey.

“(C) The methodologies of the American Institute of Architects, or other accredited and reputable architecture or engineering associations.

“(3) CONSULTATIONS.—

“(A) IN GENERAL.—In carrying out the survey required under paragraph (1), the General Accounting Office shall, to the maximum extent practicable, consult (and if necessary contract) with national, regional, and tribal Indian education organizations to ensure that a complete and accurate national survey is achieved.

“(B) REQUESTS FOR INFORMATION.—All Bureau-funded schools shall comply with reasonable requests for information by the General Accounting Office and shall respond to such requests in a timely fashion.

“(4) SUBMISSION.—Not later than 2 years after the date of enactment of the Native American Education Improvement Act of 2001, the General Accounting Office shall submit the results of the national survey conducted under paragraph (1) to the Committee on Indian Affairs, the Committee on Health, Education, Labor, and Pensions, and the Committee on Appropriations of the Senate and the Committee on Resources, the Committee on Education and the Workforce, and the Committee on Appropriations of the House of Representatives and to the Secretary. The Secretary shall submit the results of the national survey to school boards of Bureau-funded schools and their respective tribes.

Deadline.

“(5) NEGOTIATED RULEMAKING COMMITTEE.—

“(A) IN GENERAL.—Not later than 6 months after the date on which the submission is made under paragraph (4), the Secretary shall establish a negotiated rulemaking committee pursuant to section 1138(b)(3). The negotiated rulemaking committee shall prepare and submit to the Secretary the following:

Deadline.

“(i) A catalog of the condition of school facilities at all Bureau-funded schools that—

“(I) incorporates the findings from the General Accounting Office study evaluating and comparing school systems of the Department of Defense and the Bureau of Indian Affairs;

“(II) rates such facilities with respect to the rate of deterioration and useful life of structures and major systems;

PUBLIC LAW 107-110—JAN. 8, 2002

“(III) establishes a routine maintenance schedule for each facility;

“(IV) identifies the complementary educational facilities that do not exist but that are needed; and

“(V) makes projections on the amount of funds needed to keep each school viable, consistent with the accreditation standards required pursuant to this Act.

“(ii) A school replacement and new construction report that determines replacement and new construction need, and a formula for the equitable distribution of funds to address such need, for Bureau-funded schools. Such formula shall utilize necessary factors in determining an equitable distribution of funds, including—

“(I) the size of school;

“(II) school enrollment;

“(III) the age of the school;

“(IV) the condition of the school;

“(V) environmental factors at the school; and

“(VI) school isolation.

“(iii) A renovation repairs report that determines renovation need (major and minor), and a formula for the equitable distribution of funds to address such need, for Bureau-funded schools. Such report shall identify needed repairs or renovations with respect to a facility, or a part of a facility, or the grounds of the facility, to remedy a need based on disabilities access or health and safety changes to a facility. The formula developed shall utilize necessary factors in determining an equitable distribution of funds, including the factors described in clause (ii).

Deadline.

“(B) SUBMISSION OF REPORTS.—Not later than 24 months after the negotiated rulemaking committee is established under subparagraph (A), the reports described in clauses (ii) and (iii) of subparagraph (A) shall be submitted to the committees of Congress referred to in paragraph (4), the national and regional Indian education organizations, and to all school boards of Bureau-funded schools and their respective tribes.

“(6) FACILITIES INFORMATION SYSTEMS SUPPORT DATABASE.—The Secretary shall develop a Facilities Information Systems Support Database to maintain and update the information contained in the reports under clauses (ii) and (iii) of paragraph (5)(A) and the information contained in the survey conducted under paragraph (1). The system shall be updated every 3 years by the Bureau of Indian Affairs and monitored by General Accounting Office, and shall be made available to school boards of Bureau-funded schools and their respective tribes, and Congress.

“(b) COMPLIANCE WITH HEALTH AND SAFETY STANDARDS.—

“(1) IN GENERAL.—The Secretary shall immediately begin to bring all schools, dormitories, and other Indian education-related facilities operated by the Bureau or under contract or grant with the Bureau, into compliance with—

“(A) all applicable tribal, Federal, or State health and safety standards, whichever provides greater protection (except that the tribal standards to be applied shall be no greater than any otherwise applicable Federal or State standards);

“(B) section 504 of the Rehabilitation Act of 1973; and

“(C) the Americans with Disabilities Act of 1990.

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) NO TERMINATION REQUIRED.—Nothing in this subsection requires termination of the operations of any facility that—

“(A) does not comply with the provisions and standards described in paragraph (1); and

“(B) is in use on the date of enactment of the Native American Education Improvement Act of 2001.

“(c) COMPLIANCE PLAN.—At the time that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all facilities covered under subsection (a) into compliance with the standards referred to in that subsection that includes—

“(1) detailed information on the status of each facility’s compliance with such standards;

“(2) specific cost estimates for meeting such standards at each school; and

“(3) specific timelines for bringing each school into compliance with such standards.

“(d) CONSTRUCTION PRIORITIES.—

“(1) SYSTEM TO ESTABLISH PRIORITIES.—On an annual basis, the Secretary shall submit to the appropriate committees of Congress and cause to be published in the Federal Register, the system used to establish priorities for replacement and construction projects for Bureau-funded schools and home-living schools, including boarding schools and dormitories. At the time any budget request for education is presented, the Secretary shall publish in the Federal Register and submit with the budget request the current list of all Bureau-funded school construction priorities.

Federal Register, publication.

Federal Register, publication.

“(2) LONG-TERM CONSTRUCTION AND REPLACEMENT LIST.—In addition to the plan submitted under subsection (c), the Secretary shall—

“(A) not later than 18 months after the date of enactment of the Native American Education Improvement Act of 2001, establish a long-term construction and replacement list for all Bureau-funded schools;

“(B) using the list prepared under subparagraph (A), propose a list for the orderly replacement of all Bureau-funded education-related facilities over a period of 40 years to enable planning and scheduling of budget requests;

“(C) cause the list prepared under subparagraph (B) to be published in the Federal Register and allow a period of not less than 120 days for public comment;

Federal Register, publication.

“(D) make such revisions to the list prepared under subparagraph (B) as are appropriate based on the comments received; and

“(E) cause the final list to be published in the Federal Register.

Federal Register, publication.

“(3) EFFECT ON OTHER LIST.—Nothing in this section shall interfere with or change in any way the construction priority list as it existed on the day before the date of enactment of the Native American Education Improvement Act of 2001.

“(e) HAZARDOUS CONDITION AT BUREAU-FUNDED SCHOOL.—

“(1) CLOSURE, CONSOLIDATION, OR CURTAILMENT.—

“(A) IN GENERAL.—A Bureau-funded school may be closed or consolidated, or the programs of a Bureau-funded school may be substantially curtailed, by reason of facility conditions that constitute an immediate hazard to health and safety only if a health and safety officer of the Bureau and an individual designated at the beginning of the school year by the tribe involved under subparagraph (B) determine that such conditions exist at a facility of the Bureau-funded school.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) DESIGNATION OF INDIVIDUAL BY TRIBE.—To be designated by a tribe for purposes of subparagraph (A), an individual shall—

“(i) be a licensed or certified facilities safety inspector;

“(ii) have demonstrated experience in the inspection of facilities for health and safety purposes with respect to occupancy; or

“(iii) have a significant educational background in the health and safety of facilities with respect to occupancy.

“(C) INSPECTION.—After making a determination described in subparagraph (A), the Bureau health and safety officer and the individual designated by the tribe shall conduct an inspection of the conditions of such facility in order to determine whether conditions at such facility constitute an immediate hazard to health and safety. Such inspection shall be completed as expeditiously as practicable, but not later than 20 days after the date on which the action described in subparagraph (A) is taken.

Deadline.

“(D) FAILURE TO CONCUR.—If the Bureau health and safety officer, and the individual designated by the tribe, conducting the inspection of a facility required under subparagraph (C) do not concur that conditions at the facility constitute an immediate hazard to health and safety, such officer and individual shall immediately notify the tribal governing body and provide written information related to their determinations.

“(E) CONSIDERATION BY TRIBAL GOVERNING BODY.—Not later than 10 days after a tribal governing body receives notice under subparagraph (D), the tribal governing body shall consider all information relating to the determinations of the Bureau health and safety officer and the individual designated by the tribe and make a determination regarding the closure, consolidation, or curtailment involved.

“(F) AGREEMENT TO CLOSE, CONSOLIDATE, OR CURTAIL.—

“(i) IN GENERAL.—If the Bureau health and safety officer and the individual designated by the tribe conducting the inspection of a facility required under subparagraph (C), concur that conditions at the facility constitute an immediate hazard to health and safety, or if the tribal governing body makes such a determination under subparagraph (E), the facility involved shall be closed immediately.

“(ii) REOPENING OF FACILITY IF NO IMMEDIATE HAZARD FOUND TO EXIST.—If the Bureau health and safety officer or the individual designated by the tribe conducting the inspection of a facility required under subparagraph (C) determines that conditions at the facility do not constitute an immediate hazard to health and safety, any consolidation or curtailment that was made under this paragraph shall immediately cease and any school closed by reason of conditions at the facility shall be reopened immediately.

Deadline.

“(G) GENERAL CLOSURE REPORT.—If a Bureau-funded school is temporarily closed or consolidated or the programs of a Bureau-funded school are temporarily substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the appropriate committees of Congress, the affected tribe, and the local school board, not later than 90 days after the date on which the closure, consolidation, or curtailment was initiated, a report that specifies—

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) the reasons for such temporary action;

“(ii) the actions the Secretary is taking to eliminate the conditions that constitute the hazard;

“(iii) an estimated date by which the actions described in clause (ii) will be concluded; and

“(iv) a plan for providing alternate education services for students enrolled at the school that is to be closed.

“(2) NONAPPLICATION OF CERTAIN STANDARDS FOR TEMPORARY FACILITY USE.—

“(A) CLASSROOM ACTIVITIES.—The Secretary shall permit the local school board to temporarily utilize facilities adjacent to the school, or satellite facilities, if such facilities are suitable for conducting classroom activities. In permitting the use of facilities under the preceding sentence, the Secretary may waive applicable minor standards under section 1121 relating to such facilities (such as the required number of exit lights or configuration of restrooms) so long as such waivers do not result in the creation of an environment that constitutes an immediate and substantial threat to the health, safety, and life of students and staff.

“(B) ADMINISTRATIVE ACTIVITIES.—The provisions of subparagraph (A) shall apply with respect to administrative personnel if the facilities involved are suitable for activities performed by such personnel.

“(C) TEMPORARY.—In this paragraph, the term ‘temporary’ means—

“(i) with respect to a school that is to be closed for not more than 1 year, 3 months or less; and

“(ii) with respect to a school that is to be closed for not less than 1 year, a time period determined appropriate by the Bureau.

“(3) TREATMENT OF CLOSURE.—Any closure of a Bureau-funded school under this subsection for a period that exceeds 30 days but is less than 1 year, shall be treated by the Bureau as an emergency facility improvement and repair project.

“(4) USE OF FUNDS.—With respect to a Bureau-funded school that is closed under this subsection, the tribal governing body, or the designated local school board of each Bureau-funded school, involved may authorize the use of funds allocated pursuant to section 1127, to abate the hazardous conditions without further action by Congress.

“(f) FUNDING REQUIREMENT.—

“(1) DISTRIBUTION OF FUNDS.—Beginning with the first fiscal year following the date of enactment of the Native American Education Improvement Act of 2001, all funds appropriated to the budget accounts for the operations and maintenance of Bureau-funded schools shall be distributed by formula to the schools. No funds from these accounts may be retained or segregated by the Bureau to pay for administrative or other costs of any facilities branch or office, at any level of the Bureau.

“(2) REQUIREMENTS FOR CERTAIN USES.—No funds shall be withheld from the distribution to the budget of any school operated under contract or grant by the Bureau for maintenance or any other facilities or road-related purpose, unless such school has consented, as a modification to the contract or in writing for grants schools, to the withholding of such funds, including the amount thereof, the purpose for which the funds will be used, and the timeline for the services to be provided. The school may, at the end of any fiscal year, cancel an agreement under this paragraph upon giving the Bureau 30 days notice of its intent to do so.

“(g) NO REDUCTION IN FEDERAL FUNDING.—Nothing in this section shall diminish any Federal funding due to the receipt by

PUBLIC LAW 107-110—JAN. 8, 2002

the school of funding for facilities improvement or construction from a State or any other source.

25 USC 2006.

“SEC. 1126. BUREAU OF INDIAN AFFAIRS EDUCATION FUNCTIONS.

“(a) FORMULATION AND ESTABLISHMENT OF POLICY AND PROCEDURE; SUPERVISION OF PROGRAMS AND EXPENDITURES.—The Secretary shall vest in the Assistant Secretary for Indian Affairs all functions with respect to formulation and establishment of policy and procedure and supervision of programs and expenditures of Federal funds for the purpose of Indian education administered by the Bureau. The Assistant Secretary shall carry out such functions through the Director of the Office of Indian Education Programs.

Deadline.

“(b) DIRECTION AND SUPERVISION OF PERSONNEL OPERATIONS.—

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of the Native American Education Improvement Act of 2001, the Director of the Office shall direct and supervise the operations of all personnel directly and substantially involved in the provision of education program services by the Bureau, including school or institution custodial or maintenance personnel, and personnel responsible for contracting, procurement, and finance functions connected with school operation programs.

Deadline.

“(2) TRANSFERS.—The Assistant Secretary for Indian Affairs shall, not later than 180 days after the date of enactment of the Native American Education Improvement Act of 2001, coordinate the transfer of functions relating to procurements for, contracts of, operation of, and maintenance of schools and other support functions to the Director.

“(c) INHERENT FEDERAL FUNCTION.—For purposes of this Act, all functions relating to education that are located at the Area or Agency level and performed by an education line officer shall be subject to contract under the Indian Self-Determination and Education Assistance Act, unless determined by the Secretary to be inherently Federal functions as defined in section 1141(12).

“(d) EVALUATION OF PROGRAMS; SERVICES AND SUPPORT FUNCTIONS; TECHNICAL AND COORDINATING ASSISTANCE.—Education personnel who are under the direction and supervision of the Director of the Office of Indian Education Programs in accordance with subsection (b)(1) shall—

“(1) monitor and evaluate Bureau education programs;

“(2) provide all services and support functions for education programs with respect to personnel matters involving staffing actions and functions; and

“(3) provide technical and coordinating assistance in areas such as procurement, contracting, budgeting, personnel, curriculum, and operation and maintenance of school facilities.

“(e) CONSTRUCTION, IMPROVEMENT, OPERATION, AND MAINTENANCE OF FACILITIES.—

“(1) PLAN FOR CONSTRUCTION.—The Assistant Secretary shall submit as part of the annual budget a plan—

“(A) for school facilities to be constructed under section 1125(c);

“(B) for establishing priorities among projects and for the improvement and repair of educational facilities, which together shall form the basis for the distribution of appropriated funds; and

“(C) for capital improvements to be made over the 5 succeeding years.

“(2) PROGRAM FOR OPERATION AND MAINTENANCE.—

“(A) ESTABLISHMENT.—The Assistant Secretary shall establish a program, including the distribution of appropriated funds, for the operation and maintenance of education facilities. Such program shall include—

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) a method of computing the amount necessary for each educational facility;

“(ii) similar treatment of all Bureau-funded schools;

“(iii) a notice of an allocation of appropriated funds from the Director of the Office of Indian Education Programs directly to the education line officers and appropriate school officials;

“(iv) a method for determining the need for, and priority of, facilities repair and maintenance projects, both major and minor (to be determined, through the conduct by the Assistant Secretary, of a series of meetings at the agency and area level with representatives of the Bureau-funded schools in those areas and agencies to receive comment on the lists and prioritization of such projects); and

“(v) a system for the conduct of routine preventive maintenance.

“(B) LOCAL SUPERVISORS.—The appropriate education line officers shall make arrangements for the maintenance of education facilities with the local supervisors of the Bureau maintenance personnel. The local supervisors of Bureau maintenance personnel shall take appropriate action to implement the decisions made by the appropriate education line officers, except that no funds under this chapter may be authorized for expenditure unless such appropriate education line officer is assured that the necessary maintenance has been, or will be, provided in a reasonable manner.

“(3) IMPLEMENTATION.—This subsection shall be implemented as soon as practicable after the date of enactment of the Native American Education Improvement Act of 2001.

“(f) ACCEPTANCE OF GIFTS AND BEQUESTS.—

“(1) GUIDELINES.—Notwithstanding any other provision of law, the Director of the Office shall promulgate guidelines for the establishment and administration of mechanisms for the acceptance of gifts and bequests for the use and benefit of particular schools or designated Bureau-operated education programs, including, in appropriate cases, the establishment and administration of trust funds.

“(2) MONITORING AND REPORTS.—Except as provided in paragraph (3), in a case in which a Bureau-operated education program is the beneficiary of such a gift or bequest, the Director shall—

“(A) make provisions for monitoring use of the gift or bequest; and

“(B) submit a report to the appropriate committees of Congress that describes the amount and terms of such gift or bequest, the manner in which such gift or bequest shall be used, and any results achieved by such use.

“(3) EXCEPTION.—The requirements of paragraph (2) shall not apply in the case of a gift or bequest that is valued at \$5,000 or less.

“(g) DEFINITION OF FUNCTIONS.—For the purpose of this section, the term ‘functions’ includes powers and duties.

“SEC. 1127. ALLOTMENT FORMULA.

25 USC 2007.

“(a) FACTORS CONSIDERED; REVISION TO REFLECT STANDARDS.—

“(1) FORMULA.—The Secretary shall establish, by regulation adopted in accordance with section 1137, a formula for determining the minimum annual amount of funds necessary to sustain each Bureau-funded school. In establishing such formula, the Secretary shall consider—

Regulations.

“(A) the number of eligible Indian students served and total student population of the school;

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) special cost factors, such as—

- “(i) the isolation of the school;
- “(ii) the need for special staffing, transportation, or educational programs;
- “(iii) food and housing costs;
- “(iv) maintenance and repair costs associated with the physical condition of the educational facilities;
- “(v) special transportation and other costs of isolated and small schools;
- “(vi) the costs of home-living (dormitory) arrangements, where determined necessary by a tribal governing body or designated school board;
- “(vii) costs associated with greater lengths of service by education personnel;
- “(viii) the costs of therapeutic programs for students requiring such programs; and
- “(ix) special costs for gifted and talented students;

“(C) the cost of providing academic services which are at least equivalent to those provided by public schools in the State in which the school is located;

“(D) whether the available funding will enable the school involved to comply with the accreditation standards applicable to the school under section 1121; and

“(E) such other relevant factors as the Secretary determines are appropriate.

“(2) REVISION OF FORMULA.—

“(A) IN GENERAL.—Upon the establishment of the standards required in section 1122, the Secretary shall revise the formula established under this subsection to reflect the cost of funding such standards.

Deadline.

“(B) REVIEW OF FORMULA.—Not later than January 1, 2003, the Secretary shall review the formula established under this section and shall take such steps as are necessary to increase the availability of counseling and therapeutic programs for students in off-reservation home-living (dormitory) schools and other Bureau-operated residential facilities.

“(C) REVIEW OF STANDARDS.—Concurrent with such action, the Secretary shall review the standards established under section 1122 to be certain that adequate provision is made for parental notification regarding, and consent for, such counseling and therapeutic programs.

“(b) PRO RATA ALLOTMENT.—Notwithstanding any other provision of law, Federal funds appropriated for the general local operation of Bureau-funded schools shall be allotted pro rata in accordance with the formula established under subsection (a).

“(c) ANNUAL ADJUSTMENT; RESERVATION OF AMOUNT FOR SCHOOL BOARD ACTIVITIES.—

“(1) ANNUAL ADJUSTMENT.—For fiscal year 2003, and for each subsequent fiscal year, the Secretary shall adjust the formula established under subsection (a) to ensure that the formula does the following:

“(A) Uses a weighted unit of 1.2 for each eligible Indian student enrolled in the seventh and eighth grades of the school in considering the number of eligible Indian students served by the school.

“(B) Considers a school with an enrollment of less than 50 eligible Indian students as having an average daily attendance of 50 eligible Indian students for purposes of implementing the adjustment factor for small schools.

“(C) Takes into account the provision of residential services on less than a 9-month basis at a school when the school board and supervisor of the school determine that a less than 9-month basis will be implemented for the school year involved.

PUBLIC LAW 107-110—JAN. 8, 2002

“(D) Uses a weighted unit of 2.0 for each eligible Indian student that—

“(i) is gifted and talented; and

“(ii) is enrolled in the school on a full-time basis, in considering the number of eligible Indian students served by the school.

“(E) Uses a weighted unit of 0.25 for each eligible Indian student who is enrolled in a year-long credit course in an Indian or Native language as part of the regular curriculum of a school, in considering the number of eligible Indian students served by such school. The adjustment required under this subparagraph shall be used for such school after—

“(i) the certification of the Indian or Native language curriculum by the school board of such school to the Secretary, together with an estimate of the number of full-time students expected to be enrolled in the curriculum in the second school year for which the certification is made; and

“(ii) the funds appropriated for allotment under this section are designated by the appropriations Act appropriating such funds as the amount necessary to implement such adjustment at such school without reducing allotments made under this section to any school by virtue of such adjustment.

“(2) RESERVATION OF AMOUNT.—

“(A) IN GENERAL.—From the funds allotted in accordance with the formula established under subsection (a) for each Bureau school, the local school board of such school may reserve an amount which does not exceed the greater of—

“(i) \$8,000; or

“(ii) the lesser of—

“(I) \$15,000; or

“(II) 1 percent of such allotted funds,

for school board activities for such school, including (notwithstanding any other provision of law) meeting expenses and the cost of membership in, and support of, organizations engaged in activities on behalf of Indian education.

“(B) TRAINING.—

“(i) IN GENERAL.—Each local school board, and any agency school board that serves as a local school board for any grant or contract school, shall ensure that each individual who is a new member of the school board receives, within 1 year after the individual becomes a member of the school board, 40 hours of training relevant to that individual’s service on the board.

“(ii) TYPES OF TRAINING.—Such training may include training concerning legal issues pertaining to Bureau-funded schools, legal issues pertaining to school boards, ethics, and other topics determined to be appropriate by the school board.

“(iii) RECOMMENDATION.—The training described in this subparagraph shall not be required, but is recommended, for a tribal governing body that serves in the capacity of a school board.

“(d) RESERVATION OF AMOUNT FOR EMERGENCIES.—

“(1) IN GENERAL.—The Secretary shall reserve from the funds available for distribution for each fiscal year under this section an amount that, in the aggregate, equals 1 percent of the funds available for such purpose for that fiscal year, to be used, at the discretion of the Director of the Office of Indian Education Programs, to meet emergencies and unfore-

PUBLIC LAW 107-110—JAN. 8, 2002

seen contingencies affecting the education programs funded under this section.

“(2) USE OF FUNDS.—Funds reserved under this subsection may be expended only for education services or programs, including emergency repairs of educational facilities, at a schoolsite (as defined by section 5204(c)(2) of the Tribally Controlled Schools Act of 1988).

“(3) AVAILABILITY OF FUNDS.—Funds reserved under this subsection shall remain available without fiscal year limitation until expended. However, the aggregate amount available from all fiscal years may not exceed 1 percent of the current year funds.

“(4) REPORT.—When the Secretary makes funds available under this subsection, the Secretary shall report such action to the appropriate committees of Congress within the annual budget submission.

“(e) SUPPLEMENTAL APPROPRIATIONS.—Supplemental appropriations enacted to meet increased pay costs attributable to school level personnel shall be distributed under this section.

“(f) ELIGIBLE INDIAN STUDENT DEFINED.—In this section, the term ‘eligible Indian student’ means a student who—

“(1) is a member of, or is at least one-fourth degree Indian blood descendant of a member of, a tribe that is eligible for the special programs and services provided by the United States through the Bureau to Indians because of their status as Indians;

“(2) resides on or near a reservation or meets the criteria for attendance at a Bureau off-reservation home-living school; and

“(3) is enrolled in a Bureau-funded school.

“(g) TUITION.—

“(1) IN GENERAL.—No eligible Indian student or a student attending a Bureau school under paragraph (2)(C) may be charged tuition for attendance at a Bureau school or contract or grant school.

“(2) ATTENDANCE OF NON-INDIAN STUDENTS AT BUREAU SCHOOLS.—The Secretary may permit the attendance at a Bureau school of a student who is not an eligible Indian student if—

“(A) the Secretary determines that the student’s attendance will not adversely affect the school’s program for eligible Indian students because of cost, overcrowding, or violation of standards or accreditation;

“(B) the school board consents;

“(C) the student is a dependent of a Bureau, Indian Health Service, or tribal government employee who lives on or near the school site; or

“(D) tuition is paid for the student that is not more than the tuition charged by the nearest public school district for out-of-district students and shall be in addition to the school’s allocation under this section.

“(3) ATTENDANCE OF NON-INDIAN STUDENTS AT CONTRACT AND GRANT SCHOOLS.—The school board of a contract or grant school may permit students who are not eligible Indian students under this subsection to attend its contract school or grant school. Any tuition collected for those students shall be in addition to funding received under this section.

“(h) FUNDS AVAILABLE WITHOUT FISCAL YEAR LIMITATION.—Notwithstanding any other provision of law, at the election of the school board of a Bureau school made at any time during the fiscal year, a portion equal to not more than 15 percent of the funds allocated with respect to a school under this section for any fiscal year shall remain available to the school for expenditure without fiscal year limitation. The Assistant Secretary shall take such steps as are necessary to implement this subsection.

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) STUDENTS AT RICHFIELD DORMITORY, RICHFIELD, UTAH.—

“(1) IN GENERAL.—Tuition for the instruction of each out-of-State Indian student in a home-living situation at the Richfield dormitory in Richfield, Utah, who attends Sevier County high schools in Richfield, Utah, for an academic year, shall be paid from Indian school equalization program funds authorized in this section and section 1129, at a rate not to exceed the weighted amount provided for under subsection (b) for a student for that year.

“(2) NO ADMINISTRATIVE COST FUNDS.—No additional administrative cost funds shall be provided under this part to pay for administrative costs relating to the instruction of the students.

“SEC. 1128. ADMINISTRATIVE COST GRANTS.

25 USC 2008.

“(a) DEFINITIONS.—In this section:

“(1) ADMINISTRATIVE COST.—

“(A) IN GENERAL.—The term ‘administrative cost’ means the cost of necessary administrative functions which—

“(i) the tribe or tribal organization incurs as a result of operating a tribal elementary or secondary educational program;

“(ii) are not customarily paid by comparable Bureau-operated programs out of direct program funds; and

“(iii) are either—

“(I) normally provided for comparable Bureau programs by Federal officials using resources other than Bureau direct program funds; or

“(II) are otherwise required of tribal self-determination program operators by law or prudent management practice.

“(B) INCLUSIONS.—The term ‘administrative cost’ may include—

“(i) contract or grant (or other agreement) administration;

“(ii) executive, policy, and corporate leadership and decisionmaking;

“(iii) program planning, development, and management;

“(iv) fiscal, personnel, property, and procurement management;

“(v) related office services and record keeping; and

“(vi) costs of necessary insurance, auditing, legal, safety and security services.

“(2) BUREAU ELEMENTARY AND SECONDARY FUNCTIONS.—

The term ‘Bureau elementary and secondary functions’ means—

“(A) all functions funded at Bureau schools by the Office;

“(B) all programs—

“(i) funds for which are appropriated to other agencies of the Federal Government; and

“(ii) which are administered for the benefit of Indians through Bureau schools; and

“(C) all operation, maintenance, and repair funds for facilities and Government quarters used in the operation or support of elementary and secondary education functions for the benefit of Indians, from whatever source derived.

“(3) DIRECT COST BASE.—

“(A) IN GENERAL.—Except as otherwise provided in subparagraph (B), the direct cost base of a tribe or tribal organization for the fiscal year is the aggregate direct cost program funding for all tribal elementary or secondary

PUBLIC LAW 107-110—JAN. 8, 2002

educational programs operated by the tribe or tribal organization during—

“(i) the second fiscal year preceding such fiscal year; or

“(ii) if such programs have not been operated by the tribe or tribal organization during the 2 preceding fiscal years, the first fiscal year preceding such fiscal year.

“(B) FUNCTIONS NOT PREVIOUSLY OPERATED.—In the case of Bureau elementary or secondary education functions which have not previously been operated by a tribe or tribal organization under contract, grant, or agreement with the Bureau, the direct cost base for the initial year shall be the projected aggregate direct cost program funding for all Bureau elementary and secondary functions to be operated by the tribe or tribal organization during that fiscal year.

“(4) MAXIMUM BASE RATE.—The term ‘maximum base rate’ means 50 percent.

“(5) MINIMUM BASE RATE.—The term ‘minimum base rate’ means 11 percent.

“(6) STANDARD DIRECT COST BASE.—The term ‘standard direct cost base’ means \$600,000.

“(7) TRIBAL ELEMENTARY OR SECONDARY EDUCATIONAL PROGRAMS.—The term ‘tribal elementary or secondary educational programs’ means all Bureau elementary and secondary functions, together with any other Bureau programs or portions of programs (excluding funds for social services that are appropriated to agencies other than the Bureau and are funded through the Bureau, funds for major subcontracts, construction, and other major capital expenditures, and unexpended funds carried over from prior years) which share common administrative cost functions, that are operated directly by a tribe or tribal organization under a contract, grant, or agreement with the Bureau.

“(b) GRANTS; EFFECT UPON APPROPRIATED AMOUNTS.—

“(1) GRANTS.—Subject to the availability of funds, the Secretary shall provide grants to each tribe or tribal organization operating a contract school or grant school in the amount determined under this section with respect to the tribe or tribal organization for the purpose of paying the administrative and indirect costs incurred in operating contract or grant schools, provided that no school operated as a stand-alone institution shall receive less than \$200,000 per year for these purposes, in order to—

“(A) enable tribes and tribal organizations operating such schools, without reducing direct program services to the beneficiaries of the program, to provide all related administrative overhead services and operations necessary to meet the requirements of law and prudent management practice; and

“(B) carry out other necessary support functions which would otherwise be provided by the Secretary or other Federal officers or employees, from resources other than direct program funds, in support of comparable Bureau-operated programs.

“(2) EFFECT UPON APPROPRIATED AMOUNTS.—Amounts appropriated to fund the grants provided under this section shall be in addition to, and shall not reduce, the amounts appropriated for the program being administered by the contract or grant school.

“(c) DETERMINATION OF GRANT AMOUNT.—

“(1) IN GENERAL.—The amount of the grant provided to each tribe or tribal organization under this section for each fiscal year shall be determined by applying the administrative

PUBLIC LAW 107-110—JAN. 8, 2002

cost percentage rate of the tribe or tribal organization to the aggregate of the Bureau elementary and secondary functions operated by the tribe or tribal organization for which funds are received from or through the Bureau.

“(2) DIRECT COST BASE FUNDS.—The Secretary shall—

“(A) reduce the amount of the grant determined under paragraph (1) to the extent that payments for administrative costs are actually received by an Indian tribe or tribal organization under any Federal education program included in the direct cost base of the tribe or tribal organization; and

“(B) take such actions as may be necessary to be reimbursed by any other department or agency of the Federal Government for the portion of grants made under this section for the costs of administering any program for Indians that is funded by appropriations made to such other department or agency.

“(d) ADMINISTRATIVE COST PERCENTAGE RATE.—

“(1) IN GENERAL.—For purposes of this section, the administrative cost percentage rate for a contract or grant school for a fiscal year is equal to the percentage determined by dividing—

“(A) the sum of—

“(i) the amount equal to—

“(I) the direct cost base of the tribe or tribal organization for the fiscal year, multiplied by

“(II) the minimum base rate; plus

“(ii) the amount equal to—

“(I) the standard direct cost base; multiplied by

“(II) the maximum base rate; by

“(B) the sum of—

“(i) the direct cost base of the tribe or tribal organization for the fiscal year; plus

“(ii) the standard direct cost base.

“(2) ROUNDING.—The administrative cost percentage rate shall be determined to the $\frac{1}{100}$ of a decimal point.

“(3) APPLICABILITY.—The administrative cost percentage rate determined under this subsection shall not apply to other programs operated by the tribe or tribal organization.

“(e) COMBINING FUNDS.—

“(1) IN GENERAL.—Funds received by a tribe or contract or grant school as grants under this section for tribal elementary or secondary educational programs may be combined by the tribe or contract or grant school into a single administrative cost account without the necessity of maintaining separate funding source accounting.

“(2) INDIRECT COST FUNDS.—Indirect cost funds for programs at the school which share common administrative services with tribal elementary or secondary educational programs may be included in the administrative cost account described in paragraph (1).

“(f) AVAILABILITY OF FUNDS.—Funds received as grants under this section with respect to tribal elementary or secondary education programs shall remain available to the contract or grant school without fiscal year limitation and without diminishing the amount of any grants otherwise payable to the school under this section for any fiscal year beginning after the fiscal year for which the grant is provided.

“(g) TREATMENT OF FUNDS.—Funds received as grants under this section for Bureau-funded programs operated by a tribe or tribal organization under a contract or agreement shall not be taken into consideration for purposes of indirect cost underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived.

PUBLIC LAW 107-110—JAN. 8, 2002

“(h) TREATMENT OF ENTITY OPERATING OTHER PROGRAMS.—In applying this section and section 106 of the Indian Self-Determination and Education Assistance Act with respect to an Indian tribe or tribal organization that—

“(1) receives funds under this section for administrative costs incurred in operating a contract or grant school or a school operated under the Tribally Controlled Schools Act of 1988; and

“(2) operates one or more other programs under a contract or grant provided under the Indian Self-Determination and Education Assistance Act,
the Secretary shall ensure that the Indian tribe or tribal organization is provided with the full amount of the administrative costs that are associated with operating the contract or grant school, and of the indirect costs, that are associated with all of such other programs, except that funds appropriated for implementation of this section shall be used only to supply the amount of the grant required to be provided by this section.

“(i) STUDIES FOR DETERMINATION OF FACTORS AFFECTING COSTS; BASE RATES LIMITS; STANDARD DIRECT COST BASE; REPORT TO CONGRESS.—

Deadline.

“(1) STUDIES.—Not later than 120 days after the date of enactment of the Native American Education Improvement Act of 2001, the Director of the Office of Indian Education Programs shall—

“(A) conduct such studies as may be needed to establish an empirical basis for determining relevant factors substantially affecting required administrative costs of tribal elementary and secondary education programs, using the formula set forth in subsection (c); and

“(B) conduct a study to determine—

“(i) a maximum base rate which ensures that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of the smallest tribal elementary or secondary educational programs;

“(ii) a minimum base rate which ensures that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of the largest tribal elementary or secondary educational programs; and

“(iii) a standard direct cost base which is the aggregate direct cost funding level for which the percentage determined under subsection (d) will—

“(I) be equal to the median between the maximum base rate and the minimum base rate; and

“(II) ensure that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of tribal elementary or secondary educational programs closest to the size of the program.

“(2) GUIDELINES.—The studies required under paragraph (1) shall—

“(A) be conducted in full consultation (in accordance with section 1131) with—

“(i) the tribes and tribal organizations that are affected by the application of the formula set forth in subsection (c); and

“(ii) all national and regional Indian organizations of which such tribes and tribal organizations are typically members;

“(B) be conducted onsite with a representative statistical sample of the tribal elementary or secondary educational programs under a contract entered into with a

PUBLIC LAW 107-110—JAN. 8, 2002

nationally reputable public accounting and business consulting firm;

“(C) take into account the availability of skilled labor commodities, business and automatic data processing services, related Indian preference and Indian control of education requirements, and any other market factors found to substantially affect the administrative costs and efficiency of each such tribal elementary or secondary educational program studied in order to ensure that all required administrative activities can reasonably be delivered in a cost effective manner for each such program, given an administrative cost allowance generated by the values, percentages, or other factors found in the studies to be relevant in such formula;

“(D) identify, and quantify in terms of percentages of direct program costs, any general factors arising from geographic isolation, or numbers of programs administered, independent of program size factors used to compute a base administrative cost percentage in such formula; and

“(E) identify any other incremental cost factors substantially affecting the costs of required administrative cost functions at any of the tribal elementary or secondary educational programs studied and determine whether the factors are of general applicability to other such programs, and (if so) how the factors may effectively be incorporated into such formula.

“(3) CONSULTATION WITH INSPECTOR GENERAL.—In carrying out the studies required under this subsection, the Director shall obtain the input of, and afford an opportunity to participate to, the Inspector General of the Department of the Interior.

“(4) CONSIDERATION OF DELIVERY OF ADMINISTRATIVE SERVICES.—Determinations described in paragraph (2)(C) shall be based on what is practicable at each location studied, given prudent management practice, irrespective of whether required administrative services were actually or fully delivered at these sites, or whether other services were delivered instead, during the period of the study.

“(5) REPORT.—Upon completion of the studies conducted under paragraph (1), the Director shall submit to Congress a report on the findings of the studies, together with determinations based upon such studies that would affect the definitions set forth under subsection (e) that are used in the formula set forth in subsection (c).

“(6) PROJECTION OF COSTS.—The Secretary shall include in the Bureau’s justification for each appropriations request beginning in the first fiscal year after the completion of the studies conducted under paragraph (1), a projection of the overall costs associated with the formula set forth in subsection (c) for all tribal elementary or secondary education programs which the Secretary expects to be funded in the fiscal year for which the appropriations are sought.

“(7) DETERMINATION OF PROGRAM SIZE.—For purposes of this subsection, the size of tribal elementary or secondary educational programs is determined by the aggregate direct cost program funding level for all Bureau-funded programs which share common administrative cost functions.

“(j) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

“(2) REDUCTIONS.—If the total amount of funds necessary to provide grants to tribes and tribal organizations in the amounts determined under subsection (c) for a fiscal year exceeds the amount of funds appropriated to carry out this section for such fiscal year, the Secretary shall reduce the amount of each grant determined under subsection (c) for such

PUBLIC LAW 107-110—JAN. 8, 2002

fiscal year by an amount that bears the same relationship to such excess as the amount of such grants determined under subsection (c) bears to the total of all grants determined under subsection (c) section for all tribes and tribal organizations for such fiscal year.

“(k) APPLICABILITY TO SCHOOLS OPERATING UNDER TRIBALLY CONTROLLED SCHOOLS ACT OF 1988.—The provisions of this section shall apply to schools operating under the Tribally Controlled Schools Act of 1988.

“(l) ADMINISTRATIVE COST GRANT BUDGET REQUESTS.—

“(1) IN GENERAL.—Beginning with President’s annual budget request under section 1105 of title 31, United States Code for fiscal year 2002, and with respect to each succeeding budget request, at the discretion of the Secretary, the Secretary shall submit to the appropriate committees of Congress information and funding requests for the full funding of administrative costs grants required to be paid under this section.

“(2) REQUIREMENTS.—

“(A) FUNDING FOR NEW CONVERSIONS TO CONTRACT OR GRANT SCHOOL OPERATIONS.—With respect to a budget request under paragraph (1), the amount required to provide full funding for an administrative cost grant for each tribe or tribal organization expected to begin operation of a Bureau-funded school as contract or grant school in the academic year funded by such annual budget request, the amount so required shall not be less than 10 percent of the amount required for subparagraph (B).

“(B) FUNDING FOR CONTINUING CONTRACT AND GRANT SCHOOL OPERATIONS.—With respect to a budget request under paragraph (1), the amount required to provide full funding for an administrative cost grant for each tribe or tribal organization operating a contract or grant school at the time the annual budget request is submitted, which amount shall include the amount of funds required to provide full funding for an administrative cost grant for each tribe or tribal organization which began operation of a contract or grant school with administrative cost grant funds supplied from the amount described in subparagraph (A).

25 USC 2009.

“**SEC. 1129. DIVISION OF BUDGET ANALYSIS.**

Deadline.

“(a) ESTABLISHMENT.—Not later than 1 year after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall establish within the Office of Indian Education Programs a Division of Budget Analysis (hereafter in this section referred to as the ‘Division’). Such Division shall be under the direct supervision and control of the Director of the Office.

“(b) FUNCTIONS.—In consultation with the tribal governing bodies and tribal school boards, the Director of the Office, through the Division, shall conduct studies, surveys, or other activities to gather demographic information on Bureau-funded schools and project the amount necessary to provide Indian students in such schools the educational program set forth in this part.

Deadline.

“(c) ANNUAL REPORTS.—Not later than the date on which the Assistant Secretary for Indian Affairs makes the annual budget submission, for each fiscal year after the date of enactment of the Native American Education Improvement Act of 2001, the Director of the Office shall submit to the appropriate committees of Congress (including the Appropriations committees), all Bureau-funded schools, and the tribal governing bodies of such schools, a report that contains—

“(1) projections, based upon the information gathered pursuant to subsection (b) and any other relevant information,

PUBLIC LAW 107-110—JAN. 8, 2002

of amounts necessary to provide Indian students in Bureau-funded schools the educational program set forth in this part;

“(2) a description of the methods and formulas used to calculate the amounts projected pursuant to paragraph (1); and

“(3) such other information as the Director of the Office considers appropriate.

“(d) USE OF REPORTS.—The Director of the Office and the Assistant Secretary for Indian Affairs shall use the annual report required by subsection (c) when preparing annual budget submissions.

“SEC. 1130. UNIFORM DIRECT FUNDING AND SUPPORT.

25 USC 2010.

“(a) ESTABLISHMENT OF SYSTEM AND FORWARD FUNDING.—

“(1) IN GENERAL.—The Secretary shall establish, by regulation adopted in accordance with section 1136, a system for the direct funding and support of all Bureau-funded schools. Such system shall allot funds in accordance with section 1127. All amounts appropriated for distribution in accordance with this section shall be made available in accordance with paragraph (2).

Regulations.

“(2) TIMING FOR USE OF FUNDS.—

“(A) AVAILABILITY.—For the purposes of affording adequate notice of funding available pursuant to the allotments made under section 1127 and the allotments of funds for operation and maintenance of facilities, amounts appropriated in an appropriations Act for any fiscal year for such allotments—

“(i) shall become available for obligation by the affected schools on July 1 of the fiscal year for which such allotments are appropriated without further action by the Secretary; and

“(ii) shall remain available for obligation through the succeeding fiscal year.

“(B) PUBLICATIONS.—The Secretary shall, on the basis of the amounts appropriated as described in this paragraph—

“(i) publish, not later than July 1 of the fiscal year for which the amounts are appropriated, information indicating the amount of the allotments to be made to each affected school under section 1127, of 80 percent of such appropriated amounts; and

Deadline.

“(ii) publish, not later than September 30 of such fiscal year, information indicating the amount of the allotments to be made under section 1127, from the remaining 20 percent of such appropriated amounts, adjusted to reflect the actual student attendance.

Deadline.

“(C) OVERPAYMENTS.—Any overpayments made to tribal schools shall be returned to the Secretary not later than 30 days after the final determination that the school was overpaid pursuant to this section.

“(3) LIMITATION.—

“(A) EXPENDITURES.—Notwithstanding any other provision of law (including a regulation), the supervisor of a Bureau-operated school may expend an aggregate of not more than \$50,000 of the amount allotted to the school under section 1127 to acquire materials, supplies, equipment, operation services, maintenance services, and other services for the school, and amounts received as operations and maintenance funds, funds received from the Department of Education, or funds received from other Federal sources, without competitive bidding if—

“(i) the cost for any single item acquired does not exceed \$15,000;

“(ii) the school board approves the acquisition;

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) the supervisor certifies that the cost is fair and reasonable;

“(iv) the documents relating to the acquisition executed by the supervisor of the school or other school staff cite this paragraph as authority for the acquisition; and

“(v) the acquisition transaction is documented in a journal maintained at the school that clearly identifies when the transaction occurred, the item that was acquired and from whom, the price paid, the quantities acquired, and any other information the supervisor or the school board considers to be relevant.

Deadline.

“(B) NOTICE.—Not later than 6 months after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall send notice of the provisions of this paragraph to each supervisor of a Bureau school and associated school board chairperson, the education line officer of each agency and area, and the Bureau division in charge of procurement, at both the local and national levels.

“(C) APPLICATION AND GUIDELINES.—The Director of the Office shall be responsible for—

“(i) determining the application of this paragraph, including the authorization of specific individuals to carry out this paragraph;

“(ii) ensuring that there is at least one such individual at each Bureau facility; and

“(iii) the provision of guidelines on the use of this paragraph and adequate training on such guidelines.

“(4) EFFECT OF SEQUESTRATION ORDER.—If a sequestration order issued under the Balanced Budget and Emergency Deficit Control Act of 1985 reduces the amount of funds available for allotment under section 1127 for any fiscal year by more than 7 percent of the amount of funds available for allotment under such section during the preceding fiscal year—

“(A) to fund allotments under section 1127, the Secretary, notwithstanding any other law, may use—

“(i) funds appropriated for the operation of any Bureau-funded school that is closed or consolidated; and

“(ii) funds appropriated for any program that has been curtailed at any Bureau school; and

“(B) the Secretary may waive the application of the provisions of section 1121(h) with respect to the closure or consolidation of a school, or the curtailment of a program at a school, during such fiscal year if the funds described in clauses (i) and (ii) of subparagraph (A) with respect to such school are used to fund allotments made under section 1127 for such fiscal year.

“(b) LOCAL FINANCIAL PLANS FOR EXPENDITURE OF FUNDS.—

“(1) PLAN REQUIRED.—Each Bureau-operated school that receives an allotment under section 1127 shall prepare a local financial plan that specifies the manner in which the school will expend the funds made available under the allotment and ensures that the school will meet the accreditation requirements or standards for the school pursuant to section 1121.

“(2) REQUIREMENT.—A local financial plan under paragraph (1) shall comply with all applicable Federal and tribal laws.

“(3) PREPARATION AND REVISION.—

“(A) IN GENERAL.—The financial plan for a school under subparagraph (A) shall be prepared by the supervisor of the school in active consultation with the local school board for the school.

“(B) AUTHORITY OF SCHOOL BOARD.—The local school board for each school shall have the authority to ratify,

PUBLIC LAW 107-110—JAN. 8, 2002

reject, or amend such financial plan and, at the initiative of the local school board or in response to the supervisor of the school, to revise such financial plan to meet needs not foreseen at the time of preparation of the financial plan.

“(4) ROLE OF SUPERVISOR.—The supervisor of the school—

“(A) shall implement the decisions of the school board relating to the financial plan under paragraph (1);

“(B) shall provide the appropriate local union representative of the education employees of the school with copies of proposed financial plans relating to the school and all modifications and proposed modifications to the plans, and at the same time submit such copies to the local school board; and

“(C) may appeal any such action of the local school board to the appropriate education line officer of the Bureau agency by filing a written statement describing the action and the reasons the supervisor believes such action should be overturned.

“(5) STATEMENTS.—

“(A) IN GENERAL.—A copy of each statement filed under paragraph (4)(C) shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal.

“(B) OVERTURNED ACTIONS.—After reviewing such written appeal and response, the appropriate education line officer may, for good cause, overturn the action of the local school board.

“(C) TRANSMISSION OF DETERMINATION.—The appropriate education line officer shall transmit the determination of such appeal in the form of a written opinion to such board and to such supervisor identifying the reasons for overturning such action.

“(c) TRIBAL DIVISION OF EDUCATION, SELF-DETERMINATION GRANT AND CONTRACT FUNDS.—The Secretary may approve applications for funding tribal divisions of education and developing tribal codes of education, from funds made available pursuant to section 103(a) of the Indian Self-Determination and Education Assistance Act.

“(d) TECHNICAL ASSISTANCE AND TRAINING.—In carrying out this section, a local school board may request technical assistance and training from the Secretary, and the Secretary shall, to the maximum extent practicable, provide those services and make appropriate provisions in the budget of the Office for the provision of those services.

“(e) SUMMER PROGRAM OF ACADEMIC AND SUPPORT SERVICES.—

“(1) PLAN.—

“(A) IN GENERAL.—A financial plan under subsection (b) for a school may include, at the discretion of the local administrator and the school board of such school, a provision for a summer program of academic and support services for students of the school.

“(B) PREVENTION ACTIVITIES.—Any such program may include activities related to the prevention of alcohol and substance abuse.

“(C) SUMMER USE.—The Assistant Secretary for Indian Affairs shall provide for the use of any such school facility during any summer in which such use is requested.

“(2) USE OF OTHER FUNDS.—Notwithstanding any other provision of law, funds authorized under the Act of April 16, 1934, and this Act may be used to augment the services provided in each summer program at the option, and under the control, of the tribe or Indian controlled school receiving such funds.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) TECHNICAL ASSISTANCE AND PROGRAM COORDINATION.—The Assistant Secretary for Indian Affairs, acting through the Director of the Office, shall—

“(A) provide technical assistance and coordination for any program described in paragraph (1); and

“(B) to the extent practicable, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of any such program.

“(f) COOPERATIVE AGREEMENTS.—

“(1) IMPLEMENTATION.—

“(A) IN GENERAL.—From funds allotted to a Bureau school under section 1127, the Secretary shall, if specifically requested by the appropriate tribal governing body, implement a cooperative agreement that is entered into between the tribe, the Bureau, the local school board, and a local public school district that meets the requirements of paragraph (2) and involves the school.

“(B) TERMS.—The tribe, the Bureau, the school board, and the local public school district shall determine the terms of an agreement entered into under subparagraph (A).

“(2) COORDINATION PROVISIONS.—An agreement under paragraph (1) may, with respect to the Bureau school and schools in the school district involved, encompass coordination of all or any part of the following:

“(A) The academic program and curriculum, unless the Bureau school is accredited by a State or regional accrediting entity and would not continue to be so accredited if the agreement encompassed the program and curriculum.

“(B) Support services, including procurement and facilities maintenance.

“(C) Transportation.

“(3) EQUAL BENEFIT AND BURDEN.—

“(A) IN GENERAL.—Each agreement entered into under paragraph (1) shall confer a benefit upon the Bureau school commensurate with the burden assumed by the school.

“(B) LIMITATION.—Subparagraph (A) shall not be construed to require equal expenditures, or an exchange of similar services, by the Bureau school and schools in the school district.

“(g) PRODUCT OR RESULT OF STUDENT PROJECTS.—Notwithstanding any other provision of law, in a case in which there is agreement on action between the superintendent and the school board of a Bureau-funded school, the product or result of a project conducted in whole or in major part by a student may be given to that student upon the completion of such project.

“(h) MATCHING FUND REQUIREMENTS.—

“(1) NOT CONSIDERED FEDERAL FUNDS.—Notwithstanding any other provision of law, funds received by a Bureau-funded school under this title for education-related activities (not including funds for construction, maintenance, and facilities improvement or repair) shall not be considered Federal funds for the purposes of a matching funds requirement for any Federal program.

“(2) LIMITATION.—In considering an application from a Bureau-funded school for participation in a program or project that requires matching funds, the entity administering such program or project or awarding such grant shall not give positive or negative weight to such application based solely on the provisions of paragraph (1).

PUBLIC LAW 107-110—JAN. 8, 2002

“SEC. 1131. POLICY FOR INDIAN CONTROL OF INDIAN EDUCATION. 25 USC 2011.

“(a) **FACILITATION OF INDIAN CONTROL.**—It shall be the policy of the United States acting through the Secretary, in carrying out the functions of the Bureau, to facilitate Indian control of Indian affairs in all matters relating to education.

“(b) **CONSULTATION WITH TRIBES.**—

“(1) **IN GENERAL.**—All actions under this Act shall be done with active consultation with tribes. The United States acting through the Secretary and tribes shall work in a government-to-government relationship to ensure quality education for all tribal members.

“(2) **REQUIREMENTS.**—

“(A) **DEFINITION OF CONSULTATION.**—In this subsection, the term ‘consultation’ means a process involving the open discussion and joint deliberation of all options with respect to potential issues or changes between the Bureau and all interested parties.

“(B) **DISCUSSION AND JOINT DELIBERATION.**—During discussions and joint deliberations, interested parties (including tribes and school officials) shall be given an opportunity—

“(i) to present issues (including proposals regarding changes in current practices or programs) that will be considered for future action by the Secretary; and

“(ii) to participate and discuss the options presented, or to present alternatives, with the views and concerns of the interested parties given effect unless the Secretary determines, from information available from or presented by the interested parties during one or more of the discussions and deliberations, that there is a substantial reason for another course of action.

“(C) **EXPLANATION BY SECRETARY.**—The Secretary shall submit to any Member of Congress, within 18 days of the receipt of a written request by such Member, a written explanation of any decision made by the Secretary which is not consistent with the views of the interested parties described in subparagraph (B).

“SEC. 1132. INDIAN EDUCATION PERSONNEL.

25 USC 2012.

“(a) **IN GENERAL.**—Chapter 51, subchapter III of chapter 53, and chapter 63 of title 5, United States Code, relating to classification, pay and leave, respectively, and the sections of such title relating to the appointment, promotion, hours of work, and removal of civil service employees, shall not apply to educators or to education positions (as defined in subsection (p)).

“(b) **REGULATIONS.**—Not later than 60 days after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall prescribe regulations to carry out this section. Such regulations shall provide for—

“(1) the establishment of education positions;

“(2) the establishment of qualifications for educators and education personnel;

“(3) the fixing of basic compensation for educators and education positions;

“(4) the appointment of educators;

“(5) the discharge of educators;

“(6) the entitlement of educators to compensation;

“(7) the payment of compensation to educators;

“(8) the conditions of employment of educators;

“(9) the leave system for educators;

“(10) the annual leave and sick leave for educators;

“(11) the length of the school year applicable to education positions described in subsection (a); and

“(12) such additional matters as may be appropriate.

PUBLIC LAW 107-110—JAN. 8, 2002

“(c) QUALIFICATIONS OF EDUCATORS.—

“(1) REQUIREMENTS.—In prescribing regulations to govern the qualifications of educators, the Secretary shall require that—

“(A) lists of qualified and interviewed applicants for education positions be maintained in each agency and area office of the Bureau from among individuals who have applied at the agency or area level for an education position or who have applied at the national level and have indicated in such application an interest in working in certain areas or agencies;

“(B) a local school board shall have the authority to waive on a case-by-case basis, any formal education or degree qualifications established by regulation pursuant to subsection (b)(2), in order for a tribal member to be hired in an education position to teach courses on tribal culture and language and that subject to subsection (e)(2), a determination by a school board that such a person be hired shall be instituted by the supervisor of the school involved; and

“(C) that it shall not be a prerequisite to the employment of an individual in an education position at the local level that—

“(i) such individual’s name appear on a list maintained pursuant to subparagraph (A); or

“(ii) such individual have applied at the national level for an education position.

“(2) EXCEPTION FOR CERTAIN TEMPORARY EMPLOYMENT.—

The Secretary may authorize the temporary employment in an education position of an individual who has not met the certification standards established pursuant to regulations if the Secretary determines that failure to do so would result in that position remaining vacant.

“(d) HIRING OF EDUCATORS.—

“(1) REQUIREMENTS.—In prescribing regulations to govern the appointment of educators, the Secretary shall require—

“(A)(i)(I) that educators employed in a Bureau school (other than the supervisor of the school) shall be hired by the supervisor of the school; and

“(II) in a case in which there are no qualified applicants available to fill a vacancy at a Bureau school, the supervisor may consult a list maintained pursuant to subsection (c)(1)(A);

“(ii) each supervisor of a Bureau school shall be hired by the education line officer of the agency office of the Bureau for the jurisdiction in which the school is located;

“(iii) each educator employed in an agency office of the Bureau shall be hired by the superintendent for education of the agency office; and

“(iv) each education line officer and educator employed in the office of the Director of the Office shall be hired by the Director;

“(B)(i) before an individual is employed in an education position in a Bureau school by the supervisor of the school (or, with respect to the position of supervisor, by the appropriate agency education line officer), the local school board for the school shall be consulted; and

“(ii) that a determination by such school board, as evidenced by school board records, that such individual should or should not be so employed shall be instituted by the supervisor (or with respect to the position of supervisor, by the superintendent for education of the agency office);

PUBLIC LAW 107-110—JAN. 8, 2002

“(C)(i) before an individual is employed in an education position in an agency or area office of the Bureau, the appropriate agency school board shall be consulted; and

“(ii) a determination by such school board, as evidenced by school board records, that such individual should or should not be employed shall be instituted by the superintendent for education of the agency office; and

“(D) all employment decisions or actions be in compliance with all applicable Federal, State, and tribal laws.

“(2) INFORMATION REGARDING APPLICATION AT NATIONAL LEVEL.—

“(A) IN GENERAL.—Any individual who applies at the local level for an education position shall state on such individual’s application whether or not such individual has applied at the national level for an education position in the Bureau.

“(B) DETERMINATION OF ACCURACY.—If such individual is employed at the local level, such individual’s name shall be immediately forwarded to the Secretary, who shall, as soon as practicable but in no event in more than 30 days, ascertain the accuracy of the statement made by such individual pursuant to subparagraph (A).

“(C) FALSE STATEMENTS.—Notwithstanding subsection (e), if the individual’s statement is found to have been false, such individual, at the Secretary’s discretion, may be disciplined or discharged.

“(D) CONDITIONAL APPOINTMENT FOR NATIONAL PROVISION.—If the individual has applied at the national level for an education position in the Bureau, the appointment of such individual at the local level shall be conditional for a period of 90 days, during which period the Secretary may appoint a more qualified individual (as determined by the Secretary) from the list maintained at the national level pursuant to subsection (c)(1)(A)(ii) to the position to which such individual was appointed.

“(3) STATUTORY CONSTRUCTION.—Except as expressly provided, nothing in this section shall be construed as conferring upon local school boards authority over, or control of, educators at Bureau-funded schools or the authority to issue management decisions.

“(4) APPEALS.—

“(A) BY SUPERVISOR.—

“(i) IN GENERAL.—The supervisor of a school may appeal to the appropriate agency education line officer any determination by the local school board for the school that an individual be employed, or not be employed, in an education position in the school (other than that of supervisor) by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned.

“(ii) ACTION BY BOARD.—A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal.

“(iii) OVERTURNING OF DETERMINATION.—After reviewing such written appeal and response, the education line officer may, for good cause, overturn the determination of the local school board.

“(iv) TRANSMISSION OF DETERMINATION.—The education line officer shall transmit the determination of such appeal in the form of a written opinion to such board and to such supervisor identifying the reasons for overturning such determination.

“(B) BY EDUCATION LINE OFFICER.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) IN GENERAL.—The education line officer of an agency office of the Bureau may appeal to the Director of the Office any determination by the local school board for the school that an individual be employed, or not be employed, as the supervisor of a school by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned.

“(ii) ACTION BY BOARD.—A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal.

“(iii) OVERTURNING OF DETERMINATION.—After reviewing such written appeal and response, the Director may, for good cause, overturn the determination of the local school board.

“(iv) TRANSMISSION OF DETERMINATION.—The Director shall transmit the determination of such appeal in the form of a written opinion to such board and to such education line officer identifying the reasons for overturning such determination.

“(5) OTHER APPEALS.—

“(A) IN GENERAL.—The education line officer of an agency office of the Bureau may appeal to the Director of the Office any determination by the agency school board that an individual be employed, or not be employed, in an education position in such agency office by filing a written statement describing the determination and the reasons the supervisor believes such determination should be overturned.

“(B) ACTION BY BOARD.—A copy of such statement shall be submitted to the agency school board and such board shall be afforded an opportunity to respond, in writing, to such appeal.

“(C) OVERTURNING OF DETERMINATION.—After reviewing such written appeal and response, the Director may, for good cause, overturn the determination of the agency school board.

“(D) TRANSMISSION OF DETERMINATION.—The Director shall transmit the determination of such appeal in the form of a written opinion to such board and to such education line officer identifying the reasons for overturning such determination.

“(e) DISCHARGE AND CONDITIONS OF EMPLOYMENT OF EDUCATORS.—

“(1) REGULATIONS.—In promulgating regulations to govern the discharge and conditions of employment of educators, the Secretary shall require—

“(A) that procedures shall be established for the rapid and equitable resolution of grievances of educators;

“(B) that no educator may be discharged without notice of the reasons for the discharge and an opportunity for a hearing under procedures that comport with the requirements of due process; and

“(C) that each educator employed in a Bureau school shall be notified 30 days prior to the end of an academic year whether the employment contract of the individual will be renewed for the following year.

“(2) PROCEDURES FOR DISCHARGE.—

“(A) DETERMINATIONS.—

“(i) IN GENERAL.—Except as provided in clause (iii), the supervisor of a Bureau school may discharge (subject to procedures established under paragraph (1)(B)) for cause (as determined under regulations pre-

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

scribed by the Secretary) any educator employed in such school.

“(ii) NOTIFICATION OF BOARD.—On giving notice to an educator of the supervisor’s intention to discharge the educator, the supervisor shall immediately notify the local school board of the proposed discharge.

“(iii) DETERMINATION BY BOARD.—If the local school board determines that such educator shall not be discharged, that determination shall be followed by the supervisor.

“(B) APPEALS.—

“(i) IN GENERAL.—The supervisor shall have the right to appeal to the education line officer of the appropriate agency office of the Bureau a determination by a local school board under subparagraph (A)(iii), as evidenced by school board records, not to discharge an educator.

“(ii) DECISION OF AGENCY EDUCATION LINE OFFICER.—Upon hearing such an appeal, the agency education line officer may, for good cause, issue a decision overturning the determination of the local school board with respect to the employment of such individual.

“(iii) FORM OF DECISION.—The education line officer shall make the decision in writing and submit the decision to the local school board.

“(3) RECOMMENDATIONS OF SCHOOL BOARDS FOR DISCHARGE.—Each local school board for a Bureau school shall have the right—

“(A) to recommend to the supervisor that an educator employed in the school be discharged; and

“(B) to recommend to the education line officer of the appropriate agency office of the Bureau and to the Director of the Office, that the supervisor of the school be discharged.

“(f) APPLICABILITY OF INDIAN PREFERENCE LAWS.—

“(1) APPLICABILITY.—

“(A) IN GENERAL.—Notwithstanding any provision of the Indian preference laws, such laws shall not apply in the case of any personnel action carried out under this section with respect to an applicant or employee not entitled to an Indian preference if each tribal organization concerned—

“(i) grants a written waiver of the application of those laws with respect to the personnel action; and

“(ii) states that the waiver is necessary.

“(B) NO EFFECT ON RESPONSIBILITY OF BUREAU.—This paragraph shall not be construed to relieve the responsibility of the Bureau to issue timely and adequate announcements and advertisements concerning any such personnel action if such action is intended to fill a vacancy (no matter how such vacancy is created).

“(2) DEFINITIONS.—In this subsection:

“(A) INDIAN PREFERENCE LAWS.—

“(i) IN GENERAL.—The term ‘Indian preference laws’ means section 12 of the Act of June 18, 1934 (48 Stat. 986, chapter 576) or any other provision of law granting a preference to Indians in promotions and other personnel actions.

“(ii) EXCLUSION.—The term ‘Indian preference laws’ does not include section 7(b) of the Indian Self-Determination and Education Assistance Act.

“(B) TRIBAL ORGANIZATION.—The term ‘tribal organization’ means—

“(i) the recognized governing body of any Indian tribe, band, nation, pueblo, or other organized commu-

PUBLIC LAW 107-110—JAN. 8, 2002

nity, including a Native village (as defined in section 3(c) of the Alaska Native Claims Settlement Act); or

“(ii) in connection with any personnel action referred to in this subsection, any local school board to which the governing body has delegated the authority to grant a waiver under this subsection with respect to a personnel action.

“(g) COMPENSATION OR ANNUAL SALARY.—

“(1) IN GENERAL.—

“(A) COMPENSATION FOR EDUCATORS AND EDUCATION POSITIONS.—Except as otherwise provided in this section, the Secretary shall establish the compensation or annual salary rate for educators and education positions—

“(i) at rates in effect under the General Schedule for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 of title 5, United States Code, is applicable; or

“(ii) on the basis of the Federal Wage System schedule in effect for the locality involved, and for the comparable positions, at the rates of compensation in effect for the senior executive service.

“(B) COMPENSATION OR SALARY FOR TEACHERS AND COUNSELORS.—

“(i) IN GENERAL.—The Secretary shall establish the rate of compensation, or annual salary rate, for the positions of teachers and counselors (including dormitory counselors and home-living counselors) at the rate of compensation applicable (on the date of enactment of the Native American Education Improvement Act of 2001 and thereafter) for comparable positions in the overseas schools under the Defense Department Overseas Teachers Pay and Personnel Practices Act.

“(ii) ESSENTIAL PROVISIONS.—The Secretary shall allow the local school boards involved authority to implement only the aspects of the Defense Department Overseas Teachers Pay and Personnel Practices Act pay provisions that are considered essential for recruitment and retention of teachers and counselors. Implementation of such provisions shall not be construed to require the implementation of that entire Act.

“(C) RATES FOR NEW HIRES.—

“(i) IN GENERAL.—Beginning with the first fiscal year following the date of enactment of the Native American Education Improvement Act of 2001, each local school board of a Bureau school may establish a rate of compensation or annual salary rate described in clause (ii) for teachers and counselors (including academic counselors) who are new hires at the school and who had not worked at the school, as of the first day of such fiscal year.

“(ii) CONSISTENT RATES.—The rates established under clause (i) shall be consistent with the rates paid for individuals in the same positions, with the same tenure and training, as the teachers and counselors, in any other school within whose boundaries the Bureau school is located.

“(iii) DECREASES.—In a case in which the establishment of rates under clause (i) causes a reduction in compensation at a school from the rate of compensation that was in effect for the first fiscal year following the date of enactment of the Native American Education Improvement Act of 2001, the new rates of compensation may be applied to the compensation of employees of the school who worked at the school as

PUBLIC LAW 107-110—JAN. 8, 2002

of such date of enactment by applying those rates at each contract renewal for the employees so that the reduction takes effect in three equal installments.

“(iv) INCREASES.—In a case in which adoption of rates under clause (i) leads to an increase in the payment of compensation from that which was in effect for the fiscal year following the date of enactment of the Native American Education Improvement Act of 2001, the school board may make such rates applicable at the next contract renewal such that—

“(I) the increase occurs in its entirety; or

“(II) the increase is applied in three equal installments.

“(D) USE OF REGULATIONS; CONTINUED EMPLOYMENT OF CERTAIN EDUCATORS.—The establishment of rates of basic compensation and annual salary rates under subparagraphs (B) and (C) shall not—

“(i) preclude the use of regulations and procedures used by the Bureau prior to April 28, 1988, in making determinations regarding promotions and advancements through levels of pay that are based on the merit, education, experience, or tenure of the educator; or

“(ii) affect the continued employment or compensation of an educator who was employed in an education position on October 31, 1979, and who did not make an election under subsection (p) as in effect on January 1, 1990.

“(2) POST DIFFERENTIAL RATES.—

“(A) IN GENERAL.—The Secretary may pay a post differential rate, not to exceed 25 percent of the rate of compensation, for educators or education positions, on the basis of conditions of environment or work that warrant additional pay, as a recruitment and retention incentive.

“(B) SUPERVISOR’S AUTHORITY.—

“(i) IN GENERAL.—Except as provided in clause (ii), on the request of the supervisor and the local school board of a Bureau school, the Secretary shall grant the supervisor of the school authorization to provide one or more post differential rates under subparagraph (A).

“(ii) EXCEPTION.—The Secretary shall disapprove, or approve with a modification, a request for authorization to provide a post differential rate if the Secretary determines for clear and convincing reasons (and advises the board in writing of those reasons) that the rate should be disapproved or decreased because the disparity of compensation between the appropriate educators or positions in the Bureau school, and the comparable educators or positions at the nearest public school, is—

“(I)(aa) at least 5 percent; or

“(bb) less than 5 percent; and

“(II) does not affect the recruitment or retention of employees at the school.

“(iii) APPROVAL OF REQUESTS.—A request made under clause (i) shall be considered to be approved at the end of the 60th day after the request is received in the Central Office of the Bureau unless before that time the request is approved, approved with a modification, or disapproved by the Secretary.

“(iv) DISCONTINUATION OF OR DECREASE IN RATES.—The Secretary or the supervisor of a Bureau school may discontinue or decrease a post differential

PUBLIC LAW 107-110—JAN. 8, 2002

rate provided for under this paragraph at the beginning of an academic year if—

“(I) the local school board requests that such differential be discontinued or decreased; or

“(II) the Secretary or the supervisor, respectively, determines for clear and convincing reasons (and advises the board in writing of those reasons) that there is no disparity of compensation that would affect the recruitment or retention of employees at the school after the differential is discontinued or decreased.

“(v) REPORTS.—On or before February 1 of each year, the Secretary shall submit to Congress a report describing the requests and approvals of authorization made under this paragraph during the previous year and listing the positions receiving post differential rates under contracts entered into under those authorizations.

“(h) LIQUIDATION OF REMAINING LEAVE UPON TERMINATION.—Upon termination of employment with the Bureau, any annual leave remaining to the credit of an individual covered by this section shall be liquidated in accordance with sections 5551(a) and 6306 of title 5, United States Code, except that leave earned or accrued under regulations promulgated pursuant to subsection (b)(10) shall not be so liquidated.

“(i) TRANSFER OF REMAINING SICK LEAVE UPON TRANSFER, PROMOTION, OR REEMPLOYMENT.—In the case of any educator who is transferred, promoted, or reappointed, without break in service, to a position in the Federal Government under a different leave system, any remaining leave to the credit of such person earned or credited under the regulations promulgated pursuant to subsection (b)(10) shall be transferred to such person’s credit in the employing agency on an adjusted basis in accordance with regulations which shall be promulgated by the Office of Personnel Management.

“(j) INELIGIBILITY FOR EMPLOYMENT OF VOLUNTARILY TERMINATED EDUCATORS.—An educator who voluntarily terminates employment with the Bureau before the expiration of the existing employment contract between such educator and the Bureau shall not be eligible to be employed in another education position in the Bureau during the remainder of the term of such contract.

“(k) DUAL COMPENSATION.—In the case of any educator employed in an education position described in subsection (l)(1)(A) who—

“(1) is employed at the close of a school year;

“(2) agrees in writing to serve in such position for the next school year; and

“(3) is employed in another position during the recess period immediately preceding such next school year, or during such recess period receives additional compensation referred to in section 5533 of title 5, United States Code, relating to dual compensation,

shall not apply to such educator by reason of any such employment during a recess period for any receipt of additional compensation.

“(l) VOLUNTARY SERVICES.—

“(1) IN GENERAL.—Notwithstanding section 1342 of title 31, United States Code, the Secretary may, subject to the approval of the local school board concerned, accept voluntary services on behalf of Bureau schools.

“(2) FEDERAL EMPLOYEE PROTECTION.—Nothing in this part requires Federal employees to work without compensation or allows the use of volunteer services to displace or replace Federal employees.

“(3) FEDERAL STATUS.—An individual providing volunteer services under this section is a Federal employee only for pur-

PUBLIC LAW 107-110—JAN. 8, 2002

poses of chapter 81 of title 5, United States Code, and chapter 171 of title 28, United States Code.

“(m) PRORATION OF PAY.—

“(1) ELECTION OF EMPLOYEE.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, including laws relating to dual compensation, the Secretary, at the election of the employee, shall prorate the salary of an employee employed in an education position for the academic school year over the entire 12-month period.

“(B) ELECTION.—Each educator employed for the academic school year shall annually elect to be paid on a 12-month basis or for those months while school is in session.

“(C) NO LOSS OF PAY OR BENEFITS.—No educator shall suffer a loss of pay or benefits, including benefits under unemployment or other Federal or federally assisted programs, because of such election.

“(2) CHANGE OF ELECTION.—During the course of such year the employee may change election once.

“(3) LUMP SUM PAYMENT.—That portion of the employee’s pay which would be paid between academic school years may be paid in a lump sum at the election of the employee.

“(4) NONAPPLICABILITY.—This subsection applies to those individuals employed under the provisions of section 1132 of this title or title 5, United States Code.

“(5) DEFINITIONS.—For purposes of this subsection, the terms ‘educator’ and ‘education position’ have the meanings contained in paragraphs (1) and (2) of subsection (o).

“(n) EXTRACURRICULAR ACTIVITIES.—

“(1) STIPEND.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may provide, for each Bureau area, a stipend in lieu of overtime premium pay or compensatory time off.

“(B) PROVISION TO EMPLOYEES.—Any employee of the Bureau who performs additional activities to provide services to students or otherwise support the school’s academic and social programs may elect to be compensated for all such work on the basis of the stipend.

“(C) NATURE OF STIPEND.—Such stipend shall be paid as a supplement to the employee’s base pay.

“(2) ELECTION NOT TO RECEIVE STIPEND.—If an employee elects not to be compensated through the stipend established by this subsection, the appropriate provisions of title 5, United States Code, shall apply.

“(3) APPLICABILITY OF SUBSECTION.—This subsection applies to all Bureau employees, regardless of whether the employee is employed under section 1132 of this title or title 5, United States Code.

“(o) DEFINITIONS.—In this section:

“(1) EDUCATION POSITION.—The term ‘education position’ means a position in the Bureau the duties and responsibilities of which—

“(A)(i) are performed on a school year basis principally in a Bureau school; and

“(ii) involve—

“(I) classroom or other instruction or the supervision or direction of classroom or other instruction;

“(II) any activity (other than teaching) which requires academic credits in educational theory and practice equal to the academic credits in educational theory and practice required for a bachelor’s degree in education from an accredited institution of higher education;

PUBLIC LAW 107-110—JAN. 8, 2002

“(III) any activity in or related to the field of education notwithstanding that academic credits in educational theory and practice are not a formal requirement for the conduct of such activity; or

“(IV) support services at, or associated with, the site of the school; or

“(B) are performed at the agency level of the Bureau and involve the implementation of education-related programs other than the position for agency superintendent for education.

“(2) EDUCATOR.—The term ‘educator’ means an individual whose services are required, or who is employed, in an education position.

“(p) COVERED INDIVIDUALS; ELECTION.—This section shall apply with respect to any educator hired after November 1, 1979 (and to any educator who elected for coverage under that provision after November 1, 1979) and to the position in which such individual is employed. The enactment of this section shall not affect the continued employment of an individual employed on October 31, 1979, in an education position, or such person’s right to receive the compensation attached to such position.

“(q) FURLOUGH WITHOUT CONSENT.—

“(1) IN GENERAL.—An educator who was employed in an education position on October 31, 1979, who was eligible to make an election under subsection (p) at that time, and who did not make the election under such subsection, may not be placed on furlough (within the meaning of section 7511(a)(5) of title 5, United States Code, without the consent of such educator for an aggregate of more than 4 weeks within the same calendar year, unless—

“(A) the supervisor, with the approval of the local school board (or of the education line officer upon appeal under paragraph (2)), of the Bureau school at which such educator provides services determines that a longer period of furlough is necessary due to an insufficient amount of funds available for personnel compensation at such school, as determined under the financial plan process as determined under section 1129(b); and

“(B) all educators (other than principals and clerical employees) providing services at such Bureau school are placed on furloughs of equal length, except that the supervisor, with the approval of the local school board (or of the agency education line officer upon appeal under paragraph (2)), may continue one or more educators in pay status if—

“(i) such educators are needed to operate summer programs, attend summer training sessions, or participate in special activities including curriculum development committees; and

“(ii) such educators are selected based upon such educator’s qualifications after public notice of the minimum qualifications reasonably necessary and without discrimination as to supervisory, nonsupervisory, or other status of the educators who apply.

“(2) APPEALS.—The supervisor of a Bureau school may appeal to the appropriate agency education line officer any refusal by the local school board to approve any determination of the supervisor that is described in paragraph (1)(A) by filing a written statement describing the determination and the reasons the supervisor believes such determination should be approved. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the education line officer may, for good cause, approve the determination of the super-

PUBLIC LAW 107-110—JAN. 8, 2002

visor. The educational line officer shall transmit the determination of such appeal in the form of a written opinion to such local school board and to the supervisor identifying the reasons for approving such determination.

“(r) STIPENDS.—The Secretary is authorized to provide annual stipends to teachers who become certified by the National Board of Professional Teaching Standards, the National Council on Teacher Quality, or other nationally recognized certification or credentialing organizations.

“SEC. 1133. COMPUTERIZED MANAGEMENT INFORMATION SYSTEM.

25 USC 2013.

“(a) IN GENERAL.—Not later than 12 months after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall update the computerized management information system within the Office. The information to be updated shall include information regarding—

Deadline.

“(1) student enrollment;

“(2) curricula;

“(3) staffing;

“(4) facilities;

“(5) community demographics;

“(6) student assessment information;

“(7) information on the administrative and program costs attributable to each Bureau program, divided into discrete elements;

“(8) relevant reports;

“(9) personnel records;

“(10) finance and payroll; and

“(11) such other items as the Secretary determines to be appropriate.

“(b) IMPLEMENTATION OF SYSTEM.—Not later than July 1, 2003, the Secretary shall complete the implementation of the updated computerized management information system at each Bureau field office and Bureau-funded school.

Deadline.

“SEC. 1134. RECRUITMENT OF INDIAN EDUCATORS.

25 USC 2014.

“The Secretary shall institute a policy for the recruitment of qualified Indian educators and a detailed plan to promote employees from within the Bureau. Such plan shall include opportunities for acquiring work experience prior to actual work assignment.

“SEC. 1135. ANNUAL REPORT; AUDITS.

25 USC 2015.

“(a) ANNUAL REPORTS.—The Secretary shall submit to each appropriate committee of Congress, all Bureau-funded schools, and the tribal governing bodies of such schools, a detailed annual report on the state of education within the Bureau, and any problems encountered in Indian education during the period covered by the report, that includes—

“(1) suggestions for the improvement of the Bureau educational system and for increasing tribal or local Indian control of such system; and

“(2) information on the status of tribally controlled community colleges.

“(b) BUDGET REQUEST.—The annual budget request for the education programs of the Bureau, as submitted as part of the President’s next annual budget request under section 1105 of title 31, United States Code, shall include the plans required by sections 1121(c), 1122(c), and 1124(c).

“(c) FINANCIAL AND COMPLIANCE AUDITS.—The Inspector General of the Department of the Interior shall establish a system to ensure that financial and compliance audits, based upon the extent to which a school described in subsection (a) has complied with the local financial plan under section 1130, are conducted of each Bureau-operated school at least once every 3 years.

“(d) ADMINISTRATIVE EVALUATION OF SCHOOLS.—The Director shall, at least once every 3 to 5 years, conduct a comprehensive

PUBLIC LAW 107-110—JAN. 8, 2002

evaluation of Bureau-operated schools. Such evaluation shall be in addition to any other program review or evaluation that may be required under Federal law.

25 USC 2016.

“SEC. 1136. RIGHTS OF INDIAN STUDENTS.

Regulations.

“The Secretary shall prescribe such rules and regulations as are necessary to ensure the constitutional and civil rights of Indian students attending Bureau-funded schools, including such students’ rights to—

“(1) privacy under the laws of the United States;

“(2) freedom of religion and expression; and

“(3) due process in connection with disciplinary actions, suspensions, and expulsions.

25 USC 2017.

“SEC. 1137. REGULATIONS.

“(a) PROMULGATION.—

“(1) IN GENERAL.—The Secretary may promulgate only such regulations—

“(A) as are necessary to ensure compliance with the specific provisions of this part; and

“(B) as the Secretary is authorized to promulgate pursuant to section 5211 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2510).

“(2) PUBLICATION.—In promulgating the regulations, the Secretary shall—

Federal Register,
publication.

“(A) publish proposed regulations in the Federal Register; and

Deadline.

“(B) provide a period of not less than 120 days for public comment and consultation on the regulations.

“(3) CITATION.—The regulations shall contain, immediately following each regulatory section, a citation to any statutory provision providing authority to promulgate such regulatory section.

“(b) MISCELLANEOUS.—The provisions of this Act shall supersede any conflicting provisions of law (including any conflicting regulations) in effect on the day before the date of enactment of this Act and the Secretary is authorized to repeal any regulation inconsistent with the provisions of this Act.

25 USC 2018.

“SEC. 1138. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

“(a) REGIONAL MEETINGS.—Prior to publishing any proposed regulations under subsection (b)(1), and prior to establishing the negotiated rulemaking committee under subsection (b)(3), the Secretary shall convene regional meetings to consult with personnel of the Office of Indian Education Programs, educators at Bureau schools, and tribal officials, parents, teachers, administrators, and school board members of tribes served by Bureau-funded schools to provide guidance to the Secretary on the content of regulations authorized to be promulgated under this part and the Tribally Controlled Schools Act of 1988.

“(b) NEGOTIATED RULEMAKING.—

Federal Register,
publication.

“(1) IN GENERAL.—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, the Secretary shall promulgate regulations authorized under subsection (a) and under the Tribally Controlled Schools Act of 1988, in accordance with the negotiated rulemaking procedures provided for under subchapter III of chapter 5 of title 5, United States Code, and shall publish final regulations in the Federal Register.

“(2) NOTIFICATION TO CONGRESS.—If draft regulations implementing this part and the Tribally Controlled Schools Act of 1988 are not promulgated in final form within 18 months after the date of enactment of the Native American Education Improvement Act of 2001, the Secretary shall notify the appropriate committees of Congress of which draft regulations were not promulgated in final form by the deadline and the reason such final regulations were not promulgated.

PUBLIC LAW 107-110—JAN. 8, 2002

“(3) RULEMAKING COMMITTEE.—The Secretary shall establish a negotiated rulemaking committee to carry out this subsection. In establishing such committee, the Secretary shall—

“(A) apply the procedures provided for under subchapter III of chapter 5 of title 5, United States Code, in a manner that reflects the unique government-to-government relationship between Indian tribes and the United States;

“(B) ensure that the membership of the committee includes only representatives of the Federal Government and of tribes served by Bureau-funded schools;

“(C) select the tribal representatives of the committee from among individuals nominated by the representatives of the tribal and tribally operated schools;

“(D) ensure, to the maximum extent possible, that the tribal representative membership on the committee reflects the proportionate share of students from tribes served by the Bureau-funded school system; and

“(E) comply with the Federal Advisory Committee Act (5 U.S.C. App.).

“(4) SPECIAL RULE.—The Secretary shall carry out this section using the general administrative funds of the Department of the Interior. In accordance with subchapter III of chapter 5 of title 5, United States Code, and section 7(d) of the Federal Advisory Committee Act, payment of costs associated with negotiated rulemaking shall include the reasonable expenses of committee members.

“(c) APPLICATION OF SECTION.—

“(1) SUPREMACY OF PROVISIONS.—The provisions of this section shall supersede any conflicting regulations in effect on the day before the date of enactment of this part, and the Secretary may repeal any regulation that is inconsistent with the provisions of this part.

“(2) MODIFICATIONS.—The Secretary may modify regulations promulgated under this section or the Tribally Controlled Schools Act of 1988, only in accordance with this section.

“SEC. 1139. EARLY CHILDHOOD DEVELOPMENT PROGRAM.

25 USC 2019.

“(a) IN GENERAL.—The Secretary shall provide grants to tribes, tribal organizations, and consortia of tribes and tribal organizations to fund early childhood development programs that are operated by such tribes, organizations, or consortia.

“(b) AMOUNT OF GRANTS.—

“(1) IN GENERAL.—The total amount of the grants provided under subsection (a) with respect to each tribe, tribal organization, or consortium of tribes or tribal organizations for each fiscal year shall be equal to the amount which bears the same relationship to the total amount appropriated under the authority of subsection (g) for such fiscal year (less amounts provided under subsection (f)) as—

“(A) the total number of children under 6 years of age who are members of—

“(i) such tribe;

“(ii) the tribe that authorized such tribal organization; or

“(iii) any tribe that—

“(I) is a member of such consortium; or

“(II) authorizes any tribal organization that is a member of such consortium; bears to

“(B) the total number of all children under 6 years of age who are members of any tribe that—

“(i) is eligible to receive funds under subsection (a);

“(ii) is a member of a consortium that is eligible to receive such funds; or

PUBLIC LAW 107-110—JAN. 8, 2002

“(iii) authorizes a tribal organization that is eligible to receive such funds.

“(2) LIMITATION.—No grant may be provided under subsection (a)—

“(A) to any tribe that has less than 500 members;

“(B) to any tribal organization which is authorized—

“(i) by only one tribe that has less than 500 members; or

“(ii) by one or more tribes that have a combined total membership of less than 500 members; or

“(C) to any consortium composed of tribes, or tribal organizations authorized by tribes, that have a combined total tribal membership of less than 500 members.

“(c) APPLICATION.—

“(1) IN GENERAL.—A grant may be provided under subsection (a) to a tribe, tribal organization, or consortium of tribes and tribal organizations only if the tribe, organization, or consortium submits to the Secretary an application for the grant at such time and in such form as the Secretary shall prescribe.

“(2) CONTENTS.—Applications submitted under paragraph (1) shall set forth the early childhood development program that the applicant desires to operate.

“(d) REQUIREMENT OF PROGRAMS FUNDED.—The early childhood development programs that are funded by grants provided under subsection (a)—

“(1) shall coordinate existing programs and may provide services that meet identified needs of parents and children under 6 years of age which are not being met by existing programs, including—

“(A) prenatal care;

“(B) nutrition education;

“(C) health education and screening;

“(D) family literacy services;

“(E) educational testing; and

“(F) other educational services;

“(2) may include instruction in the language, art, and culture of the tribe; and

“(3) shall provide for periodic assessment of the program.

“(e) COORDINATION OF FAMILY LITERACY PROGRAMS.—Family literacy programs operated under this section and other family literacy programs operated by the Bureau of Indian Affairs shall be coordinated with family literacy programs for Indian children under part B of title I of the Elementary and Secondary Education Act of 1965 in order to avoid duplication and to encourage the dissemination of information on quality family literacy programs serving Indians.

“(f) ADMINISTRATIVE COSTS.—The Secretary shall, out of funds appropriated under subsection (g), include in the grants provided under subsection (a) amounts for administrative costs incurred by the tribe, tribal organization, or consortium of tribes in establishing and maintaining the early childhood development program.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

25 USC 2020.

“SEC. 1140. TRIBAL DEPARTMENTS OR DIVISIONS OF EDUCATION.

“(a) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall make grants and provide technical assistance to tribes for the development and operation of tribal departments or divisions of education for the purpose of planning and coordinating all educational programs of the tribe.

“(b) APPLICATIONS.—For a tribe to be eligible to receive a grant under this section, the governing body of the tribe shall submit

PUBLIC LAW 107-110—JAN. 8, 2002

an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(c) DIVERSITY.—The Secretary shall award grants under this section in a manner that fosters geographic and population diversity.

“(d) USE.—Tribes that receive grants under this section shall use the funds made available through the grants—

“(1) to facilitate tribal control in all matters relating to the education of Indian children on reservations (and on former Indian reservations in Oklahoma);

“(2) to provide for the development of coordinated educational programs (including all preschool, elementary, secondary, and higher or vocational educational programs funded by tribal, Federal, or other sources) on reservations (and on former Indian reservations in Oklahoma) by encouraging tribal administrative support of all Bureau-funded educational programs as well as encouraging tribal cooperation and coordination with entities carrying out all educational programs receiving financial support from other Federal agencies, State agencies, or private entities; and

“(3) to provide for the development and enforcement of tribal educational codes, including tribal educational policies and tribal standards applicable to curriculum, personnel, students, facilities, and support programs.

“(e) PRIORITIES.—In making grants under this section, the Secretary shall give priority to any application that—

“(1) includes—

“(A) assurances that the applicant serves three or more separate Bureau-funded schools; and

“(B) assurances from the applicant that the tribal department of education to be funded under this section will provide coordinating services and technical assistance to all of such schools;

“(2) includes assurances that all education programs for which funds are provided by such a contract or grant will be monitored and audited, by or through the tribal department of education, to ensure that the programs meet the requirements of law; and

“(3) provides a plan and schedule that—

“(A) provides for—

“(i) the assumption, by the tribal department of education, of all assets and functions of the Bureau agency office associated with the tribe, to the extent the assets and functions relate to education; and

“(ii) the termination by the Bureau of such functions and office at the time of such assumption; and

“(B) provides that the assumption shall occur over the term of the grant made under this section, except that, when mutually agreeable to the tribal governing body and the Assistant Secretary, the period in which such assumption is to occur may be modified, reduced, or extended after the initial year of the grant.

“(f) TIME PERIOD OF GRANT.—Subject to the availability of appropriated funds, a grant provided under this section shall be provided for a period of 3 years. If the performance of the grant recipient is satisfactory to the Secretary, the grant may be renewed for additional 3-year terms.

“(g) TERMS, CONDITIONS, OR REQUIREMENTS.—A tribe that receives a grant under this section shall comply with regulations relating to grants made under section 103(a) of the Indian Self-Determination and Education Assistance Act that are in effect on the date that the tribal governing body submits the application for the grant under subsection (b). The Secretary shall not impose any terms, conditions, or requirements on the provision of grants under this section that are not specified in this section.

PUBLIC LAW 107-110—JAN. 8, 2002

“(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$2,000,000.

25 USC 2021.

“SEC. 1141. DEFINITIONS.

“For the purposes of this part, unless otherwise specified:

“(1) AGENCY SCHOOL BOARD.—The term ‘agency school board’ means a body—

“(A) the members of which are appointed by all of the school boards of the schools located within an agency, including schools operated under contract or grant; and

“(B) the number of such members is determined by the Secretary, in consultation with the affected tribes; except that, in agencies serving a single school, the school board of such school shall fulfill these duties, and in agencies having schools or a school operated under contract or grant, one such member at least shall be from such a school.

“(2) BUREAU.—The term ‘Bureau’ means the Bureau of Indian Affairs of the Department of the Interior.

“(3) BUREAU-FUNDED SCHOOL.—The term ‘Bureau-funded school’ means—

“(A) a Bureau school;

“(B) a contract or grant school; or

“(C) a school for which assistance is provided under the Tribally Controlled Schools Act of 1988.

“(4) BUREAU SCHOOL.—The term ‘Bureau school’ means a Bureau-operated elementary or secondary day or boarding school or a Bureau-operated dormitory for students attending a school other than a Bureau school.

“(5) COMPLEMENTARY EDUCATIONAL FACILITIES.—The term ‘complementary educational facilities’ means educational program functional spaces such as libraries, gymnasiums, and cafeterias.

“(6) CONTRACT OR GRANT SCHOOL.—The term ‘contract or grant school’ means an elementary school, secondary school, or dormitory that receives financial assistance for its operation under a contract, grant, or agreement with the Bureau under section 102, 103(a), or 208 of the Indian Self-Determination and Education Assistance Act, or under the Tribally Controlled Schools Act of 1988.

“(7) DIRECTOR.—The term ‘Director’ means the Director of the Office of Indian Education Programs.

“(8) EDUCATION LINE OFFICER.—The term ‘education line officer’ means a member of the education personnel under the supervision of the Director of the Office, whether located in a central, area, or agency office.

“(9) FAMILY LITERACY SERVICES.—The term ‘family literacy services’ has the meaning given that term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

“(10) FINANCIAL PLAN.—The term ‘financial plan’ means a plan of services provided by each Bureau school.

“(11) INDIAN ORGANIZATION.—The term ‘Indian organization’ means any group, association, partnership, corporation, or other legal entity owned or controlled by a federally recognized Indian tribe or tribes, or a majority of whose members are members of federally recognized tribes.

“(12) INHERENTLY FEDERAL FUNCTIONS.—The term ‘inherently Federal functions’ means functions and responsibilities which, under section 1126(c), are noncontractable, including—

“(A) the allocation and obligation of Federal funds and determinations as to the amounts of expenditures;

“(B) the administration of Federal personnel laws for Federal employees;

“(C) the administration of Federal contracting and grant laws, including the monitoring and auditing of con-

PUBLIC LAW 107-110—JAN. 8, 2002

tracts and grants in order to maintain the continuing trust, programmatic, and fiscal responsibilities of the Secretary;

“(D) the conducting of administrative hearings and deciding of administrative appeals;

“(E) the determination of the Secretary’s views and recommendations concerning administrative appeals or litigation and the representation of the Secretary in administrative appeals and litigation;

“(F) the issuance of Federal regulations and policies as well as any documents published in the Federal Register;

“(G) reporting to Congress and the President;

“(H) the formulation of the Secretary’s and the President’s policies and their budgetary and legislative recommendations and views; and

“(I) the nondelegable statutory duties of the Secretary relating to trust resources.

“(13) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, or independent or other school district located within a State, and includes any State agency that directly operates and maintains facilities for providing free public education.

“(14) LOCAL SCHOOL BOARD.—The term ‘local school board’, when used with respect to a Bureau school, means a body chosen in accordance with the laws of the tribe to be served or, in the absence of such laws, elected by the parents of the Indian children attending the school, except that, for a school serving a substantial number of students from different tribes—

“(A) the members of the body shall be appointed by the tribal governing bodies of the tribes affected; and

“(B) the number of such members shall be determined by the Secretary in consultation with the affected tribes.

“(15) OFFICE.—The term ‘Office’ means the Office of Indian Education Programs within the Bureau.

“(16) REGULATION.—

“(A) IN GENERAL.—The term ‘regulation’ means any part of a statement of general or particular applicability of the Secretary designed to carry out, interpret, or prescribe law or policy in carrying out this Act.

“(B) RULE OF CONSTRUCTION.—Nothing in subparagraph (A) or any other provision of this title shall be construed to prohibit the Secretary from issuing guidance, internal directives, or other documents similar to the documents found in the Indian Affairs Manual of the Bureau of Indian Affairs.

“(17) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior.

“(18) SUPERVISOR.—The term ‘supervisor’ means the individual in the position of ultimate authority at a Bureau school.

“(19) TRIBAL GOVERNING BODY.—The term ‘tribal governing body’ means, with respect to any school, the tribal governing body, or tribal governing bodies, that represent at least 90 percent of the students served by such school.

“(20) TRIBE.—The term ‘tribe’ means any Indian tribe, band, nation, or other organized group or community, including an Alaska Native Regional Corporation or Village Corporation (as defined in or established pursuant to the Alaska Native Claims Settlement Act), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.”.

PUBLIC LAW 107-110—JAN. 8, 2002

SEC. 1043. TRIBALLY CONTROLLED SCHOOLS ACT OF 1988.

The Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) is amended by striking sections 5202 through 5212 and inserting the following new sections:

25 USC 2501.

“SEC. 5202. DECLARATION OF POLICY.

“(a) **RECOGNITION.**—Congress recognizes that the Indian Self-Determination and Education Assistance Act, which was a product of the legitimate aspirations and a recognition of the inherent authority of Indian nations, was and is a crucial positive step toward tribal and community control and that the United States has an obligation to assure maximum Indian participation in the direction of educational services so as to render the persons administering such services and the services themselves more responsive to the needs and desires of Indian communities.

“(b) **COMMITMENT.**—Congress declares its commitment to the maintenance of the Federal Government’s unique and continuing trust relationship with and responsibility to the Indian people for the education of Indian children through the establishment of a meaningful Indian self-determination policy for education that will deter further perpetuation of Federal bureaucratic domination of programs.

“(c) **NATIONAL GOAL.**—Congress declares that a national goal of the United States is to provide the resources, processes, and structure that will enable tribes and local communities to obtain the quantity and quality of educational services and opportunities that will permit Indian children—

“(1) to compete and excel in areas of their choice; and

“(2) to achieve the measure of self-determination essential to their social and economic well-being.

“(d) **EDUCATIONAL NEEDS.**—Congress affirms—

“(1) true self-determination in any society of people is dependent upon an educational process that will ensure the development of qualified people to fulfill meaningful leadership roles;

“(2) that Indian people have special and unique educational needs, including the need for programs to meet the linguistic and cultural aspirations of Indian tribes and communities; and

“(3) that those needs may best be met through a grant process.

“(e) **FEDERAL RELATIONS.**—Congress declares a commitment to the policies described in this section and support, to the full extent of congressional responsibility, for Federal relations with the Indian nations.

“(f) **TERMINATION.**—Congress repudiates and rejects House Concurrent Resolution 108 of the 83d Congress and any policy of unilateral termination of Federal relations with any Indian nation.

25 USC 2502.

“SEC. 5203. GRANTS AUTHORIZED.

“(a) **IN GENERAL.**—

“(1) **ELIGIBILITY.**—The Secretary shall provide grants to Indian tribes, and tribal organizations that—

“(A) operate contract schools under title XI of the Education Amendments of 1978 and notify the Secretary of their election to operate the schools with assistance under this part rather than continuing the schools as contract schools;

“(B) operate other tribally controlled schools eligible for assistance under this part and submit applications (which are approved by their tribal governing bodies) to the Secretary for such grants; or

“(C) elect to assume operation of Bureau-funded schools with the assistance under this part and submit applications

PUBLIC LAW 107-110—JAN. 8, 2002

(which are approved by their tribal governing bodies) to the Secretary for such grants.

“(2) DEPOSIT OF FUNDS.—Grants provided under this part shall be deposited into the general operating fund of the tribally controlled school with respect to which the grant is made.

“(3) USE OF FUNDS.—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, grants provided under this part shall be used to defray, at the discretion of the school board of the tribally controlled school with respect to which the grant is provided, any expenditures for education related activities for which any funds that compose the grant may be used under the laws described in section 5205(a), including expenditures for—

“(i) school operations, academic, educational, residential, guidance and counseling, and administrative purposes; and

“(ii) support services for the school, including transportation.

“(B) EXCEPTION.—Grants provided under this part may, at the discretion of the school board of the tribally controlled school with respect to which such grant is provided, be used to defray operations and maintenance expenditures for the school if any funds for the operation and maintenance of the school are allocated to the school under the provisions of any of the laws described in section 5205(a).

“(b) LIMITATIONS.—

“(1) ONE GRANT PER TRIBE OR ORGANIZATION PER FISCAL YEAR.—Not more than one grant may be provided under this part with respect to any Indian tribe or tribal organization for any fiscal year.

“(2) NONSECTARIAN USE.—Funds provided under any grant made under this part may not be used in connection with religious worship or sectarian instruction.

“(3) ADMINISTRATIVE COSTS LIMITATION.—Funds provided under any grant under this part may not be expended for administrative costs (as defined in section 1128(h)(1) of the Education Amendments of 1978) in excess of the amount generated for such costs under section 1128 of such Act.

“(c) LIMITATION ON TRANSFER OF FUNDS AMONG SCHOOL SITES.—

“(1) IN GENERAL.—In the case of a grantee that operates schools at more than one school site, the grantee may expend at any school site operated by the grantee not more than the lesser of—

“(A) 10 percent of the funds allocated for another school site under section 1128 of the Education Amendments of 1978; or

“(B) \$400,000 of the funds allocated for another school site.

“(2) DEFINITION OF SCHOOL SITE.—For purposes of this subsection, the term ‘school site’ means the physical location and the facilities of an elementary or secondary educational or residential program operated by, or under contract or grant with, the Bureau for which a discreet student count is identified under the funding formula established under section 1127 of the Education Amendments of 1978.

“(d) NO REQUIREMENT TO ACCEPT GRANTS.—Nothing in this part may be construed—

“(1) to require a tribe or tribal organization to apply for or accept; or

“(2) to allow any person to coerce any tribe or tribal organization to apply for, or accept,

PUBLIC LAW 107-110—JAN. 8, 2002

a grant under this part to plan, conduct, and administer all of, or any portion of, any Bureau program. Such applications and the timing of such applications shall be strictly voluntary. Nothing in this part may be construed as allowing or requiring any grant with any entity other than the entity to which the grant is provided.

“(e) NO EFFECT ON FEDERAL RESPONSIBILITY.—Grants provided under this part shall not terminate, modify, suspend, or reduce the responsibility of the Federal Government to provide a program.

“(f) RETROCESSION.—

“(1) IN GENERAL.—Whenever a tribal governing body requests retrocession of any program for which assistance is provided under this part, such retrocession shall become effective upon a date specified by the Secretary that is not later than 120 days after the date on which the tribal governing body requests the retrocession. A later date may be specified if mutually agreed upon by the Secretary and the tribal governing body. If such a program is retroceded, the Secretary shall provide to any Indian tribe served by such program at least the same quantity and quality of services that would have been provided under such program at the level of funding provided under this part prior to the retrocession.

“(2) STATUS AFTER RETROCESSION.—The tribe requesting retrocession shall specify whether the retrocession is to status as a Bureau-operated school or as a school operated under contract under the Indian Self-Determination and Education Assistance Act.

“(3) TRANSFER OF EQUIPMENT AND MATERIALS.—Except as otherwise determined by the Secretary, the tribe or tribal organization operating the program to be retroceded must transfer to the Secretary (or to the tribe or tribal organization which will operate the program as a contract school) the existing equipment and materials which were acquired—

“(A) with assistance under this part; or

“(B) upon assumption of operation of the program under this part, if the school was a Bureau-funded school under title XI of the Education Amendments of 1978 before receiving assistance under this part.

“(g) PROHIBITION OF TERMINATION FOR ADMINISTRATIVE CONVENIENCE.—Grants provided under this part may not be terminated, modified, suspended, or reduced solely for the convenience of the administering agency.

25 USC 2503.

“**SEC. 5204. COMPOSITION OF GRANTS.**

“(a) IN GENERAL.—The grant provided under this part to an Indian tribe or tribal organization for any fiscal year shall consist of—

“(1) the total amount of funds allocated for such fiscal year under sections 1127 and 1128 of the Education Amendments of 1978 with respect to the tribally controlled schools eligible for assistance under this part which are operated by such Indian tribe or tribal organization, including, but not limited to, funds provided under such sections, or under any other provision of law, for transportation costs;

“(2) to the extent requested by such Indian tribe or tribal organization, the total amount of funds provided from operations and maintenance accounts and, notwithstanding section 105 of the Indian Self-Determination Act, or any other provision of law, other facilities accounts for such schools for such fiscal year (including but not limited to those referenced under section 1126(d) of the Education Amendments of 1978 or any other law); and

“(3) the total amount of funds that are allocated to such schools for such fiscal year under—

“(A) title I of the Elementary and Secondary Education Act of 1965;

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) the Individuals with Disabilities Education Act;
and

“(C) any other Federal education law, that are allocated to such schools for such fiscal year.

“(b) SPECIAL RULES.—

“(1) IN GENERAL.—

“(A) APPLICABILITY OF CERTAIN LAWS.—Funds allocated to a tribally controlled school by reason of paragraph (1) or (2) of subsection (a) shall be subject to the provisions of this part and shall not be subject to any additional restriction, priority, or limitation that is imposed by the Bureau with respect to funds provided under—

“(i) title I of the Elementary and Secondary Education Act of 1965;

“(ii) the Individuals with Disabilities Education Act; or

“(iii) any Federal education law other than title XI of the Education Amendments of 1978.

“(B) APPLICABILITY OF BUREAU PROVISIONS.—Indian tribes and tribal organizations to which grants are provided under this part, and tribally controlled schools for which such grants are provided, shall not be subject to any requirements, obligations, restrictions, or limitations imposed by the Bureau that would otherwise apply solely by reason of the receipt of funds provided under any law referred to in clause (i), (ii), or (iii) of subparagraph (A).

“(2) SCHOOLS CONSIDERED CONTRACT SCHOOLS.—Tribally controlled schools for which grants are provided under this part shall be treated as contract schools for the purposes of allocation of funds under sections 1126(e), 1127, and 1128 of the Education Amendments of 1978.

“(3) SCHOOLS CONSIDERED BUREAU SCHOOLS.—Tribally controlled schools for which grants are provided under this chapter shall be treated as Bureau schools for the purposes of allocation of funds provided under—

“(A) title I of the Elementary and Secondary Education Act of 1965;

“(B) the Individuals with Disabilities Education Act;
and

“(C) any other Federal education law, that are distributed through the Bureau.

“(4) ACCOUNTS; USE OF CERTAIN FUNDS.—

“(A) SEPARATE ACCOUNT.—

“(i) IN GENERAL.—Notwithstanding section 5204(a)(2), with respect to funds from facilities improvement and repair, alteration and renovation (major or minor), health and safety, or new construction accounts included in the grant provided under section 5204(a), the grant recipient shall maintain a separate account for such funds.

“(ii) SUBMISSION OF ACCOUNTING.—At the end of the period designated for the work covered by the funds received, the grant recipient shall submit to the Secretary a separate accounting of the work done and the funds expended.

“(iii) USE OF FUNDS.—Funds received from those accounts may only be used for the purpose for which the funds were appropriated and for the work encompassed by the application or submission for which the funds were received.

“(iv) COMPLETION OF PROJECT.—Upon completion of a project for which a separate account is established under this paragraph, the portion of the grant related to such project may be closed out upon agreement by the grantee and the Secretary.

PUBLIC LAW 107-110—JAN. 8, 2002

“(B) REQUIREMENTS FOR PROJECTS.—

“(i) REGULATORY REQUIREMENTS.—With respect to a grant to a tribally controlled school under this part for new construction or facilities improvements and repair in excess of \$100,000, such grant shall be subject to the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in part 12 of title 43, Code of Federal Regulations.

“(ii) EXCEPTION.—Notwithstanding clause (i), grants described in such clause shall not be subject to section 12.61 of title 43, Code of Federal Regulations. The Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed.

“(iii) APPLICATIONS.—In considering applications for a grant described in clause (i), the Secretary shall consider whether the Indian tribe or tribal organization involved would be deficient in ensuring that the construction projects under the proposed grant conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required under section 1124 of the Education Amendments of 1978 (25 U.S.C. 2005(a)) with respect to organizational and financial management capabilities.

“(iv) DISPUTES.—Any disputes between the Secretary and any grantee concerning a grant described in clause (i) shall be subject to the dispute provisions contained in section 5209(e).

“(C) NEW CONSTRUCTION.—Notwithstanding subparagraph (A), a school receiving a grant under this part for facilities improvement and repair may use such grant funds for new construction if the tribal governing body or tribal organization that submits the application for the grant provides funding for the new construction equal to at least 25 percent of the total cost of such new construction.

“(D) PERIOD.—In a case in which the appropriations measure under which the funds described in subparagraph (A) are made available or the application submitted for the funds does not stipulate a period for the work covered by the funds, the Secretary and the grant recipient shall consult and determine such a period prior to the transfer of the funds. A period so determined may be extended upon mutual agreement of the Secretary and the grant recipient.

“(5) ENFORCEMENT OF REQUEST TO INCLUDE FUNDS.—

“(A) IN GENERAL.—If the Secretary fails to carry out a request filed by an Indian tribe or tribal organization to include in such tribe or organization’s grant under this part the funds described in subsection (a)(2) within 180 days after the filing of the request, the Secretary shall—

“(i) be deemed to have approved such request; and

“(ii) immediately upon the expiration of such 180-day period amend the grant accordingly.

“(B) RIGHTS.—A tribe or organization described in subparagraph (A) may enforce its rights under subsection (a)(2) and this paragraph, including rights relating to any denial or failure to act on such tribe’s or organization’s request, pursuant to the dispute authority described in section 5209(e).

25 USC 2504.

“SEC. 5205. ELIGIBILITY FOR GRANTS.

“(a) RULES.—

“(1) IN GENERAL.—A tribally controlled school is eligible for assistance under this part if the school—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) on April 28, 1988, was a contract school under title XI of the Education Amendments of 1978 and the tribe or tribal organization operating the school submits to the Secretary a written notice of election to receive a grant under this part;

“(B) was a Bureau-operated school under title XI of the Education Amendments of 1978 and has met the requirements of subsection (b);

“(C) is a school for which the Bureau has not provided funds, but which has met the requirements of subsection (c); or

“(D) is a school with respect to which an election has been made under paragraph (2) and which has met the requirements of subsection (b).

“(2) NEW SCHOOLS.—Any application which has been submitted under the Indian Self-Determination and Education Assistance Act by an Indian tribe for a school which is not in operation on the date of enactment of the Native American Education Improvement Act of 2001 shall be reviewed under the guidelines and regulations for applications submitted under the Indian Self-Determination and Education Assistance Act that were in effect at the time the application was submitted, unless the Indian tribe or tribal organization elects to have the application reviewed under the provisions of subsection (b).

“(b) ADDITIONAL REQUIREMENTS FOR BUREAU-FUNDED SCHOOLS AND CERTAIN ELECTING SCHOOLS.—

“(1) BUREAU-FUNDED SCHOOLS.—A school that was a Bureau-funded school under title XI of the Education Amendments of 1978 on the date of enactment of the Native American Education Improvement Act of 2001 and any school with respect to which an election is made under subsection (a)(2), meets the requirements of this subsection if—

“(A) the Indian tribe or tribal organization that operates, or desires to operate, the school submits to the Secretary an application requesting that the Secretary—

“(i) transfer operation of the school to the Indian tribe or tribal organization, if the Indian tribe or tribal organization is not already operating the school; and

“(ii) make a determination as to whether the school is eligible for assistance under this part; and

“(B) the Secretary makes a determination that the school is eligible for assistance under this part.

“(2) CERTAIN ELECTING SCHOOLS.—

“(A) IN GENERAL.—By not later than the date that is 120 days after the date on which an application is submitted to the Secretary under paragraph (1)(A), the Secretary shall determine—

“(i) in the case of a school which is not being operated by the Indian tribe or tribal organization, whether to transfer operation of the school to the Indian tribe or tribal organization; and

“(ii) whether the school is eligible for assistance under this part.

“(B) OTHER DETERMINATIONS.—In considering applications submitted under paragraph (1)(A), the Secretary—

“(i) shall transfer operation of the school to the Indian tribe or tribal organization, if the tribe or tribal organization is not already operating the school; and

“(ii) shall determine that the school is eligible for assistance under this part, unless the Secretary finds by clear and convincing evidence that the services to be provided by the Indian tribe or tribal organization will be deleterious to the welfare of the Indians served by the school.

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) CONSIDERATIONS.—In considering applications submitted under paragraph (1)(A), the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in operating the school with respect to—

- “(i) equipment;
- “(ii) bookkeeping and accounting procedures;
- “(iii) ability to adequately manage a school; or
- “(iv) adequately trained personnel.

“(c) ADDITIONAL REQUIREMENTS FOR A SCHOOL WHICH IS NOT A BUREAU-FUNDED SCHOOL.—

“(1) IN GENERAL.—A school which is not a Bureau-funded school under title XI of the Education Amendments of 1978 meets the requirements of this subsection if—

“(A) the Indian tribe or tribal organization that operates, or desires to operate, the school submits to the Secretary an application requesting a determination by the Secretary as to whether the school is eligible for assistance under this part; and

“(B) the Secretary makes a determination that a school is eligible for assistance under this part.

“(2) DEADLINE FOR DETERMINATION BY SECRETARY.—

“(A) IN GENERAL.—By not later than the date that is 180 days after the date on which an application is submitted to the Secretary under paragraph (1)(A), the Secretary shall determine whether the school is eligible for assistance under this part.

“(B) CONSIDERATIONS.—In making the determination under subparagraph (A), the Secretary shall give equal consideration to each of the following factors:

“(i) With respect to the applicant’s proposal—

“(I) the adequacy of facilities or the potential to obtain or provide adequate facilities;

“(II) geographic and demographic factors in the affected areas;

“(III) adequacy of the applicant’s program plans;

“(IV) geographic proximity of comparable public education; and

“(V) the needs as expressed by all affected parties, including but not limited to students, families, tribal governments at both the central and local levels, and school organizations.

“(ii) With respect to all education services already available—

“(I) geographic and demographic factors in the affected areas;

“(II) adequacy and comparability of programs already available;

“(III) consistency of available programs with tribal education codes or tribal legislation on education; and

“(IV) the history and success of these services for the proposed population to be served, as determined from all factors including, if relevant, standardized examination performance.

“(C) GEOGRAPHIC PROXIMITY.—The Secretary may not make a determination under this paragraph that is primarily based upon the geographic proximity of comparable public education.

“(D) OTHER INFORMATION.—Applications submitted under paragraph (1)(A) shall include information on the factors described in subparagraph (B)(i), but the applicant may also provide the Secretary such information relative to the factors described in subparagraph (B)(ii) as the applicant considers appropriate.

PUBLIC LAW 107-110—JAN. 8, 2002

“(E) DEADLINE.—If the Secretary fails to make a determination under subparagraph (A) with respect to an application within 180 days after the date on which the Secretary received the application, the Secretary shall be treated as having made a determination that the tribally controlled school is eligible for assistance under the title and the grant shall become effective 18 months after the date on which the Secretary received the application, or on an earlier date, at the Secretary’s discretion.

“(d) FILING OF APPLICATIONS AND REPORTS.—

“(1) IN GENERAL.—All applications and reports submitted to the Secretary under this part, and any amendments to such applications or reports, shall be filed with the education line officer designated by the Director of the Office of Indian Education Programs of the Bureau of Indian Affairs. The date on which such filing occurs shall, for purposes of this part, be treated as the date on which the application or amendment was submitted to the Secretary.

“(2) SUPPORTING DOCUMENTATION.—Any application that is submitted under this chapter shall be accompanied by a document indicating the action taken by the tribal governing body in authorizing such application.

“(e) EFFECTIVE DATE FOR APPROVED APPLICATIONS.—Except as provided by subsection (c)(2)(E), a grant provided under this part, and any transfer of the operation of a Bureau school made under subsection (b), shall become effective beginning the academic year succeeding the fiscal year in which the application for the grant or transfer is made, or at an earlier date determined by the Secretary.

“(f) DENIAL OF APPLICATIONS.—

“(1) IN GENERAL.—Whenever the Secretary refuses to approve a grant under this chapter, to transfer operation of a Bureau school under subsection (b), or determines that a school is not eligible for assistance under this part, the Secretary shall—

“(A) state the objections in writing to the tribe or tribal organization within the allotted time;

“(B) provide assistance to the tribe or tribal organization to overcome all stated objections;

“(C) at the request of the tribe or tribal organization, provide the tribe or tribal organization a hearing on the record under the same rules and regulations that apply under the Indian Self-Determination and Education Assistance Act; and

“(D) provide an opportunity to appeal the objection raised.

“(2) TIMELINE FOR RECONSIDERATION OF AMENDED APPLICATIONS.—The Secretary shall reconsider any amended application submitted under this part within 60 days after the amended application is submitted to the Secretary.

“(g) REPORT.—The Bureau shall submit an annual report to the Congress on all applications received, and actions taken (including the costs associated with such actions), under this section at the same time that the President is required to submit to Congress the budget under section 1105 of title 31, United States Code.

“SEC. 5206. DURATION OF ELIGIBILITY DETERMINATION.

25 USC 2505.

“(a) IN GENERAL.—If the Secretary determines that a tribally controlled school is eligible for assistance under this part, the eligibility determination shall remain in effect until the determination is revoked by the Secretary, and the requirements of subsection (b) or (c) of section 5205, if applicable, shall be considered to have been met with respect to such school until the eligibility determination is revoked by the Secretary.

“(b) ANNUAL REPORTS.—

PUBLIC LAW 107-110—JAN. 8, 2002

“(1) IN GENERAL.—Each recipient of a grant provided under this part shall complete an annual report which shall be limited to—

“(A) an annual financial statement reporting revenue and expenditures as defined by the cost accounting established by the grantee;

“(B) an annual financial audit conducted pursuant to the standards of the Single Audit Act of 1984;

“(C) a biennial compliance audit of the procurement of personal property during the period for which the report is being prepared that shall be in compliance with written procurement standards that are developed by the local school board;

“(D) an annual submission to the Secretary of the number of students served and a brief description of programs offered under the grant; and

“(E) a program evaluation conducted by an impartial evaluation review team, to be based on the standards established for purposes of subsection (c)(1)(A)(ii).

“(2) EVALUATION REVIEW TEAMS.—Where appropriate, other tribally controlled schools and representatives of tribally controlled community colleges shall make up members of the evaluation review teams.

“(3) EVALUATIONS.—In the case of a school which is accredited, evaluations will be conducted at intervals under the terms of accreditation.

“(4) SUBMISSION OF REPORT.—

“(A) TO TRIBAL GOVERNING BODY.—Upon completion of the report required under paragraph (1), the recipient of the grant shall send (via first class mail, return receipt requested) a copy of such annual report to the tribal governing body (as defined in section 1132(f) of the Education Amendments of 1978) of the tribally controlled school.

“(B) TO SECRETARY.—Not later than 30 days after receiving written confirmation that the tribal governing body has received the report sent pursuant to subparagraph (A), the recipient of the grant shall send a copy of the report to the Secretary.

“(c) REVOCATION OF ELIGIBILITY.—

“(1) DETERMINATION OF ELIGIBILITY FOR ASSISTANCE.—The Secretary shall not revoke a determination that a school is eligible for assistance under this part if—

“(A) the Indian tribe or tribal organization submits the reports required under subsection (b) with respect to the school; and

“(B) at least one of the following clauses applies with respect to the school:

“(i) The school is certified or accredited by a State or regional accrediting association or is a candidate in good standing for such accreditation under the rules of the State or regional accrediting association, showing that credits achieved by the students within the education programs are, or will be, accepted at grade level by a State certified or regionally accredited institution.

“(ii) The Secretary determines that there is a reasonable expectation that the certification or accreditation described in clause (i), or candidacy in good standing for such certification or accreditation, will be achieved by the school within 3 years. The school seeking accreditation shall remain under the standards of the Bureau in effect on the date of enactment of the Native American Education Improvement Act of 2001 until such time as the school is accredited, except that if the Bureau standards are in conflict with the

Deadline.

PUBLIC LAW 107-110—JAN. 8, 2002

standards of the accrediting agency, the standards of such agency shall apply in such case.

“(iii) The school is accredited by a tribal department of education if such accreditation is accepted by a generally recognized regional or State accreditation agency.

“(iv)(I) With respect to a school that lacks accreditation, or that is not a candidate for accreditation, based on circumstances that are not beyond the control of the school board, every 3 years an impartial evaluator agreed upon by the Secretary and the grant recipient conducts evaluations of the school, and the school receives a positive assessment under such evaluations. The evaluations are conducted under standards adopted by a contractor under a contract for the school entered into under the Indian Self-Determination and Education Assistance Act (or revisions of such standards agreed to by the Secretary and the grant recipient) prior to the date of enactment of the Native American Education Improvement Act of 2001.

“(II) If the Secretary and a grant recipient other than a tribal governing body fail to agree on such an evaluator, the tribal governing body shall choose the evaluator or perform the evaluation. If the Secretary and a grant recipient that is a tribal governing body fail to agree on such an evaluator, subclause (I) shall not apply.

“(III) A positive assessment by an impartial evaluator under this clause shall not affect the revocation of a determination of eligibility by the Secretary where such revocation is based on circumstances that were within the control of the school board.

“(2) NOTICE REQUIREMENTS FOR REVOCATION.—The Secretary shall not revoke a determination that a school is eligible for assistance under this part, or reassume control of a school that was a Bureau school prior to approval of an application submitted under section 5206(b)(1)(A) until the Secretary—

“(A) provides notice to the tribally controlled school and the tribal governing body (within the meaning of section 1141 of the Education Amendments of 1978) of the tribally controlled school which states—

“(i) the specific deficiencies that led to the revocation or resumption determination; and

“(ii) the actions that are needed to remedy such deficiencies; and

“(B) affords such authority an opportunity to effect the remedial actions.

“(3) TECHNICAL ASSISTANCE.—The Secretary shall provide such technical assistance to enable the school and governing body to carry out such remedial actions.

“(4) HEARING AND APPEAL.—In addition to notice and technical assistance under this subsection, the Secretary shall provide to the school and governing body—

“(A) at the request of the school or governing body, a hearing on the record regarding the revocation or re-assumption determination, to be conducted under the rules and regulations described in section 5206(f)(1)(C); and

“(B) an opportunity to appeal the decision resulting from the hearing.

“(d) APPLICABILITY OF SECTION PURSUANT TO ELECTION UNDER SECTION 5208(b).—With respect to a tribally controlled school that receives assistance under this part pursuant to an election made under section 5208(b)—

“(1) subsection (b) of this section shall apply; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(2) the Secretary may not revoke eligibility for assistance under this part except in conformance with subsection (c) of this section.

25 USC 2506.

“SEC. 5207. PAYMENT OF GRANTS; INVESTMENT OF FUNDS.

“(a) PAYMENTS.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in two payments, of which—

“(A) the first payment shall be made not later than July 1 of each year in an amount equal to 80 percent of the amount which the grantee was entitled to receive during the preceding academic year; and

“(B) the second payment, consisting of the remainder to which the grantee is entitled for the academic year, shall be made not later than December 1 of each year.

Deadline.

“(2) EXCESS FUNDING.—In a case in which the amount provided to a grant recipient under paragraph (1)(A) is in excess of the amount that the recipient is entitled to receive for the academic year involved, the recipient shall return to the Secretary such excess amount not later than 30 days after the final determination that the school was overpaid pursuant to this section. The amount returned to the Secretary under this paragraph shall be distributed equally to all schools in the system.

“(3) NEWLY FUNDED SCHOOLS.—For any school for which no payment under this part was made from Bureau funds in the preceding academic year, full payment of the amount computed for the first academic year of eligibility under this part shall be made not later than December 1 of the academic year.

“(4) LATE FUNDING.—With regard to funds for grantees that become available for obligation on October 1 of the fiscal year for which such funds are appropriated, the Secretary shall make payments to grantees not later than December 1 of the fiscal year.

“(5) APPLICABILITY OF CERTAIN TITLE 31 PROVISIONS.—The provisions of chapter 39 of title 31, United States Code, shall apply to the payments required to be made by paragraphs (1), (3), and (4).

“(6) RESTRICTIONS.—Paragraphs (1), (3), and (4) shall be subject to any restriction on amounts of payments under this part that are imposed by a continuing resolution or other Act appropriating the funds involved.

“(b) INVESTMENT OF FUNDS.—

“(1) TREATMENT OF INTEREST AND INVESTMENT INCOME.—Notwithstanding any other provision of law, any interest or investment income that accrues to any funds provided under this part after such funds are paid to the Indian tribe or tribal organization and before such funds are expended for the purpose for which such funds were provided under this part shall be the property of the Indian tribe or tribal organization and shall not be taken into account by any officer or employee of the Federal Government in determining whether to provide assistance, or the amount of assistance, under any provision of Federal law. Such interest income shall be spent on behalf of the school.

“(2) PERMISSIBLE INVESTMENTS.—Funds provided under this part may be invested by the Indian tribe or tribal organization before such funds are expended for the purposes of this part so long as such funds are—

“(A) invested by the Indian tribe or tribal organization only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Secu-

PUBLIC LAW 107-110—JAN. 8, 2002

rities and Exchange Commission and which only invest in obligations of the United States, or securities that are guaranteed or insured by the United States; or

“(B) deposited only into accounts that are insured by and agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

“(c) RECOVERIES.—For the purposes of underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived, funds received under this part shall not be taken into consideration.

“SEC. 5208. APPLICATION WITH RESPECT TO INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT. 25 USC 2507.

“(a) CERTAIN PROVISIONS TO APPLY TO GRANTS.—The following provisions of the Indian Self-Determination and Education Assistance Act (and any subsequent revisions thereto or renumbering thereof), shall apply to grants provided under this part:

“(1) Section 5(f) (relating to single agency audit).

“(2) Section 6 (relating to criminal activities; penalties).

“(3) Section 7 (relating to wage and labor standards).

“(4) Section 104 (relating to retention of Federal employee coverage).

“(5) Section 105(f) (relating to Federal property).

“(6) Section 105(k) (relating to access to Federal sources of supply).

“(7) Section 105(l) (relating to lease of facility used for administration and delivery of services).

“(8) Section 106(f) (relating to limitation on remedies relating to cost allowances).

“(9) Section 106(j) (relating to use of funds for matching or cost participation requirements).

“(10) Section 106(k) (relating to allowable uses of funds).

“(11) Section 108(c) (Model Agreements provisions (1)(a)(5) (relating to limitations of costs), (1)(a)(7) (relating to records and monitoring), (1)(a)(8) (relating to property), and (a)(1)(9) (relating to availability of funds).

“(12) Section 109 (relating to reassumption).

“(13) Section 111 (relating to sovereign immunity and trusteeship rights unaffected).

“(b) ELECTION FOR GRANT IN LIEU OF CONTRACT.—

“(1) IN GENERAL.—Contractors for activities to which this part applies who have entered into a contract under the Indian Self-Determination and Education Assistance Act that is in effect on the date of enactment of the Native American Education Improvement Act of 2001 may, by giving notice to the Secretary, elect to have the provisions of this part apply to such activity in lieu of such contract.

“(2) EFFECTIVE DATE OF ELECTION.—Any election made under paragraph (1) shall take effect on the first day of July immediately following the date of such election.

“(3) EXCEPTION.—In any case in which the first day of July immediately following the date of an election under paragraph (1) is less than 60 days after such election, such election shall not take effect until the first day of July of year following the year in which the election is made.

“(c) NO DUPLICATION.—No funds may be provided under any contract entered into under the Indian Self-Determination and Education Assistance Act to pay any expenses incurred in providing any program or services if a grant has been made under this part to pay such expenses.

“(d) TRANSFERS AND CARRYOVERS.—

“(1) BUILDINGS, EQUIPMENT, SUPPLIES, MATERIALS.—A tribe or tribal organization assuming the operation of—

PUBLIC LAW 107-110—JAN. 8, 2002

“(A) a Bureau school with assistance under this part shall be entitled to the transfer or use of buildings, equipment, supplies, and materials to the same extent as if it were contracting under the Indian Self-Determination and Education Assistance Act; or

“(B) a contract school with assistance under this part shall be entitled to the transfer or use of buildings, equipment, supplies, and materials that were used in the operation of the contract school to the same extent as if it were contracting under the Indian Self-Determination and Education Assistance Act.

“(2) FUNDS.—Any tribe or tribal organization which assumes operation of a Bureau school with assistance under this part and any tribe or tribal organization which elects to operate a school with assistance under this part rather than to continue as a contract school shall be entitled to any funds which would carryover from the previous fiscal year as if such school were operated as a contract school.

“(3) FUNDING FOR SCHOOL IMPROVEMENT.—Any tribe or tribal organization that assumes operation of a Bureau school or a contract school with assistance under this part shall be eligible for funding for the improvement, alteration, replacement, and repair of facilities to the same extent as a Bureau school.

“(e) EXCEPTIONS, PROBLEMS, AND DISPUTES.—Any exception or problem cited in an audit conducted pursuant to section 5206(b)(1), any dispute regarding a grant authorized to be made pursuant to this part or any amendment to such grant, and any dispute involving an administrative cost grant under section 1128 of the Education Amendments of 1978 shall be administered under the provisions governing such exceptions, problems, or disputes in the case of contracts under the Indian Self-Determination and Education Assistance Act. The Equal Access to Justice Act shall apply to administrative appeals filed after September 8, 1988, by grantees regarding a grant under this part, including an administrative cost grant.

25 USC 2508.

“SEC. 5209. ROLE OF THE DIRECTOR.

“Applications for grants under this part, and all application modifications, shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Required reports shall be submitted to education personnel under the direction and control of the Director of such Office.

25 USC 2509.

“SEC. 5210. REGULATIONS.

“The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary in this part. For all other matters relating to the details of planning, developing, implementing, and evaluating grants under this part, the Secretary shall not issue regulations.

25 USC 2510.

“SEC. 5211. THE TRIBALLY CONTROLLED GRANT SCHOOL ENDOWMENT PROGRAM.

“(a) IN GENERAL.—

“(1) ESTABLISHMENT.—Each school receiving a grant under this part may establish, at a federally insured financial institution, a trust fund for the purposes of this section.

“(2) DEPOSITS AND USE.—The school may provide—

“(A) for deposit into the trust fund, only funds from non-Federal sources, except that the interest on funds received from grants provided under this part may be used for that purpose;

“(B) for deposit into the trust fund, any earnings on funds deposited in the fund; and

PUBLIC LAW 107-110—JAN. 8, 2002

“(C) for the sole use of the school any noncash, in-kind contributions of real or personal property, which may at any time be used, sold, or otherwise disposed of.

“(b) INTEREST.—Interest from the fund established under subsection (a) may periodically be withdrawn and used, at the discretion of the school, to defray any expenses associated with the operation of the school consistent with the purposes of this Act.

“SEC. 5212. DEFINITIONS.

25 USC 2511.

“In this part:

“(1) BUREAU.—The term ‘Bureau’ means the Bureau of Indian Affairs of the Department of the Interior.

“(2) ELIGIBLE INDIAN STUDENT.—The term ‘eligible Indian student’ has the meaning given such term in section 1127(f) of the Education Amendments of 1978.

“(3) INDIAN.—The term ‘Indian’ means a member of an Indian tribe, and includes individuals who are eligible for membership in a tribe, and the child or grandchild of such an individual.

“(4) INDIAN TRIBE.—The term ‘Indian tribe’ means any Indian tribe, band, nation, or other organized group or community, including an Alaska Native Village Corporation or Regional Corporation (as defined in or established pursuant to the Alaska Native Claims Settlement Act), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

“(5) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State or such combination of school districts or counties as are recognized in a State as an administrative agency for the State’s public elementary schools or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary school or secondary school.

“(6) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior.

“(7) TRIBAL GOVERNING BODY.—The term ‘tribal governing body’ means, with respect to any school that receives assistance under this Act, the recognized governing body of the Indian tribe involved.

“(8) TRIBAL ORGANIZATION.—

“(A) IN GENERAL.—The term ‘tribal organization’ means—

“(i) the recognized governing body of any Indian tribe; or

“(ii) any legally established organization of Indians that—

“(I) is controlled, sanctioned, or chartered by such governing body or is democratically elected by the adult members of the Indian community to be served by such organization; and

“(II) includes the maximum participation of Indians in all phases of the organization’s activities.

“(B) AUTHORIZATION.—In any case in which a grant is provided under this part to an organization to provide services through a tribally controlled school benefiting more than one Indian tribe, the approval of the governing bodies of Indian tribes representing 80 percent of the students

PUBLIC LAW 107-110—JAN. 8, 2002

attending the tribally controlled school shall be considered a sufficient tribal authorization for such grant.

“(9) TRIBALLY CONTROLLED SCHOOL.—The term ‘tribally controlled school’ means a school that—

“(A) is operated by an Indian tribe or a tribal organization, enrolling students in kindergarten through grade 12, including a preschool;

“(B) is not a local educational agency; and

“(C) is not directly administered by the Bureau of Indian Affairs.”.

SEC. 1044. LEASE PAYMENTS BY THE OJIBWA INDIAN SCHOOL.

(a) IN GENERAL.—Notwithstanding the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), or the regulations promulgated under such Act, the Ojibwa Indian School located in Belcourt, North Dakota, may use amounts received under such Act to enter into, and make payments under, a lease described in subsection (b).

(b) LEASE.—A lease described in this subsection is a lease that—

(1) is entered into by the Ojibwa Indian School for the use of facilities owned by St. Ann’s Catholic Church located in Belcourt, North Dakota;

(2) is entered into in the 2001–2002 school year, or any other school year in which the Ojibwa Indian School will use such facilities for school purposes;

(3) requires lease payments in an amount determined appropriate by an independent lease appraiser that is selected by the parties to the lease, except that such amount may not exceed the maximum amount per square foot that is being paid by the Bureau of Indian Affairs for other similarly situated Indian schools under the Indian Self-Determination and Education Assistance Act (Public Law 93–638); and

(4) contains a waiver of the right of St. Ann’s Catholic Church to bring an action against the Ojibwa Indian School, the Turtle Mountain Band of Chippewa, or the Federal Government for the recovery of any amounts remaining unpaid under leases entered into prior to the date of enactment of this Act.

(c) METHOD OF FUNDING.—Amounts shall be made available by the Bureau of Indian Affairs to make lease payments under this section in the same manner as amounts are made available to make payments under leases entered into by Indian schools under the Indian Self-Determination and Education Assistance Act (Public Law 93–638).

(d) OPERATION AND MAINTENANCE FUNDING.—The Bureau of Indian Affairs shall provide funding for the operation and maintenance of the facilities and property used by the Ojibwa Indian School under the lease entered into under subsection (a) so long as such facilities and property are being used by the School for educational purposes.

SEC. 1045. ENROLLMENT AND GENERAL ASSISTANCE PAYMENTS.

Section 5404(a) of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (25 U.S.C. 13d–2(a)) is amended—

(1) by striking the matter preceding paragraph (1) and inserting the following:

“(a) IN GENERAL.—The Secretary of the Interior shall not disqualify from continued receipt of general assistance payments from the Bureau of Indian Affairs an otherwise eligible Indian for whom the Bureau is making or may make general assistance payments (or exclude such an individual from continued consideration in determining the amount of general assistance payments for a household) because the individual is enrolled (and is making satisfactory progress toward completion of a program or training that can

PUBLIC LAW 107-110—JAN. 8, 2002

reasonably be expected to lead to gainful employment) for at least half-time study or training in—”; and

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

“(4) other programs or training approved by the Secretary or by tribal education, employment or training programs.”.

PART E—HIGHER EDUCATION ACT OF 1965

SEC. 1051. PREPARING TOMORROW’S TEACHERS TO USE TECHNOLOGY.

Title II of the Higher Education Act of 1965 (20 U.S.C. 1021 et seq.) is amended—

(1) by striking the title heading and inserting the following:

“TITLE II—TEACHER QUALITY ENHANCEMENT

“PART A—TEACHER QUALITY ENHANCEMENT GRANTS FOR STATES AND PARTNERSHIPS”;

(2) by striking “this title” each place it appears and inserting “this part”; and

(3) by adding at the end the following:

20 USC 1021-1030.

“PART B—PREPARING TOMORROW’S TEACHERS TO USE TECHNOLOGY

“SEC. 221. PURPOSE AND PROGRAM AUTHORITY.

20 USC 1041.

“(a) PURPOSE.—It is the purpose of this part to assist consortia of public and private entities—

“(1) to carry out programs that prepare prospective teachers to use advanced technology to prepare all students to meet challenging State and local academic content and student academic achievement standards; and

“(2) to improve the ability of institutions of higher education to carry out such programs.

“(b) PROGRAM AUTHORITY.—

“(1) IN GENERAL.—The Secretary is authorized to award grants to eligible applicants, or enter into contracts or cooperative agreements with eligible applicants, on a competitive basis in order to pay for the Federal share of the cost of projects to develop or redesign teacher preparation programs to enable prospective teachers to use advanced technology effectively in their classrooms.

Grants.
Contracts.

“(2) PERIOD OF AWARDS.—The Secretary may award grants, or enter into contracts or cooperative agreements, under this part for periods that are not more than 5 years in duration.

“SEC. 222. ELIGIBILITY.

20 USC 1042.

“(a) ELIGIBLE APPLICANTS.—In order to receive a grant or enter into a contract or cooperative agreement under this part, an applicant shall be a consortium that includes the following:

“(1) At least one institution of higher education that awards baccalaureate degrees and prepares teachers for their initial entry into teaching.

“(2) At least one State educational agency or local educational agency.

“(3) One or more of the following entities:

“(A) An institution of higher education (other than the institution described in paragraph (1)).

“(B) A school or department of education at an institution of higher education.

“(C) A school or college of arts and sciences (as defined in section 201(b)) at an institution of higher education.

PUBLIC LAW 107-110—JAN. 8, 2002

“(D) A professional association, foundation, museum, library, for-profit business, public or private nonprofit organization, community-based organization, or other entity, with the capacity to contribute to the technology-related reform of teacher preparation programs.

“(b) APPLICATION REQUIREMENTS.—In order to receive a grant or enter into a contract or cooperative agreement under this part, an eligible applicant shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include the following:

“(1) A description of the proposed project, including how the project would—

“(A) ensure that individuals participating in the project would be prepared to use advanced technology to prepare all students, including groups of students who are underrepresented in technology-related fields and groups of students who are economically disadvantaged, to meet challenging State and local academic content and student academic achievement standards; and

“(B) improve the ability of at least one participating institution of higher education described in section 222(a)(1) to ensure such preparation.

“(2) A demonstration of—

“(A) the commitment, including the financial commitment, of each of the members of the consortium for the proposed project; and

“(B) the active support of the leadership of each organization that is a member of the consortium for the proposed project.

“(3) A description of how each member of the consortium will participate in project activities.

“(4) A description of how the proposed project will be continued after Federal funds are no longer awarded under this part for the project.

“(5) A plan for the evaluation of the project, which shall include benchmarks to monitor progress toward specific project objectives.

“(c) MATCHING REQUIREMENTS.—

“(1) IN GENERAL.—The Federal share of the cost of any project funded under this part shall not exceed 50 percent. Except as provided in paragraph (2), the non-Federal share of the cost of such project may be provided in cash or in kind, fairly evaluated, including services.

“(2) ACQUISITION OF EQUIPMENT.—Not more than 10 percent of the funds awarded for a project under this part may be used to acquire equipment, networking capabilities, or infrastructure, and the non-Federal share of the cost of any such acquisition shall be provided in cash.

20 USC 1043.

“SEC. 223. USE OF FUNDS.

“(a) REQUIRED USES.—A consortium that receives a grant or enters into a contract or cooperative agreement under this part shall use funds made available under this part for—

“(1) a project creating one or more programs that prepare prospective teachers to use advanced technology to prepare all students, including groups of students who are underrepresented in technology-related fields and groups of students who are economically disadvantaged, to meet challenging State and local academic content and student academic achievement standards; and

“(2) evaluating the effectiveness of the project.

“(b) PERMISSIBLE USES.—The consortium may use funds made available under this part for a project, described in the application

PUBLIC LAW 107-110—JAN. 8, 2002

submitted by the consortium under this part, that carries out the purpose of this part, such as the following:

“(1) Developing and implementing high-quality teacher preparation programs that enable educators—

“(A) to learn the full range of resources that can be accessed through the use of technology;

“(B) to integrate a variety of technologies into curricula and instruction in order to expand students’ knowledge;

“(C) to evaluate educational technologies and their potential for use in instruction;

“(D) to help students develop their technical skills; and

“(E) to use technology to collect, manage, and analyze data to improve teaching and decisionmaking.

“(2) Developing alternative teacher development paths that provide elementary schools and secondary schools with well-prepared, technology-proficient educators.

“(3) Developing achievement-based standards and assessments aligned with the standards to measure the capacity of prospective teachers to use technology effectively in their classrooms.

“(4) Providing technical assistance to entities carrying out other teacher preparation programs.

“(5) Developing and disseminating resources and information in order to assist institutions of higher education to prepare teachers to use technology effectively in their classrooms.

“(6) Subject to section 222(c)(2), acquiring technology equipment, networking capabilities, infrastructure, software, and digital curricula to carry out the project.

“SEC. 224. AUTHORIZATION OF APPROPRIATIONS.

20 USC 1044.

“There are authorized to be appropriated to carry out this part such sums as may be necessary for each of fiscal years 2002 and 2003.”

SEC. 1052. CONTINUATION OF AWARDS.

20 USC 6301
note.

Notwithstanding any other provision of this Act or the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), in the case of a person or entity that was awarded a grant, relating to preparing tomorrow’s teachers to use technology, that was made pursuant to section 3122 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6832) prior to the date of enactment of this Act, the Secretary of Education shall continue to provide funds in accordance with the terms of such award until the date on which the award period terminates.

**PART F—GENERAL EDUCATION PROVISIONS
ACT**

**SEC. 1061. STUDENT PRIVACY, PARENTAL ACCESS TO INFORMATION,
AND ADMINISTRATION OF CERTAIN PHYSICAL EXAMINA-
TIONS TO MINORS.**

Section 445(b) of the General Education Provisions Act (20 U.S.C. 1232h(b)) is amended—

(1) by striking paragraphs (1) through (7) and inserting the following new paragraphs:

“(1) political affiliations or beliefs of the student or the student’s parent;

“(2) mental or psychological problems of the student or the student’s family;

“(3) sex behavior or attitudes;

“(4) illegal, anti-social, self-incriminating, or demeaning behavior;

“(5) critical appraisals of other individuals with whom respondents have close family relationships;

PUBLIC LAW 107-110—JAN. 8, 2002

“(6) legally recognized privileged or analogous relationships, such as those of lawyers, physicians, and ministers;

“(7) religious practices, affiliations, or beliefs of the student or student’s parent; or

“(8) income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program),”;

(2) by redesignating subsections (c) through (e) as subsections (d) through (f), respectively; and

(3) by inserting after subsection (b) the following new subsection:

“(c) DEVELOPMENT OF LOCAL POLICIES CONCERNING STUDENT PRIVACY, PARENTAL ACCESS TO INFORMATION, AND ADMINISTRATION OF CERTAIN PHYSICAL EXAMINATIONS TO MINORS.—

“(1) DEVELOPMENT AND ADOPTION OF LOCAL POLICIES.— Except as provided in subsections (a) and (b), a local educational agency that receives funds under any applicable program shall develop and adopt policies, in consultation with parents, regarding the following:

“(A)(i) The right of a parent of a student to inspect, upon the request of the parent, a survey created by a third party before the survey is administered or distributed by a school to a student; and

“(ii) any applicable procedures for granting a request by a parent for reasonable access to such survey within a reasonable period of time after the request is received.

“(B) Arrangements to protect student privacy that are provided by the agency in the event of the administration or distribution of a survey to a student containing one or more of the following items (including the right of a parent of a student to inspect, upon the request of the parent, any survey containing one or more of such items):

“(i) Political affiliations or beliefs of the student or the student’s parent.

“(ii) Mental or psychological problems of the student or the student’s family.

“(iii) Sex behavior or attitudes.

“(iv) Illegal, anti-social, self-incriminating, or demeaning behavior.

“(v) Critical appraisals of other individuals with whom respondents have close family relationships.

“(vi) Legally recognized privileged or analogous relationships, such as those of lawyers, physicians, and ministers.

“(vii) Religious practices, affiliations, or beliefs of the student or the student’s parent.

“(viii) Income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program).

“(C)(i) The right of a parent of a student to inspect, upon the request of the parent, any instructional material used as part of the educational curriculum for the student; and

“(ii) any applicable procedures for granting a request by a parent for reasonable access to instructional material within a reasonable period of time after the request is received.

“(D) The administration of physical examinations or screenings that the school or agency may administer to a student.

“(E) The collection, disclosure, or use of personal information collected from students for the purpose of marketing or for selling that information (or otherwise providing that information to others for that purpose),

PUBLIC LAW 107-110—JAN. 8, 2002

including arrangements to protect student privacy that are provided by the agency in the event of such collection, disclosure, or use.

“(F)(i) The right of a parent of a student to inspect, upon the request of the parent, any instrument used in the collection of personal information under subparagraph (E) before the instrument is administered or distributed to a student; and

“(ii) any applicable procedures for granting a request by a parent for reasonable access to such instrument within a reasonable period of time after the request is received.

“(2) PARENTAL NOTIFICATION.—

“(A) NOTIFICATION OF POLICIES.—The policies developed by a local educational agency under paragraph (1) shall provide for reasonable notice of the adoption or continued use of such policies directly to the parents of students enrolled in schools served by that agency. At a minimum, the agency shall—

“(i) provide such notice at least annually, at the beginning of the school year, and within a reasonable period of time after any substantive change in such policies; and

“(ii) offer an opportunity for the parent (and for purposes of an activity described in subparagraph (C)(i), in the case of a student of an appropriate age, the student) to opt the student out of participation in an activity described in subparagraph (C).

“(B) NOTIFICATION OF SPECIFIC EVENTS.—The local educational agency shall directly notify the parent of a student, at least annually at the beginning of the school year, of the specific or approximate dates during the school year when activities described in subparagraph (C) are scheduled, or expected to be scheduled.

“(C) ACTIVITIES REQUIRING NOTIFICATION.—The following activities require notification under this paragraph:

“(i) Activities involving the collection, disclosure, or use of personal information collected from students for the purpose of marketing or for selling that information (or otherwise providing that information to others for that purpose).

“(ii) The administration of any survey containing one or more items described in clauses (i) through (viii) of paragraph (1)(B).

“(iii) Any nonemergency, invasive physical examination or screening that is—

“(I) required as a condition of attendance;

“(II) administered by the school and scheduled by the school in advance; and

“(III) not necessary to protect the immediate health and safety of the student, or of other students.

“(3) EXISTING POLICIES.—A local educational agency need not develop and adopt new policies if the State educational agency or local educational agency has in place, on the date of enactment of the No Child Left Behind Act of 2001, policies covering the requirements of paragraph (1). The agency shall provide reasonable notice of such existing policies to parents and guardians of students, in accordance with paragraph (2).

“(4) EXCEPTIONS.—

“(A) EDUCATIONAL PRODUCTS OR SERVICES.—Paragraph (1)(E) does not apply to the collection, disclosure, or use of personal information collected from students for the exclusive purpose of developing, evaluating, or providing educational products or services for, or to, students or educational institutions, such as the following:

PUBLIC LAW 107-110—JAN. 8, 2002

“(i) College or other postsecondary education recruitment, or military recruitment.

“(ii) Book clubs, magazines, and programs providing access to low-cost literary products.

“(iii) Curriculum and instructional materials used by elementary schools and secondary schools.

“(iv) Tests and assessments used by elementary schools and secondary schools to provide cognitive, evaluative, diagnostic, clinical, aptitude, or achievement information about students (or to generate other statistically useful data for the purpose of securing such tests and assessments) and the subsequent analysis and public release of the aggregate data from such tests and assessments.

“(v) The sale by students of products or services to raise funds for school-related or education-related activities.

“(vi) Student recognition programs.

“(B) STATE LAW EXCEPTION.—The provisions of this subsection—

“(i) shall not be construed to preempt applicable provisions of State law that require parental notification; and

“(ii) do not apply to any physical examination or screening that is permitted or required by an applicable State law, including physical examinations or screenings that are permitted without parental notification.

“(5) GENERAL PROVISIONS.—

“(A) RULES OF CONSTRUCTION.—

“(i) This section does not supersede section 444.

“(ii) Paragraph (1)(D) does not apply to a survey administered to a student in accordance with the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

“(B) STUDENT RIGHTS.—The rights provided to parents under this section transfer to the student when the student turns 18 years old, or is an emancipated minor (under an applicable State law) at any age.

“(C) INFORMATION ACTIVITIES.—The Secretary shall annually inform each State educational agency and each local educational agency of the educational agency’s obligations under this section and section 444.

“(D) FUNDING.—A State educational agency or local educational agency may use funds provided under part A of title V of the Elementary and Secondary Education Act of 1965 to enhance parental involvement in areas affecting the in-school privacy of students.

“(6) DEFINITIONS.—As used in this subsection:

“(A) INSTRUCTIONAL MATERIAL.—The term ‘instructional material’ means instructional content that is provided to a student, regardless of its format, including printed or representational materials, audio-visual materials, and materials in electronic or digital formats (such as materials accessible through the Internet). The term does not include academic tests or academic assessments.

“(B) INVASIVE PHYSICAL EXAMINATION.—The term ‘invasive physical examination’ means any medical examination that involves the exposure of private body parts, or any act during such examination that includes incision, insertion, or injection into the body, but does not include a hearing, vision, or scoliosis screening.

“(C) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ means an elementary school, secondary school, school district, or local board of education that

PUBLIC LAW 107-110—JAN. 8, 2002

is the recipient of funds under an applicable program, but does not include a postsecondary institution.

“(D) PARENT.—The term ‘parent’ includes a legal guardian or other person standing in loco parentis (such as a grandparent or stepparent with whom the child lives, or a person who is legally responsible for the welfare of the child).

“(E) PERSONAL INFORMATION.—The term ‘personal information’ means individually identifiable information including—

“(i) a student or parent’s first and last name;

“(ii) a home or other physical address (including street name and the name of the city or town);

“(iii) a telephone number; or

“(iv) a Social Security identification number.

“(F) STUDENT.—The term ‘student’ means any elementary school or secondary school student.

“(G) SURVEY.—The term ‘survey’ includes an evaluation.”.

SEC. 1062. TECHNICAL CORRECTIONS.

The General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended as follows:

(1) SECTION 431.—Section 422 (the second place it appears) (20 U.S.C. 1231a), relating to collection and dissemination of information, is redesignated as section 431.

(2) SECTION 441.—Section 3501(c) of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (102 Stat. 357) is amended by striking “through ‘such Act’” and inserting “through ‘Act of 1965’”, effective as of the date of enactment of that law.

(3) SECTION 444.—Section 444 (20 U.S.C. 1232g) is amended—

(A) in subsection (a)(1), by moving subparagraph (B) four ems to the left;

(B) in subsection (b)(1)(J), by moving subparagraph (J)(i) and clause (ii) of subparagraph (J) each two ems to the left;

(C) in the undesignated text following subsection (b)(1)(J)(ii), by striking “clause (E)” and inserting “subparagraph (E)”; and

(D) in subsection (b), by moving paragraph (7)(A) and subparagraph (B) of paragraph (7) each two ems to the left.

(4) SECTION 447.—Section 447(b) (20 U.S.C. 1232j(b)) is amended by striking “et seq.”.

(5) SECTION 475.—Section 475(b)(2) (20 U.S.C. 1235d) is amended by striking “section 4703(3)” and inserting “section 473(3)”.

(6) SECTION 477.—Section 477 (20 U.S.C. 1235f) is amended by striking “section 4702” and inserting “472”.

PART G—MISCELLANEOUS OTHER STATUTES**SEC. 1071. TITLE 5 OF THE UNITED STATES CODE.**

(a) COMPENSATION.—Section 5314 of title 5, United States Code, is amended by adding at the end the following:

“Under Secretary of Education”.

(b) EFFECTIVE DATE.—This section shall take effect on the first day of the first pay period on or after the date of enactment of this Act.

20 USC 1232d.

5 USC 5314 note.

PUBLIC LAW 107-110—JAN. 8, 2002

SEC. 1072. DEPARTMENT OF EDUCATION ORGANIZATION ACT.

(a) **COORDINATOR FOR THE OUTLYING AREAS.**—Title II of the Department of Education Organization Act (20 U.S.C. 3411 et seq.) is amended by adding at the end the following new section:

“COORDINATOR FOR THE OUTLYING AREAS

20 USC 3427.

“SEC. 220. (a) **ESTABLISHMENT.**—The Secretary shall designate an office of the Department to coordinate the activities of the Department as they relate to the outlying areas.

“(b) **APPOINTMENT.**—Not later than 90 days after the date of enactment of the No Child Left Behind Act of 2001, the head of the office designated under subsection (a) shall appoint a coordinator for the outlying areas, who shall be a person with substantial experience in the operation of Federal programs in the outlying areas.

“(c) **DUTIES.**—The coordinator for the outlying areas shall—

“(1) serve as the principal advisor to the Department on Federal matters affecting the outlying areas;

“(2) evaluate, on a periodic basis, the needs of education programs in the outlying areas;

“(3) assist with the coordination of programs that serve the outlying areas; and

“(4) provide guidance to programs within the Department that serve the outlying areas.

“(d) **OUTLYING AREAS DEFINED.**—As used in this section, the term ‘outlying areas’ includes Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Marianas Islands, but does not include the freely associated states of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.”.

20 USC 3420,
3423d, 3473.

(b) **RENAMING OF OFFICE.**—The Department of Education Organization Act (20 U.S.C. 3401 et seq.) is amended by striking “Office of Bilingual Education and Minority Languages Affairs” and “Office of Bilingual Education” each place either such term appears and inserting “Office of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students”.

(c) **CLERICAL AMENDMENTS.**—The Department of Education Organization Act (20 U.S.C. 3401 et seq.) is amended as follows:

(1) **TABLE OF CONTENTS.**—The table of contents in section 1 (20 U.S.C. 3401 note) is amended—

(A) by amending the item relating to section 209 to read as follows:

“Sec. 209. Office of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students.”;

(B) by amending the item relating to section 216 to read as follows:

“Sec. 216. Office of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students.”; and

(C) by inserting after the item relating to section 217 the following new items:

“Sec. 218. Office of Educational Technology.

“Sec. 219. Liaison for Proprietary Institutions of Higher Education.

“Sec. 220. Coordinator for the Outlying Areas.”.

(2) **SECTION HEADINGS.**—

(A) **SECTION 209.**—The section heading for section 209 of the Department of Education Organization Act (20 U.S.C. 3420) is amended to read as follows:

PUBLIC LAW 107-110—JAN. 8, 2002

“OFFICE OF ENGLISH LANGUAGE ACQUISITION, LANGUAGE ENHANCEMENT, AND ACADEMIC ACHIEVEMENT FOR LIMITED ENGLISH PROFICIENT STUDENTS”.

(B) SECTION 216.—The section heading for section 216 of the Department of Education Organization Act (20 U.S.C. 3423d) is amended to read as follows:

“SEC. 216. OFFICE OF ENGLISH LANGUAGE ACQUISITION, LANGUAGE ENHANCEMENT, AND ACADEMIC ACHIEVEMENT FOR LIMITED ENGLISH PROFICIENT STUDENTS.”

(d) CONFORMING AMENDMENTS.—Sections 209 and 216 of the Department of Education Organization Act (20 U.S.C. 3420, 3423d) are amended by striking “Director of Bilingual Education and Minority Languages Affairs” each place such term appears and inserting “Director of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students”.

(e) TECHNICAL CORRECTIONS.—

(2) SECTION 202.—Paragraph (3) of section 202(b) (20 U.S.C. 3412(b)(3)), relating to the Assistant Secretary for Educational Research and Improvement (as added by section 913(2) of the Goals 2000: Educate America Act (108 Stat. 223)), is redesignated as paragraph (4).

(3) SECTION 218.—Section 216 (the second place it appears) (20 U.S.C. 3425), relating to the Office of Educational Technology (as added by section 233(a) of the Goals 2000: Educate America Act (108 Stat. 154)), is redesignated as section 218.

SEC. 1073. EDUCATION FLEXIBILITY PARTNERSHIP ACT OF 1999.

Section 4(b) of the Education Flexibility Partnership Act of 1999 (20 U.S.C. 5891b(b)) is amended to read as follows:

“(b) INCLUDED PROGRAMS.—The statutory or regulatory requirements referred to in subsection (a)(1)(A) are any such requirements for programs that are authorized under the following provisions and under which the Secretary provides funds to State educational agencies on the basis of a formula:

“(1) The following provisions of the Elementary and Secondary Education Act of 1965:

“(A) Part A (other than sections 1111 and 1116), subpart 3 of part B, and parts C, D, and F of title I.

“(B) Subparts 2 and 3 of part A of title II.

“(C) Subpart 1 of part D of title II.

“(D) Subpart 4 of part B of title III, if the funding trigger in section 3001 of such Act is not reached.

“(E) Subpart 1 of part A of title IV.

“(F) Part A of title V.

“(2) The Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).”.

SEC. 1074. EDUCATIONAL RESEARCH, DEVELOPMENT, DISSEMINATION, AND IMPROVEMENT ACT OF 1994.

The Educational Research, Development, Dissemination, and Improvement Act of 1994 (20 U.S.C. 6001 et seq.) is amended by adding after part I the following new part:

“PART J—CERTAIN MULTIYEAR GRANTS AND CONTRACTS

“SEC. 995. CONTINUATION OF AWARDS.

20 USC 6052.

“(a) IN GENERAL.—Notwithstanding any other provision of law, from funds appropriated under subsection (b), the Secretary—

“(1) shall continue to fund any multiyear grant or contract awarded under section 3141 and parts A and C of title XIII of the Elementary and Secondary Education Act of 1965 (as

PUBLIC LAW 107-110—JAN. 8, 2002

such provisions were in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001), for the duration of that multiyear award in accordance with its terms; and

“(2) may extend, on a year-to-year basis, any multiyear grant or contract awarded under an authority described in paragraph (1) that expires after the enactment of the No Child Left Behind Act of 2001, but before the enactment of successor authority to this Act.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out subsection (a).”.

SEC. 1075. NATIONAL CHILD PROTECTION ACT OF 1993.

Section 5(9) of the National Child Protection Act of 1993 (42 U.S.C. 5119c(9)) is amended—

(1) in subparagraph (A)(i), by inserting “(including an individual who is employed by a school in any capacity, including as a child care provider, a teacher, or another member of school personnel)” before the semicolon at the end; and

(2) in subparagraph (B)(i), by inserting “(including an individual who seeks to be employed by a school in any capacity, including as a child care provider, a teacher, or another member of school personnel)” before the semicolon at the end.

SEC. 1076. TECHNICAL AND CONFORMING AMENDMENTS.

(a) LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997.—Section 5(d)(1) of the Legislative Branch Appropriations Act, 1997 (2 U.S.C. 117b-2(d)(1)) is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(b) LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1987.—Section 104(3)(B)(ii) of the Legislative Branch Appropriations Act, 1987 (as incorporated by reference in section 101(j) of Public Law 99-500 and Public Law 99-591) (2 U.S.C. 117e(3)(B)(ii)) is amended by striking “14101” and inserting “9101”.

(c) NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977.—Section 1417(j)(1)(B) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(j)(1)(B)) is amended—

(1) by striking “14101(25)” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801(25))”.

(d) REFUGEE EDUCATION ASSISTANCE ACT OF 1980.—Section 101(1) of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is amended by striking “14101” and inserting “9101”.

(e) TITLE 10, UNITED STATES CODE.—Section 2194(e)(2) of title 10, United States Code, is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(f) TOXIC SUBSTANCES CONTROL ACT.—

(1) ASBESTOS.—Paragraphs (7), (9) and (12) of section 202 of the Toxic Substances Control Act (15 U.S.C. 2642) are amended by striking “14101” and inserting “9101”.

(2) RADON.—Section 302(1)(A) of the Toxic Substances Control Act (15 U.S.C. 2662(1)(A)) is amended by striking “14101” and inserting “9101”.

(g) HIGHER EDUCATION ACT OF 1965.—Paragraphs (4), (5), (6), (10), and (14) of section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003) are amended by striking “14101” and inserting “9101”.

(h) GENERAL EDUCATION PROVISIONS ACT.—Section 425(6) of the General Education Provisions Act (20 U.S.C. 1226c(6)) is amended by striking “14701” and inserting “9601”.

PUBLIC LAW 107-110—JAN. 8, 2002

(i) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Section 613(f) of the Individuals with Disabilities Education Act (20 U.S.C. 1413(f)) is amended by striking paragraph (3).

(j) EDUCATION AMENDMENTS OF 1972.—Section 908(2)(B) of the Education Amendments of 1972 (20 U.S.C. 1687(2)(B)) is amended by striking “14101” and inserting “9101”.

(k) CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT OF 1998.—Section 3 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2302) is amended—

(1) in paragraph (5)—

(A) by striking “10306” and inserting “5206”; and

(B) by striking “(20 U.S.C. 8066)”;

(2) in paragraph (8), by striking “14101” and inserting “9101”; and

(3) in paragraphs (16) and (21)—

(A) by striking “14101” and inserting “9101”; and

(B) by striking “(20 U.S.C. 8801)”.

(l) EDUCATION FOR ECONOMIC SECURITY ACT.—

(1) ECONOMIC SECURITY.—Section 3(3) of the Education for Economic Security Act (20 U.S.C. 3902) is amended—

(A) in paragraph (3), by striking “198(a)(7)” and inserting “9101”;

(B) in paragraph (7), by striking “198(a)(10)” and inserting “9101”; and

(C) in paragraph (12), by striking “198(a)(17)” and inserting “9101”.

(2) ASBESTOS.—Section 511 of the Education for Economic Security Act (20 U.S.C. 4020) is amended—

(A) in paragraph (4)(A), by striking “198(a)(10)” and inserting “9101”; and

(B) in paragraph (5)(A), by striking “198(a)(7)” and inserting “9101”.

(m) JAMES MADISON MEMORIAL FELLOWSHIP ACT.—Section 815(4) of the James Madison Memorial Fellowship Act (20 U.S.C. 4514(4)) is amended by striking “14101” and inserting “9101”.

(n) NATIONAL ENVIRONMENTAL EDUCATION ACT.—Section 3(5) of the National Environmental Education Act (20 U.S.C. 5502(5)) is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 3381)”.

(o) EDUCATION FLEXIBILITY PARTNERSHIP ACT OF 1999.—Section 3(1) of the Education Flexibility Partnership Act of 1999 (20 U.S.C. 5891a(1)) is amended by striking “14101” and inserting “9101”.

(p) DISTRICT OF COLUMBIA COLLEGE ACCESS ACT OF 1999.—Section 3(c)(5) of the District of Columbia College Access Act of 1999 (Public Law 106-98; 113 Stat. 1323) is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(q) SCHOOL-TO-WORK OPPORTUNITIES ACT OF 1994.—Paragraph (5) of section 502(b) of the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6212(b)(5)) is amended to read as follows:

“(5) parts K through N of the Educational Research, Development, Dissemination, and Improvement Act of 1994; and”.

(r) NATIONAL EDUCATION STATISTICS ACT OF 1994.—Paragraphs (4) and (6) of section 402(c) of the National Education Statistics Act of 1994 (20 U.S.C. 9001(c)) are amended by striking “14101” and inserting “9101”.

(s) ADULT EDUCATION AND FAMILY LITERACY ACT.—Section 203(13) of the Adult Education and Family Literacy Act (20 U.S.C. 9202(13)) is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(t) INTERNAL REVENUE CODE OF 1986.—Section 1397E(d)(4)(B) of the Internal Revenue Code of 1986 is amended by striking “14101” and inserting “9101”.

26 USC 1397E.

PUBLIC LAW 107-110—JAN. 8, 2002

(u) REHABILITATION ACT OF 1973.—

(1) RESEARCH.—Section 202(b)(4)(A)(i) of the Rehabilitation Act of 1973 (29 U.S.C. 762(b)(4)(A)(i)) is amended by striking “14101” and inserting “9101”.

(2) NONDISCRIMINATION.—Section 504(b)(2)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 794(b)(2)(B)) is amended by striking “14101” and inserting “9101”.

(v) FAMILY AND MEDICAL LEAVE ACT OF 1993.—Section 108(a)(1)(A) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2618(a)(1)(A)) is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 2891(12))”.

(w) WORKFORCE INVESTMENT ACT OF 1998.—Paragraphs (23) and (40) of section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801) are amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(x) SAFE DRINKING WATER ACT.—Paragraphs (3)(A) and (6) of section 1461 of the Safe Drinking Water Act (42 U.S.C. 300j-21) are amended by striking “14101” and inserting “9101”.

(y) CIVIL RIGHTS ACT OF 1964.—Section 606(2)(B) of the Civil Rights Act of 1964 (42 U.S.C. 2000d-4a(2)(B)) is amended by striking “14101” and inserting “9101”.

(z) AGE DISCRIMINATION ACT OF 1975.—Section 309(4)(B)(ii) of the Age Discrimination Act of 1975 (42 U.S.C. 6107(4)(B)(ii)) is amended by striking “14101” and inserting “9101”.

(aa) HAZARDOUS AND SOLID WASTE AMENDMENTS OF 1989.—Section 221(f)(3)(B)(i) of the Hazardous and Solid Waste Amendments of 1984 (42 U.S.C. 6921 note) is amended by striking “198(a)(7)” and inserting “9101”.

(bb) ALBERT EINSTEIN DISTINGUISHED EDUCATOR FELLOWSHIP ACT OF 1994.—Paragraphs (1), (2), and (3) of section 514 of the Albert Einstein Distinguished Educator Fellowship Act of 1994 (42 U.S.C. 7382b) are amended by striking “14101” and inserting “9101”.

(cc) EARTHQUAKE HAZARDS.—Section 2(c)(1)(A) of the Act entitled “An Act to authorize appropriations for carrying out the Earthquake Hazards Reduction Act of 1977 for fiscal years 1998 and 1999, and for other purposes”, approved October 1, 1997 (42 U.S.C. 7704 note) is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(dd) STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT.—Paragraphs (6) and (11) of section 670G of the State Dependent Care Development Grants Act (42 U.S.C. 9877) are amended by striking “14101” and inserting “9101”.

(ee) COMMUNITY SERVICES BLOCK GRANT ACT.—Section 682(b)(4) of the Community Services Block Grant Act (42 U.S.C. 9923(b)(4)) is amended—

(1) by striking “14101” and inserting “9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(ff) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Paragraphs (8), (14), (22), and (28) of section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511) are amended by striking “14101” and inserting “9101”.

PUBLIC LAW 107-110—JAN. 8, 2002

(gg) TELECOMMUNICATIONS ACT OF 1996.—Section 706(c)(2) of the Telecommunications Act of 1996 (47 U.S.C. 157 note) is amended—

(1) by striking “paragraphs (14) and (25), respectively, of section 14101” and inserting “section 9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(hh) COMMUNICATIONS ACT OF 1934.—Section 254(h)(7)(A) of the Communications Act of 1934 (47 U.S.C. 254(h)(7)(A)) is amended—

(1) by striking “paragraphs (14) and (25), respectively, of section 14101” and inserting “section 9101”; and

(2) by striking “(20 U.S.C. 8801)”.

(ii) TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY.—Section 4024 of the Transportation Equity Act for the 21st Century (49 U.S.C. 31136 note) is amended by striking “14101” and inserting “9101”.

Approved January 8, 2002.

LEGISLATIVE HISTORY—H.R. 1 (S. 1):

HOUSE REPORTS: Nos. 107-63, Pt. 1 (Comm. on Education and the Workforce) and 107-334 (Comm. of Conference).

SENATE REPORTS: No. 107-7 accompanying S. 1 (Comm. on Health, Education, Labor, and Pensions).

CONGRESSIONAL RECORD, Vol. 147 (2001):

May 17, 22, 23, considered and passed House.

June 14, considered and passed Senate, amended, in lieu of S. 1.

Dec. 13, House agreed to conference report.

Dec. 17, 18, Senate considered and agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 38 (2002):

Jan. 8, Presidential remarks.

FOREIGN AFFAIRS ACTS

PUBLIC LAW 107-26—AUG. 17, 2001

Public Law 107-26
107th Congress

An Act

To reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2004, and for other purposes.

Aug. 17, 2001
[H.R. 2131]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY FOR BENEFITS.

Section 805(a)(2) of the Tropical Forest Conservation Act of 1998 (22 U.S.C. 2431c(a)(2)) is amended by striking “major”.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS TO SUPPORT REDUCTION OF DEBT UNDER THE FOREIGN ASSISTANCE ACT OF 1961 AND TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.

(a) REAUTHORIZATION.—Section 806 of the Tropical Forest Conservation Act of 1998 (22 U.S.C. 2431d) is amended by adding at the end the following new subsection:

“(d) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS AFTER FISCAL YEAR 2001.—For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) for the reduction of any debt pursuant to this section or section 807, there are authorized to be appropriated to the President the following:

“(1) \$50,000,000 for fiscal year 2002.

“(2) \$75,000,000 for fiscal year 2003.

“(3) \$100,000,000 for fiscal year 2004.”.

(b) CONFORMING AMENDMENT.—Section 808(a)(1)(D) of the Tropical Forest Conservation Act of 1998 (22 U.S.C. 2431f(a)(1)(D)) is amended by striking “to appropriated under sections 806(a)(2) and 807(a)(2)” and inserting “to be appropriated under sections 806(a)(2), 807(a)(2), and 806(d)”.

SEC. 3. CHAIRPERSON OF THE ENTERPRISE FOR THE AMERICAS BOARD.

Section 811(b)(2) of the Tropical Forest Conservation Act of 1998 (22 U.S.C. 2431i(b)(2)) is amended by striking “from among the representatives appointed under section 610(b)(1)(A) of such Act or paragraph (1)(A) of this subsection” and inserting “and shall be the representative from the Department of State appointed under section 610(b)(1)(A) of such Act”.

Approved August 17, 2001.

LEGISLATIVE HISTORY—H.R. 2131 (S. 1021):

HOUSE REPORTS: No. 107-119 (Comm. on International Relations).

CONGRESSIONAL RECORD, Vol. 147 (2001):

July 10, considered and passed House.

July 23, considered and passed Senate.

FOREIGN AFFAIRS ACTS

PUBLIC LAW 107-43—SEPT. 28, 2001

Public Law 107-43
107th Congress

An Act

Sept. 28, 2001
[H.R. 2603]

To implement the agreement establishing a United States-Jordan free trade area.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

United States-
Jordan Free
Trade Area
Implementation
Act.
Exports and
imports.
19 USC 2112
note.
19 USC 2112
note.

SECTION 1. SHORT TITLE.

This Act may be cited as the “United States-Jordan Free Trade Area Implementation Act”.

SEC. 2. PURPOSES.

The purposes of this Act are—

- (1) to implement the agreement between the United States and Jordan establishing a free trade area;
- (2) to strengthen and develop the economic relations between the United States and Jordan for their mutual benefit; and
- (3) to establish free trade between the 2 nations through the removal of trade barriers.

19 USC 2112
note.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) **AGREEMENT.**—The term “Agreement” means the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, entered into on October 24, 2000.

(2) **HTS.**—The term “HTS” means the Harmonized Tariff Schedule of the United States.

**TITLE I—TARIFF MODIFICATIONS;
RULES OF ORIGIN**

19 USC 2112
note.

SEC. 101. TARIFF MODIFICATIONS.

(a) **TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.**—The President may proclaim—

- (1) such modifications or continuation of any duty;
- (2) such continuation of duty-free or excise treatment; or
- (3) such additional duties,

as the President determines to be necessary or appropriate to carry out article 2.1 of the Agreement and the schedule of duty reductions with respect to Jordan set out in Annex 2.1 of the Agreement.

(b) **OTHER TARIFF MODIFICATIONS.**—The President may proclaim—

- (1) such modifications or continuation of any duty;
- (2) such continuation of duty-free or excise treatment; or
- (3) such additional duties,

as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Jordan provided for by the Agreement.

19 USC 2112
note.

SEC. 102. RULES OF ORIGIN.

(a) **IN GENERAL.**—

- (1) **ELIGIBLE ARTICLES.**—

PUBLIC LAW 107-43—SEPT. 28, 2001

(A) IN GENERAL.—The reduction or elimination of any duty imposed on any article by the United States provided for in the Agreement shall apply only if—

- (i) that article is imported directly from Jordan into the customs territory of the United States; and
- (ii) that article—

(I) is wholly the growth, product, or manufacture of Jordan; or

(II) is a new or different article of commerce that has been grown, produced, or manufactured in Jordan and meets the requirements of subparagraph (B).

(B) REQUIREMENTS.—

(i) GENERAL RULE.—The requirements of this subparagraph are that with respect to an article described in subparagraph (A)(ii)(II), the sum of—

(I) the cost or value of the materials produced in Jordan, plus

(II) the direct costs of processing operations performed in Jordan,

is not less than 35 percent of the appraised value of such article at the time it is entered.

(ii) MATERIALS PRODUCED IN UNITED STATES.—If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this paragraph applies, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributable to such United States cost or value may be applied toward determining the percentage referred to in clause (i).

(2) EXCLUSIONS.—No article may be considered to meet the requirements of paragraph (1)(A) by virtue of having merely undergone—

(A) simple combining or packaging operations; or

(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(b) DIRECT COSTS OF PROCESSING OPERATIONS.—

(1) IN GENERAL.—As used in this section, the term “direct costs of processing operations” includes, but is not limited to—

(A) all actual labor costs involved in the growth, production, manufacture, or assembly of the specific merchandise, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel; and

(B) dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the specific merchandise.

(2) EXCLUDED COSTS.—The term “direct costs of processing operations” does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as—

(A) profit; and

(B) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen’s salaries, commissions, or expenses.

(c) TEXTILE AND APPAREL ARTICLES.—

(1) IN GENERAL.—A textile or apparel article imported directly from Jordan into the customs territory of the United States shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) only if—

PUBLIC LAW 107-43—SEPT. 28, 2001

(A) the article is wholly obtained or produced in Jordan;
(B) the article is a yarn, thread, twine, cordage, rope, cable, or braiding, and—

(i) the constituent staple fibers are spun in Jordan,
or

(ii) the continuous filament is extruded in Jordan;
(C) the article is a fabric, including a fabric classified under chapter 59 of the HTS, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, entangled, or transformed by any other fabric-making process in Jordan; or

(D) the article is any other textile or apparel article that is wholly assembled in Jordan from its component pieces.

(2) DEFINITION.—For purposes of paragraph (1), an article is “wholly obtained or produced in Jordan” if it is wholly the growth, product, or manufacture of Jordan.

(3) SPECIAL RULES.—

(A) CERTAIN MADE-UP ARTICLES, TEXTILE ARTICLES IN THE PIECE, AND CERTAIN OTHER TEXTILES AND TEXTILE ARTICLES.—Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, subparagraph (A), (B), or (C) of paragraph (1), as appropriate, shall determine whether a good that is classified under one of the following headings or subheadings of the HTS shall be considered to meet the requirements of paragraph (1)(A) of subsection (a): 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6304, 6305, 6306, 6307.10, 6307.90, 6308, and 9404.90.

(B) CERTAIN KNIT-TO-SHAPE TEXTILES AND TEXTILE ARTICLES.—Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a).

(C) CERTAIN DYED AND PRINTED TEXTILES AND TEXTILE ARTICLES.—Notwithstanding paragraph (1)(D), a good classified under heading 6117.10, 6213.00, 6214.00, 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95 of the HTS, except for a good classified under any such heading as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric in the good is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(D) FABRICS OF SILK, COTTON, MANMADE FIBER OR VEGETABLE FIBER.—Notwithstanding paragraph (1)(C), a fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(4) MULTICOUNTRY RULE.—If the origin of a textile or apparel article cannot be determined under paragraph (1) or (3), then that article shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if—

PUBLIC LAW 107-43—SEPT. 28, 2001

(A) the most important assembly or manufacturing process occurs in Jordan; or

(B) if the applicability of paragraph (1)(A) of subsection (a) cannot be determined under subparagraph (A), the last important assembly or manufacturing occurs in Jordan.

(d) EXCLUSION.—A good shall not be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the good—

(1) is imported into Jordan, and, at the time of importation, would be classified under heading 0805 of the HTS; and

(2) is processed in Jordan into a good classified under any of subheadings 2009.11 through 2009.30 of the HTS.

(e) REGULATIONS.—The Secretary of the Treasury, after consultation with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this section.

TITLE II—RELIEF FROM IMPORTS

Subtitle A—General Provisions

SEC. 201. DEFINITIONS.

19 USC 2112
note.

As used in this title:

(1) COMMISSION.—The term “Commission” means the United States International Trade Commission.

(2) JORDANIAN ARTICLE.—The term “Jordanian article” means an article that qualifies for reduction or elimination of a duty under section 102.

Subtitle B—Relief From Imports Benefiting From The Agreement

SEC. 211. COMMENCING OF ACTION FOR RELIEF.

19 USC 2112
note.

(a) FILING OF PETITION.—

(1) IN GENERAL.—A petition requesting action under this subtitle for the purpose of adjusting to the obligations of the United States under the Agreement may be filed with the Commission by an entity, including a trade association, firm, certified or recognized union, or group of workers that is representative of an industry. The Commission shall transmit a copy of any petition filed under this subsection to the United States Trade Representative.

(2) PROVISIONAL RELIEF.—An entity filing a petition under this subsection may request that provisional relief be provided as if the petition had been filed under section 202(a) of the Trade Act of 1974.

(3) CRITICAL CIRCUMSTANCES.—Any allegation that critical circumstances exist shall be included in the petition.

(b) INVESTIGATION AND DETERMINATION.—

(1) IN GENERAL.—Upon the filing of a petition under subsection (a), the Commission, unless subsection (d) applies, shall promptly initiate an investigation to determine whether, as a result of the reduction or elimination of a duty provided for under the Agreement, a Jordanian article is being imported into the United States in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that imports of the Jordanian article alone constitute a substantial cause of serious injury or threat thereof to the domestic industry producing an article that is like, or directly competitive with, the imported article.

(2) CAUSATION.—For purposes of this subtitle, a Jordanian article is being imported into the United States in increased quantities as a result of the reduction or elimination of a

PUBLIC LAW 107-43—SEPT. 28, 2001

duty provided for under the Agreement if the reduction or elimination is a cause that contributes significantly to the increase in imports. Such cause need not be equal to or greater than any other cause.

(c) **APPLICABLE PROVISIONS.**—The following provisions of section 202 of the Trade Act of 1974 (19 U.S.C. 2252) apply with respect to any investigation initiated under subsection (b):

- (1) Paragraphs (1)(B) and (3) of subsection (b).
- (2) Subsection (c).
- (3) Subsection (d).

(d) **ARTICLES EXEMPT FROM INVESTIGATION.**—No investigation may be initiated under this section with respect to any Jordanian article if import relief has been provided under this subtitle with respect to that article.

19 USC 2112
note.
Deadline.

SEC. 212. COMMISSION ACTION ON PETITION.

(a) **DETERMINATION.**—By no later than 120 days (180 days if critical circumstances have been alleged) after the date on which an investigation is initiated under section 211(b) with respect to a petition, the Commission shall make the determination required under that section.

(b) **ADDITIONAL FINDING AND RECOMMENDATION IF DETERMINATION AFFIRMATIVE.**—If the determination made by the Commission under subsection (a) with respect to imports of an article is affirmative, the Commission shall find, and recommend to the President in the report required under subsection (c), the amount of import relief that is necessary to remedy or prevent the injury found by the Commission in the determination and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition. The import relief recommended by the Commission under this subsection shall be limited to that described in section 213(c).

Deadline.

(c) **REPORT TO PRESIDENT.**—No later than the date that is 30 days after the date on which a determination is made under subsection (a) with respect to an investigation, the Commission shall submit to the President a report that shall include—

- (1) a statement of the basis for the determination;
- (2) dissenting and separate views; and
- (3) any finding made under subsection (b) regarding import relief.

Federal Register,
publication.

(d) **PUBLIC NOTICE.**—Upon submitting a report to the President under subsection (c), the Commission shall promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

(e) **APPLICABLE PROVISIONS.**—For purposes of this subtitle, the provisions of paragraphs (1), (2), and (3) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)) shall be applied with respect to determinations and findings made under this section as if such determinations and findings were made under section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

President.
19 USC 2112
note.
Deadline.

SEC. 213. PROVISION OF RELIEF.

(a) **IN GENERAL.**—No later than the date that is 30 days after the date on which the President receives the report of the Commission containing an affirmative determination of the Commission under section 212(a), the President shall provide relief from imports of the article that is the subject of such determination to the extent that the President determines necessary to prevent or remedy the injury found by the Commission and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition, unless the President determines that the provision of such relief is not in the national economic interest of the United States or, in extraordinary circumstances, that the provision of

PUBLIC LAW 107-43—SEPT. 28, 2001

such relief would cause serious harm to the national security of the United States.

(b) NATIONAL ECONOMIC INTEREST.—The President may determine under subsection (a) that providing import relief is not in the national economic interest of the United States only if the President finds that taking such action would have an adverse impact on the United States economy clearly greater than the benefits of taking such action.

(c) NATURE OF RELIEF.—The import relief (including provisional relief) that the President is authorized to provide under this subtitle with respect to imports of an article is—

(1) the suspension of any further reduction provided for under the United States Schedule to Annex 2.1 of the Agreement in the duty imposed on that article;

(2) an increase in the rate of duty imposed on such article to a level that does not exceed the lesser of—

(A) the column 1 general rate of duty imposed under the HTS on like articles at the time the import relief is provided; or

(B) the column 1 general rate of duty imposed under the HTS on like articles on the day before the date on which the Agreement enters into force; or

(3) in the case of a duty applied on a seasonal basis to that article, an increase in the rate of duty imposed on the article to a level that does not exceed the column 1 general rate of duty imposed under the HTS on the article for the corresponding season occurring immediately before the date on which the Agreement enters into force.

(d) PERIOD OF RELIEF.—The import relief that the President is authorized to provide under this section may not exceed 4 years.

(e) RATE AFTER TERMINATION OF IMPORT RELIEF.—When import relief under this subtitle is terminated with respect to an article—

(1) the rate of duty on that article after such termination and on or before December 31 of the year in which termination occurs shall be the rate that, according to the United States Schedule to Annex 2.1 of the Agreement for the staged elimination of the tariff, would have been in effect 1 year after the initiation of the import relief action under section 211; and

(2) the tariff treatment for that article after December 31 of the year in which termination occurs shall be, at the discretion of the President, either—

(A) the rate of duty conforming to the applicable rate set out in the United States Schedule to Annex 2.1; or

(B) the rate of duty resulting from the elimination of the tariff in equal annual stages ending on the date set out in the United States Schedule to Annex 2.1 for the elimination of the tariff.

SEC. 214. TERMINATION OF RELIEF AUTHORITY.

(a) GENERAL RULE.—Except as provided in subsection (b), no import relief may be provided under this subtitle after the date that is 15 years after the date on which the Agreement enters into force.

(b) EXCEPTION.—Import relief may be provided under this subtitle in the case of a Jordanian article after the date on which such relief would, but for this subsection, terminate under subsection (a), but only if the Government of Jordan consents to such provision.

SEC. 215. COMPENSATION AUTHORITY.

For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), any import relief provided by the President under section 213 shall be treated as action taken under chapter 1 of title II of such Act.

19 USC 2112
note.

19 USC 2112
note.

PUBLIC LAW 107-43—SEPT. 28, 2001

19 USC 2112
note.

SEC. 216. SUBMISSION OF PETITIONS.

A petition for import relief may be submitted to the Commission under—

- (1) this subtitle;
- (2) chapter 1 of title II of the Trade Act of 1974; or
- (3) under both this subtitle and such chapter 1 at the same time, in which case the Commission shall consider such petitions jointly.

Subtitle C—Cases Under Title II of The Trade Act of 1974

19 USC 2112
note.

SEC. 221. FINDINGS AND ACTION ON JORDANIAN IMPORTS.

(a) EFFECT OF IMPORTS.—If, in any investigation initiated under chapter 1 of title II of the Trade Act of 1974, the Commission makes an affirmative determination (or a determination which the President may treat as an affirmative determination under such chapter by reason of section 330(d) of the Tariff Act of 1930), the Commission shall also find (and report to the President at the time such injury determination is submitted to the President) whether imports of the article from Jordan are a substantial cause of serious injury or threat thereof.

(b) PRESIDENTIAL ACTION REGARDING JORDANIAN IMPORTS.—In determining the nature and extent of action to be taken under chapter 1 of title II of the Trade Act of 1974, the President shall determine whether imports from Jordan are a substantial cause of the serious injury found by the Commission and, if such determination is in the negative, may exclude from such action imports from Jordan.

19 USC 2112
note.

SEC. 222. TECHNICAL AMENDMENT.

Section 202(a)(8) of the Trade Act of 1974 (19 U.S.C. 2252(a)(8)) is amended in the first sentence—

- (1) by striking “and part 1” and inserting “, part 1”; and
- (2) by inserting before the period at the end “, and title II of the United States-Jordan Free Trade Area Implementation Act”.

TITLE III—TEMPORARY ENTRY

19 USC 2112
note.

SEC. 301. NONIMMIGRANT TRADERS AND INVESTORS.

Upon the basis of reciprocity secured by the Agreement, an alien who is a national of Jordan (and any spouse or child (as defined in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1))) of the alien, if accompanying or following to join the alien) shall be considered as entitled to enter the United States under and in pursuance of the provisions of the Agreement as a nonimmigrant described in section 101(a)(15)(E) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(E)), if the entry is solely for a purpose described in clause (i) or (ii) of such section and the alien is otherwise admissible to the United States as such a nonimmigrant.

TITLE IV—GENERAL PROVISIONS

19 USC 2112
note.

SEC. 401. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES AND STATE LAW.

- (a) RELATIONSHIP OF AGREEMENT TO UNITED STATES LAW.—
- (1) UNITED STATES LAW TO PREVAIL IN CONFLICT.—No provision of the Agreement, nor the application of any such provision

PUBLIC LAW 107-43—SEPT. 28, 2001

to any person or circumstance, that is inconsistent with any law of the United States shall have effect.

(2) CONSTRUCTION.—Nothing in this Act shall be construed—

(A) to amend or modify any law of the United States;

or

(B) to limit any authority conferred under any law of the United States,

unless specifically provided for in this Act.

(b) RELATIONSHIP OF AGREEMENT TO STATE LAW.—

(1) LEGAL CHALLENGE.—No State law, or the application thereof, may be declared invalid as to any person or circumstance on the ground that the provision or application is inconsistent with the Agreement, except in an action brought by the United States for the purpose of declaring such law or application invalid.

(2) DEFINITION OF STATE LAW.—For purposes of this subsection, the term “State law” includes—

(A) any law of a political subdivision of a State; and

(B) any State law regulating or taxing the business of insurance.

(c) EFFECT OF AGREEMENT WITH RESPECT TO PRIVATE REMEDIES.—No person other than the United States—

(1) shall have any cause of action or defense under the Agreement; or

(2) may challenge, in any action brought under any provision of law, any action or inaction by any department, agency, or other instrumentality of the United States, any State, or any political subdivision of a State on the ground that such action or inaction is inconsistent with the Agreement.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year after fiscal year 2001 to the Department of Commerce not more than \$100,000 for the payment of the United States share of the expenses incurred in dispute settlement proceedings under article 17 of the Agreement.

19 USC 2112
note.

SEC. 403. IMPLEMENTING REGULATIONS.

After the date of enactment of this Act—

(1) the President may proclaim such actions; and

(2) other appropriate officers of the United States may issue such regulations,

as may be necessary to ensure that any provision of this Act, or amendment made by this Act, that takes effect on the date the Agreement enters into force is appropriately implemented on such date, but no such proclamation or regulation may have an effective date earlier than the date the Agreement enters into force.

19 USC 2112
note.

PUBLIC LAW 107-43—SEPT. 28, 2001

19 USC 2112
note.

SEC. 404. EFFECTIVE DATES; EFFECT OF TERMINATION.

(a) **EFFECTIVE DATES.**—Except as provided in subsection (b), the provisions of this Act and the amendments made by this Act take effect on the date the Agreement enters into force.

(b) **EXCEPTIONS.**—Sections 1 through 3 and this title take effect on the date of the enactment of this Act.

(c) **TERMINATION OF THE AGREEMENT.**—On the date on which the Agreement ceases to be in force, the provisions of this Act (other than this subsection) and the amendments made by this Act, shall cease to be effective.

Approved September 28, 2001.

LEGISLATIVE HISTORY—H.R. 2603 (S. 643):

HOUSE REPORTS: No. 107-176, Pt. 1 (Comm. on Ways and Means).

SENATE REPORTS: No. 107-59 accompanying S. 643 (Comm. on Finance).

CONGRESSIONAL RECORD, Vol. 147 (2001):

July 31, considered and passed House.

Sept. 24, considered and passed Senate.

FOREIGN AFFAIRS ACTS

PUBLIC LAW 107-57—OCT. 27, 2001

Public Law 107-57
107th Congress

An Act

To authorize the President to exercise waivers of foreign assistance restrictions with respect to Pakistan through September 30, 2003, and for other purposes.

Oct. 27, 2001
[S. 1465]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTIONS AND WAIVER OF APPROPRIATIONS ACT PROHIBITIONS WITH RESPECT TO PAKISTAN.

(a) FISCAL YEAR 2002 AND PRIOR FISCAL YEARS.—

(1) EXEMPTIONS.—Any provision of the foreign operations, export financing, and related programs appropriations Act for fiscal year 2002, or any provision of such Act for a prior fiscal year, that prohibits direct assistance to a country whose duly elected head of government was deposed by decree or military coup shall not apply with respect to Pakistan.

(2) PRIOR CONSULTATION REQUIRED.—Not less than 5 days prior to the obligation of funds for Pakistan under paragraph (1), the President shall consult with the appropriate congressional committees with respect to such obligation.

(b) FISCAL YEAR 2003.—

(1) WAIVER.—The President is authorized to waive, with respect to Pakistan, any provision of the foreign operations, export financing, and related programs appropriations Act for fiscal year 2003 that prohibits direct assistance to a country whose duly elected head of government was deposed by decree or military coup, if the President determines and certifies to the appropriate congressional committees that such waiver—

(A) would facilitate the transition to democratic rule in Pakistan; and

(B) is important to United States efforts to respond to, deter, or prevent acts of international terrorism.

(2) PRIOR CONSULTATION REQUIRED.—Not less than 5 days prior to the exercise of the waiver authority under paragraph (1), the President shall consult with the appropriate congressional committees with respect to such waiver.

SEC. 2. INCREASED FLEXIBILITY IN THE EXERCISE OF WAIVER AUTHORITY OF MTCR AND EXPORT ADMINISTRATION ACT SANCTIONS WITH RESPECT TO PAKISTAN.

Any waiver under 73(e) of the Arms Export Control Act (22 U.S.C. 2797b(e)), or under section 11B(b)(5) of the Export Administration Act of 1979 (50 U.S.C. App. 2410b(b)(5)) (or successor statute), with respect to a sanction that was imposed on foreign persons in Pakistan prior to January 1, 2001, may be exercised—

(1) only after consultation with the appropriate congressional committees; and

(2) without regard to the notification periods set forth in the respective section authorizing the waiver.

SEC. 3. EXEMPTION OF PAKISTAN FROM FOREIGN ASSISTANCE PROHIBITIONS RELATING TO FOREIGN COUNTRY LOAN DEFAULTS.

The following provisions of law shall not apply with respect to Pakistan:

(1) Section 620(q) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(q)).

PUBLIC LAW 107-57—OCT. 27, 2001

(2) Such provision of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002, as is comparable to section 512 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001 (Public Law 106-429; 114 Stat. 1900A-25).

SEC. 4. MODIFICATION OF NOTIFICATION DEADLINES FOR DRAWDOWNS AND TRANSFER OF EXCESS DEFENSE ARTICLES TO RESPOND TO, DETER, OR PREVENT ACTS OF INTERNATIONAL TERRORISM.

(a) **DRAWDOWNS.**—Notwithstanding the second sentence of section 506(b)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(b)(1)), each notification under that section with respect to any drawdown authorized by subclause (III) of subsection (a)(2)(A)(i) that the President determines is important to United States efforts to respond to, deter, or prevent acts of international terrorism shall be made at least 5 days in advance of the drawdown in lieu of the 15-day requirement in that section.

(b) **TRANSFERS OF EXCESS DEFENSE ARTICLES.**—Notwithstanding section 516(f)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(f)(1)), each notification under that section with respect to any transfer of an excess defense article that the President determines is important to United States efforts to respond to, deter, or prevent acts of international terrorism shall be made at least 15 days in advance of the transfer in lieu of the 30-day requirement in that section.

SEC. 5. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this Act, the term “appropriate congressional committees” means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

SEC. 6. TERMINATION DATE.

Except as otherwise provided in section 1 or 3, the provisions of this Act shall terminate on October 1, 2003.

Approved October 27, 2001.

LEGISLATIVE HISTORY—S. 1465:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 4, considered and passed Senate.

Oct. 16, considered and passed House.

FOREIGN AFFAIRS ACTS

PUBLIC LAW 107-81—DEC. 12, 2001

Public Law 107-81
107th Congress

An Act

To authorize the provision of educational and health care assistance to the women
and children of Afghanistan.

Dec. 12, 2001

[S. 1573]

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,***SECTION 1. SHORT TITLE.**This Act may be cited as the “Afghan Women and Children
Relief Act of 2001”.Afghan Women
and Children
Relief Act of
2001.
22 USC 2374
note.**SEC. 2. FINDINGS.**

Congress makes the following findings:

(1) In Afghanistan, Taliban restrictions on women’s participation in society make it nearly impossible for women to exercise their basic human rights. The Taliban restrictions on Afghan women’s freedom of expression, association, and movement deny women full participation in society and, consequently, from effectively securing basic access to work, education, and health care.

(2) Afghanistan has one of the highest infant (165 of 1000) and child (257 of 1000) mortality rates in the world.

(3) Only 5 percent of rural and 39 percent of urban Afghans have access to safe drinking water.

(4) It is estimated that 42 percent of all deaths in Afghanistan are due to diarrheal diseases caused by contaminated food and water.

(5) Over one-third of Afghan children under 5 years of age suffer from malnutrition, 85,000 of whom die annually.

(6) Seventy percent of the health care system in Afghanistan is dependent on foreign assistance.

(7) As of May 1998, only 20 percent of hospital medical and surgical beds dedicated to adults were available for women, and thousands of Afghan women and girls are routinely denied health care.

(8) Women are forbidden to leave their homes without being escorted by a male relative. This prevents many women from seeking basic necessities like health care and food for their children. Doctors, virtually all of whom are male, are also not permitted to provide certain types of care not deemed appropriate by the Taliban.

(9) Before the Taliban took control of Kabul, schools were coeducational, with women accounting for 70 percent of the teaching force. Women represented about 50 percent of the civil service corps, and 40 percent of the city’s physicians were women. Today, the Taliban prohibits women from working as teachers, doctors, and in any other occupation.

(10) The Taliban prohibit girls and women from attending school. In 1998, the Taliban ordered the closing of more than 100 privately funded schools where thousands of young women and girls were receiving education and training in skills that would have helped them support themselves and their families.

(11) Of the many tens of thousands of war widows in Afghanistan, many are forced to beg for food and to sell their possessions because they are not allowed to work.

PUBLIC LAW 107-81—DEC. 12, 2001

(12) Resistance movements courageously continue to educate Afghan girls in secrecy and in foreign countries against Taliban law.

SEC. 3. AUTHORIZATION OF ASSISTANCE.

(a) **IN GENERAL.**—Subject to subsection (b), the President is authorized, on such terms and conditions as the President may determine, to provide educational and health care assistance for the women and children living in Afghanistan and as refugees in neighboring countries.

President.

(b) **IMPLEMENTATION.**—(1) In providing assistance under subsection (a), the President shall ensure that such assistance is provided in a manner that protects and promotes the human rights of all people in Afghanistan, utilizing indigenous institutions and nongovernmental organizations, especially women's organizations, to the extent possible.

Effective date.
Reports.

(2) Beginning 6 months after the date of enactment of this Act, and at least annually for the 2 years thereafter, the Secretary of State shall submit a report to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives describing the activities carried out under this Act and otherwise describing the condition and status of women and children in Afghanistan and the persons in refugee camps while United States aid is given to displaced Afghans.

(c) **AVAILABILITY OF FUNDS.**—Funds made available under the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States (Public Law 107-38), shall be available to carry out this Act.

Approved December 12, 2001.

LEGISLATIVE HISTORY—S. 1573:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Nov. 15, considered and passed Senate.

Nov. 27, considered and passed House.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Dec. 12, Presidential remarks.

FOREIGN AFFAIRS ACTS

PUBLIC LAW 107-99—DEC. 21, 2001

Public Law 107-99
107th Congress

An Act

To provide for a transition to democracy and to promote economic recovery in
Zimbabwe.

Dec. 21, 2001
[S. 494]

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Zimbabwe Democracy and Economic Recovery Act of 2001”.

SEC. 2. STATEMENT OF POLICY.

It is the policy of the United States to support the people of Zimbabwe in their struggle to effect peaceful, democratic change, achieve broad-based and equitable economic growth, and restore the rule of law.

SEC. 3. DEFINITIONS.

In this Act:

(1) **INTERNATIONAL FINANCIAL INSTITUTIONS.**—The term “international financial institutions” means the multilateral development banks and the International Monetary Fund.

(2) **MULTILATERAL DEVELOPMENT BANKS.**—The term “multilateral development banks” means the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, the African Development Fund, the European Bank for Reconstruction and Development, and the Multilateral Investment Guaranty Agency.

SEC. 4. SUPPORT FOR DEMOCRATIC TRANSITION AND ECONOMIC RECOVERY.

(a) **FINDINGS.**—Congress makes the following findings:

(1) Through economic mismanagement, undemocratic practices, and the costly deployment of troops to the Democratic Republic of the Congo, the Government of Zimbabwe has rendered itself ineligible to participate in International Bank for Reconstruction and Development and International Monetary Fund programs, which would otherwise be providing substantial resources to assist in the recovery and modernization of Zimbabwe’s economy. The people of Zimbabwe have thus been denied the economic and democratic benefits envisioned by the donors to such programs, including the United States.

(2) In September 1999 the IMF suspended its support under a “Stand By Arrangement”, approved the previous month, for economic adjustment and reform in Zimbabwe.

(3) In October 1999, the International Development Association (in this section referred to as the “IDA”) suspended all structural adjustment loans, credits, and guarantees to the Government of Zimbabwe.

(4) In May 2000, the IDA suspended all other new lending to the Government of Zimbabwe.

(5) In September 2000, the IDA suspended disbursement of funds for ongoing projects under previously-approved loans, credits, and guarantees to the Government of Zimbabwe.

Zimbabwe
Democracy and
Economic
Recovery Act of
2001.
22 USC 2151
note.

PUBLIC LAW 107-99—DEC. 21, 2001

(b) SUPPORT FOR DEMOCRATIC TRANSITION AND ECONOMIC RECOVERY.—

(1) BILATERAL DEBT RELIEF.—Upon receipt by the appropriate congressional committees of a certification described in subsection (d), the Secretary of the Treasury shall undertake a review of the feasibility of restructuring, rescheduling, or eliminating the sovereign debt of Zimbabwe held by any agency of the United States Government.

(2) MULTILATERAL DEBT RELIEF AND OTHER FINANCIAL ASSISTANCE.—It is the sense of Congress that, upon receipt by the appropriate congressional committees of a certification described in subsection (d), the Secretary of the Treasury should—

(A) direct the United States executive director of each multilateral development bank to propose that the bank should undertake a review of the feasibility of restructuring, rescheduling, or eliminating the sovereign debt of Zimbabwe held by that bank; and

(B) direct the United States executive director of each international financial institution to which the United States is a member to propose to undertake financial and technical support for Zimbabwe, especially support that is intended to promote Zimbabwe's economic recovery and development, the stabilization of the Zimbabwean dollar, and the viability of Zimbabwe's democratic institutions.

(c) MULTILATERAL FINANCING RESTRICTION.—Until the President makes the certification described in subsection (d), and except as may be required to meet basic human needs or for good governance, the Secretary of the Treasury shall instruct the United States executive director to each international financial institution to oppose and vote against—

(1) any extension by the respective institution of any loan, credit, or guarantee to the Government of Zimbabwe; or

(2) any cancellation or reduction of indebtedness owed by the Government of Zimbabwe to the United States or any international financial institution.

(d) PRESIDENTIAL CERTIFICATION THAT CERTAIN CONDITIONS ARE SATISFIED.—A certification under this subsection is a certification transmitted to the appropriate congressional committees of a determination made by the President that the following conditions are satisfied:

(1) RESTORATION OF THE RULE OF LAW.—The rule of law has been restored in Zimbabwe, including respect for ownership and title to property, freedom of speech and association, and an end to the lawlessness, violence, and intimidation sponsored, condoned, or tolerated by the Government of Zimbabwe, the ruling party, and their supporters or entities.

(2) ELECTION OR PRE-ELECTION CONDITIONS.—Either of the following two conditions is satisfied:

(A) PRESIDENTIAL ELECTION.—Zimbabwe has held a presidential election that is widely accepted as free and fair by independent international monitors, and the president-elect is free to assume the duties of the office.

(B) PRE-ELECTION CONDITIONS.—In the event the certification is made before the presidential election takes place, the Government of Zimbabwe has sufficiently improved the pre-election environment to a degree consistent with accepted international standards for security and freedom of movement and association.

(3) COMMITMENT TO EQUITABLE, LEGAL, AND TRANSPARENT LAND REFORM.—The Government of Zimbabwe has demonstrated a commitment to an equitable, legal, and transparent land reform program consistent with agreements reached at the International Donors' Conference on Land Reform and

PUBLIC LAW 107-99—DEC. 21, 2001

Resettlement in Zimbabwe held in Harare, Zimbabwe, in September 1998.

(4) FULFILLMENT OF AGREEMENT ENDING WAR IN DEMOCRATIC REPUBLIC OF CONGO.—The Government of Zimbabwe is making a good faith effort to fulfill the terms of the Lusaka, Zambia, agreement on ending the war in the Democratic Republic of Congo.

(5) MILITARY AND NATIONAL POLICE SUBORDINATE TO CIVILIAN GOVERNMENT.—The Zimbabwean Armed Forces, the National Police of Zimbabwe, and other state security forces are responsible to and serve the elected civilian government.

(e) WAIVER.—The President may waive the provisions of subsection (b)(1) or subsection (c), if the President determines that it is in the national interest of the United States to do so.

SEC. 5. SUPPORT FOR DEMOCRATIC INSTITUTIONS, THE FREE PRESS AND INDEPENDENT MEDIA, AND THE RULE OF LAW.

(a) IN GENERAL.—The President is authorized to provide assistance under part I and chapter 4 of part II of the Foreign Assistance Act of 1961 to—

(1) support an independent and free press and electronic media in Zimbabwe;

(2) support equitable, legal, and transparent mechanisms of land reform in Zimbabwe, including the payment of costs related to the acquisition of land and the resettlement of individuals, consistent with the International Donors' Conference on Land Reform and Resettlement in Zimbabwe held in Harare, Zimbabwe, in September 1998, or any subsequent agreement relating thereto; and

(3) provide for democracy and governance programs in Zimbabwe.

(b) FUNDING.—Of the funds authorized to be appropriated to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 2002—

(1) \$20,000,000 is authorized to be available to provide the assistance described in subsection (a)(2); and

(2) \$6,000,000 is authorized to be available to provide the assistance described in subsection (a)(3).

(c) SUPERSEDES OTHER LAWS.—The authority in this section supersedes any other provision of law.

SEC. 6. SENSE OF CONGRESS ON THE ACTIONS TO BE TAKEN AGAINST INDIVIDUALS RESPONSIBLE FOR VIOLENCE AND THE BREAKDOWN OF THE RULE OF LAW IN ZIMBABWE.

It is the sense of Congress that the President should begin immediate consultation with the governments of European Union member states, Canada, and other appropriate foreign countries on ways in which to—

(1) identify and share information regarding individuals responsible for the deliberate breakdown of the rule of law, politically motivated violence, and intimidation in Zimbabwe;

PUBLIC LAW 107-99—DEC. 21, 2001

- (2) identify assets of those individuals held outside Zimbabwe;
- (3) implement travel and economic sanctions against those individuals and their associates and families; and
- (4) provide for the eventual removal or amendment of those sanctions.

Approved December 21, 2001.

LEGISLATIVE HISTORY—S. 494:

HOUSE REPORTS: No. 107-312, Pt. 1 (Comm. on International Relations).
CONGRESSIONAL RECORD, Vol. 147 (2001):

Aug. 1, considered and passed Senate.

Dec. 4, considered and passed House, amended.

Dec. 11, Senate concurred in House amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Dec. 21, Presidential statement.

GENERAL GOVERNMENT ACTS

PUBLIC LAW 107-41—SEPT. 18, 2001

Public Law 107-41
107th Congress

An Act

To establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in *Brown v. Board of Education*.

Sept. 18, 2001
[H.R. 2133]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

36 USC note
prec. 101.

SECTION 1. FINDINGS.

The Congress finds that as the Nation approaches May 17, 2004, marking the 50th anniversary of the Supreme Court decision in *Oliver L. Brown et al. v. Board of Education of Topeka, Kansas et al.*, it is appropriate to establish a national commission to plan and coordinate the commemoration of that anniversary.

SEC. 2. ESTABLISHMENT.

There is established a commission to be known as the “Brown v. Board of Education 50th Anniversary Commission” (referred to in this Act as the “Commission”).

SEC. 3. DUTIES.

In order to commemorate the 50th anniversary of the Brown decision, the Commission shall—

(1) in conjunction with the Department of Education, plan and coordinate public education activities and initiatives, including public lectures, writing contests, and public awareness campaigns, through the Department of Education’s ten regional offices; and

(2) in cooperation with the Brown Foundation for Educational Equity, Excellence, and Research in Topeka, Kansas (referred to in this Act as the “Brown Foundation”), and such other public or private entities as the Commission considers appropriate, encourage, plan, develop, and coordinate observances of the anniversary of the Brown decision.

SEC. 4. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed as follows:

(1) Two representatives of the Department of Education appointed by the Secretary of Education, one of whom shall serve as one of two Co-chairpersons of the Commission.

(2) Two representatives of the Department of Justice appointed by the Attorney General, one of whom shall serve as one of two Co-chairpersons of the Commission.

(3) Eleven individuals appointed by the President after receiving recommendations as follows:

President.

(A)(i) The Members of the Senate from each State described in clause (iii) shall each submit the name of one individual from the State to the majority leader and minority leader of the Senate.

(ii) After review of the submissions made under clause (i), the majority leader of the Senate, in consultation with the minority leader of the Senate, shall recommend to the President five individuals, one from each of the States described in clause (iii).

(iii) The States described in this clause are the States in which the lawsuits decided by the Brown decision were

PUBLIC LAW 107-41—SEPT. 18, 2001

originally filed (Delaware, Kansas, South Carolina, and Virginia), and the State of the first legal challenge involved (Massachusetts).

(B)(i) The Members of the House of Representatives from each State described in subparagraph (A)(iii) shall each submit the name of one individual from the State to the Speaker of the House of Representatives and the minority leader of the House of Representatives.

(ii) After review of the submissions made under clause (i), the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives, shall recommend to the President five individuals, one from each of the States described in subparagraph (A)(iii).

(C) The Delegate to the House of Representatives from the District of Columbia shall recommend to the President one individual from the District of Columbia.

(4) Two representatives of the judicial branch of the Federal Government appointed by the Chief Justice of the United States Supreme Court.

(5) Two representatives of the Brown Foundation.

(6) Two representatives of the NAACP Legal Defense and Education Fund.

(7) One representative of the Brown v. Board of Education National Historic Site.

(b) TERMS.—Members of the Commission shall be appointed for the life of the Commission.

(c) VACANCIES.—A vacancy in the Commission shall be filled in the same manner as the original appointment.

(d) COMPENSATION.—

(1) IN GENERAL.—Members of the Commission shall serve without pay.

(2) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(e) QUORUM.—A majority of members of the Commission shall constitute a quorum.

(f) MEETINGS.—The Commission shall hold its first meeting not later than 6 months after the date of the enactment of this Act. The Commission shall subsequently meet at the call of a Co-chairperson or a majority of its members.

(g) EXECUTIVE DIRECTOR AND STAFF.—The Commission may secure the services of an executive director and staff personnel as it considers appropriate.

SEC. 5. POWERS.

(a) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take under this Act.

(b) GIFTS AND DONATIONS.—

(1) AUTHORITY TO ACCEPT.—The Commission may accept and use gifts or donations of money, property, or personal services.

(2) DISPOSITION OF PROPERTY.—Any books, manuscripts, miscellaneous printed matter, memorabilia, relics, or other materials donated to the Commission which relate to the Brown decision, shall, upon termination of the Commission—

(A) be deposited for preservation in the Brown Foundation Collection at the Spencer Research Library at the University of Kansas in Lawrence, Kansas; or

(B) be disposed of by the Commission in consultation with the Librarian of Congress, and with the express con-

PUBLIC LAW 107-41—SEPT. 18, 2001

sent of the Brown Foundation and the Brown v. Board of Education National Historic Site.

(c) **MAILS.**—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 6. REPORTS.

Deadline.

(a) **INTERIM REPORTS.**—The Commission shall transmit interim reports to the President and the Congress not later than December 31 of each year. Each such report shall include a description of the activities of the Commission during the year covered by the report, an accounting of any funds received or expended by the Commission during such year, and recommendations for any legislation or administrative action which the Commission considers appropriate.

(b) **FINAL REPORT.**—The Commission shall transmit a final report to the President and the Congress not later than December 31, 2004. Such report shall include an accounting of any funds received or expended, and the disposition of any other properties, not previously reported.

SEC. 7. TERMINATION.

(a) **DATE.**—The Commission shall terminate on such date as the Commission may determine, but not later than February 1, 2005.

(b) **DISPOSITION OF FUNDS.**—Any funds held by the Commission on the date the Commission terminates shall be deposited in the general fund of the Treasury.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$250,000 for the period encompassing fiscal years 2003 and 2004 to carry out this Act, to remain available until expended.

Approved September 18, 2001.

LEGISLATIVE HISTORY—H.R. 2133 (S. 1046):

CONGRESSIONAL RECORD, Vol. 147 (2001):

June 27, considered and passed House.

Aug. 3, considered and passed Senate, amended.

Sept. 10, House concurred in Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Sept. 19, Presidential statement.

GENERAL GOVERNMENT ACTS

PUBLIC LAW 107-82—DEC. 14, 2001

Public Law 107-82
107th Congress

An Act

Dec. 14, 2001
[H.R. 2291]

To extend the authorization of the Drug-Free Communities Support Program for an additional 5 years, to authorize a National Community Antidrug Coalition Institute, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FIVE-YEAR EXTENSION OF DRUG-FREE COMMUNITIES SUPPORT PROGRAM.21 USC 1521
note.

(a) FINDINGS.—Congress makes the following findings:

(1) In the next 15 years, the youth population in the United States will grow by 21 percent, adding 6,500,000 youth to the population of the United States. Even if drug use rates remain constant, there will be a huge surge in drug-related problems, such as academic failure, drug-related violence, and HIV incidence, simply due to this population increase.

(2) According to the 1994–1996 National Household Survey, 60 percent of students age 12 to 17 who frequently cut classes and who reported delinquent behavior in the past 6 months used marijuana 52 days or more in the previous year.

(3) The 2000 Washington Kids Count survey conducted by the University of Washington reported that students whose peers have little or no involvement with drinking and drugs have higher math and reading scores than students whose peers had low level drinking or drug use.

(4) Substance abuse prevention works. In 1999, only 10 percent of teens saw marijuana users as popular, compared to 17 percent in 1998 and 19 percent in 1997. The rate of past-month use of any drug among 12- to 17-year-olds declined 26 percent between 1997 and 1999. Marijuana use for sixth through eighth graders is at the lowest point in 5 years, as is use of cocaine, inhalants, and hallucinogens.

(5) Community Anti-Drug Coalitions throughout the United States are successfully developing and implementing comprehensive, long-term strategies to reduce substance abuse among youth on a sustained basis. For example:

(A) The Boston Coalition brought college and university presidents together to create the Cooperative Agreement on Underage Drinking. This agreement represents the first coordinated effort of Boston's many institutions of higher education to address issues such as binge drinking, underage drinking, and changing the norms surrounding alcohol abuse that exist on college and university campuses.

(B) In 2000, the Coalition for a Drug-Free Greater Cincinnati surveyed more than 47,000 local students in grades 7 through 12. The results provided evidence that the Coalition's initiatives are working. For the first time in a decade, teen drug use in Greater Cincinnati appears to be leveling off. The data collected from the survey has served as a tool to strengthen relationships between schools and communities, as well as facilitate the growth of anti-drug coalitions in communities where such coalitions had not existed.

(C) The Miami Coalition used a three-part strategy to decrease the percentage of high school seniors who

PUBLIC LAW 107-82—DEC. 14, 2001

reported using marijuana at least once during the most recent 30-day period. The development of a media strategy, the creation of a network of prevention agencies, and discussions with high school students about the dangers of marijuana all contributed to a decrease in the percentage of seniors who reported using marijuana from over 22 percent in 1995 to 9 percent in 1997. The Miami Coalition was able to achieve these results while national rates of marijuana use were increasing.

(D) The Nashville Prevention Partnership worked with elementary and middle school children in an attempt to influence them toward positive life goals and discourage them from using substances. The Partnership targeted an area in East Nashville and created after school programs, mentoring opportunities, attendance initiatives, and safe passages to and from school. Attendance and test scores increased as a result of the program.

(E) At a youth-led town meeting sponsored by the Bering Strait Community Partnership in Nome, Alaska, youth identified a need for a safe, substance-free space. With help from a variety of community partners, the Partnership staff and youth members created the Java Hut, a substance-free coffeehouse designed for youth. The Java Hut is helping to change norms in the community by providing a fun, youth-friendly atmosphere and activities that are not centered around alcohol or marijuana.

(F) Portland's Regional Drug Initiative (RDI) has promoted the establishment of drug-free workplaces among the city's large and small employers. Over 3,000 employers have attended an RDI training session, and of those, 92 percent have instituted drug-free workplace policies. As a result, there has been a 5.5 percent decrease in positive workplace drug tests.

(G) San Antonio Fighting Back worked to increase the age at which youth first used illegal substances. Research suggests that the later the age of first use, the lower the risk that a young person will become a regular substance abuser. As a result, the age of first illegal drug use increased from 9.4 years in 1992 to 13.5 years in 1997.

(H) In 1990, multiple data sources confirmed a trend of increased alcohol use by teenagers in the Troy community. Using its "multiple strategies over multiple sectors" approach, the Troy Coalition worked with parents, physicians, students, coaches, and others to address this problem from several angles. As a result, the rate of twelfth grade students who had consumed alcohol in the past month decreased from 62.1 percent to 53.3 percent between 1991 and 1998, and the rate of eighth grade students decreased from 26.3 percent to 17.4 percent. The Troy Coalition believes that this decline represents not only a change in behavior on the part of students, but also a change in the norms of the community.

(6) Despite these successes, drug use continues to be a serious problem facing communities across the United States. For example:

(A) According to the Pulse Check: Trends in Drug Abuse Mid-Year 2000 report—

(i) crack and powder cocaine remains the most serious drug problem;

(ii) marijuana remains the most widely available illicit drug, and its potency is on the rise;

(iii) treatment sources report an increase in admissions with marijuana as the primary drug of abuse—

PUBLIC LAW 107-82—DEC. 14, 2001

and adolescents outnumber other age groups entering treatment for marijuana;

(iv) 80 percent of Pulse Check sources reported increased availability of club drugs, with ecstasy (MDMA) and ketamine the most widely cited club drugs and seven sources reporting that powder cocaine is being used as a club drug by young adults;

(v) ecstasy abuse and trafficking is expanding, no longer confined to the “rave” scene;

(vi) the sale and use of club drugs has grown from nightclubs and raves to high schools, the streets, neighborhoods, open venues, and younger ages;

(vii) ecstasy users often are unknowingly purchasing adulterated tablets or some other substance sold as MDMA; and

(viii) along with reports of increased heroin snorting as a route of administration for initiates, there is also an increase in injecting initiates and the negative health consequences associated with injection (for example, increases in HIV/AIDS and Hepatitis C) suggesting that there is a generational forgetting of the dangers of injection of the drug.

(B) The 2000 Parent’s Resource Institute for Drug Education study reported that 23.6 percent of children in the sixth through twelfth grades used illicit drugs in the past year. The same study found that monthly usage among this group was 15.3 percent.

(C) According to the 2000 Monitoring the Future study, the use of ecstasy among eighth graders increased from 1.7 percent in 1999 to 3.1 percent in 2000, among tenth graders from 4.4 percent to 5.4 percent, and from 5.6 percent to 8.2 percent among twelfth graders.

(D) A 1999 Mellman Group study found that—

(i) 56 percent of the population in the United States believed that drug use was increasing in 1999;

(ii) 92 percent of the population viewed illegal drug use as a serious problem in the United States; and

(iii) 73 percent of the population viewed illegal drug use as a serious problem in their communities.

(7) According to the 2001 report of the National Center on Addiction and Substance Abuse at Columbia University entitled “Shoveling Up: The Impact of Substance Abuse on State Budgets”, using the most conservative assumption, in 1998 States spent \$77,900,000,000 to shovel up the wreckage of substance abuse, only \$3,000,000,000 to prevent and treat the problem and \$433,000,000 for alcohol and tobacco regulation and compliance. This \$77,900,000,000 burden was distributed as follows:

(A) \$30,700,000,000 in the justice system (77 percent of justice spending).

(B) \$16,500,000,000 in education costs (10 percent of education spending).

(C) \$15,200,000,000 in health costs (25 percent of health spending).

(D) \$7,700,000,000 in child and family assistance (32 percent of child and family assistance spending).

(E) \$5,900,000,000 in mental health and developmental disabilities (31 percent of mental health spending).

(F) \$1,500,000,000 in public safety (26 percent of public safety spending) and \$400,000,000 for the state workforce.

(8) Intergovernmental cooperation and coordination through national, State, and local or tribal leadership and partnerships are critical to facilitate the reduction of substance abuse among youth in communities across the United States.

PUBLIC LAW 107-82—DEC. 14, 2001

(9) Substance abuse is perceived as a much greater problem nationally than at the community level. According to a 2001 study sponsored by The Pew Charitable Trusts, between 1994 and 2000—

(A) there was a 43 percent increase in the percentage of Americans who felt progress was being made in the war on drugs at the community level;

(B) only 9 percent of Americans say drug abuse is a “crisis” in their neighborhood, compared to 27 percent who say this about the nation; and

(C) the percentage of those who felt we lost ground in the war on drugs on a community level fell by more than a quarter, from 51 percent in 1994 to 37 percent in 2000.

(b) EXTENSION AND INCREASE OF PROGRAM.—Section 1024(a) of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1524(a)) is amended—

(1) by striking “and” at the end of paragraph (4); and

(2) by striking paragraph (5) and inserting the following

new paragraphs:

“(5) \$50,600,000 for fiscal year 2002;

“(6) \$60,000,000 for fiscal year 2003;

“(7) \$70,000,000 for fiscal year 2004;

“(8) \$80,000,000 for fiscal year 2005;

“(9) \$90,000,000 for fiscal year 2006; and

“(10) \$99,000,000 for fiscal year 2007.”

(c) EXTENSION OF LIMITATION ON ADMINISTRATIVE COSTS.—Section 1024(b) of that Act (21 U.S.C. 1524(b)) is amended by striking paragraph (5) and inserting the following new paragraph (5):

“(5) 6 percent for each of fiscal years 2002 through 2007.”

(d) ADDITIONAL GRANTS.—Section 1032(b) of that Act (21 U.S.C. 1533(b)) is amended by adding at the end the following new paragraph (3):

“(3) ADDITIONAL GRANTS.—

“(A) IN GENERAL.—Subject to subparagraph (F), the Administrator may award an additional grant under this paragraph to an eligible coalition awarded a grant under paragraph (1) or (2) for any first fiscal year after the end of the 4-year period following the period of the initial grant under paragraph (1) or (2), as the case may be.

“(B) SCOPE OF GRANTS.—A coalition awarded a grant under paragraph (1) or (2), including a renewal grant under such paragraph, may not be awarded another grant under such paragraph, and is eligible for an additional grant under this section only under this paragraph.

“(C) NO PRIORITY FOR APPLICATIONS.—The Administrator may not afford a higher priority in the award of an additional grant under this paragraph than the Administrator would afford the applicant for the grant if the applicant were submitting an application for an initial grant under paragraph (1) or (2) rather than an application for a grant under this paragraph.

“(D) RENEWAL GRANTS.—Subject to subparagraph (F), the Administrator may award a renewal grant to a grant recipient under this paragraph for each of the fiscal years of the 4-fiscal-year period following the fiscal year for which the initial additional grant under subparagraph (A) is awarded in an amount not to exceed amounts as follows:

“(i) For the first and second fiscal years of that 4-fiscal-year period, the amount equal to 80 percent of the non-Federal funds, including in-kind contributions, raised by the coalition for the applicable fiscal year.

“(ii) For the third and fourth fiscal years of that 4-fiscal-year period, the amount equal to 67 percent

PUBLIC LAW 107-82—DEC. 14, 2001

of the non-Federal funds, including in-kind contributions, raised by the coalition for the applicable fiscal year.

“(E) **SUSPENSION.**—If a grant recipient under this paragraph fails to continue to meet the criteria specified in subsection (a), the Administrator may suspend the grant, after providing written notice to the grant recipient and an opportunity to appeal.

“(F) **LIMITATION.**—The amount of a grant award under this paragraph may not exceed \$100,000 for a fiscal year.”.

(e) **DATA COLLECTION AND DISSEMINATION.**—Section 1033(b) of that Act (21 U.S.C. 1533(b)) is amended by adding at the end the following new paragraph:

“(3) **CONSULTATION.**—The Administrator shall carry out activities under this subsection in consultation with the Advisory Commission and the National Community Antidrug Coalition Institute.”.

(f) **LIMITATION ON USE OF CERTAIN FUNDS FOR EVALUATION OF PROGRAM.**—Section 1033(b) of that Act, as amended by subsection (e) of this section, is further amended by adding at the end the following new paragraph:

“(4) **LIMITATION ON USE OF CERTAIN FUNDS FOR EVALUATION OF PROGRAM.**—Amounts for activities under paragraph (2)(B) may not be derived from amounts under section 1024(a) except for amounts that are available under section 1024(b) for administrative costs.”.

(g) **TREATMENT OF FUNDS FOR COALITIONS REPRESENTING CERTAIN ORGANIZATIONS.**—Section 1032 of that Act (21 U.S.C. 1532) is further amended by adding at the end the following new subsection:

“(c) **TREATMENT OF FUNDS FOR COALITIONS REPRESENTING CERTAIN ORGANIZATIONS.**—Funds appropriated for the substance abuse activities of a coalition that includes a representative of the Bureau of Indian Affairs, the Indian Health Service, or a tribal government agency with expertise in the field of substance abuse may be counted as non-Federal funds raised by the coalition for purposes of this section.”.

(h) **PRIORITY IN AWARDING GRANTS.**—Section 1032 of that Act (21 U.S.C. 1532) is further amended by adding at the end the following new subsection:

“(d) **PRIORITY IN AWARDING GRANTS.**—In awarding grants under subsection (b)(1)(A)(i), priority shall be given to a coalition serving economically disadvantaged areas.”.

SEC. 2. SUPPLEMENTAL GRANTS FOR COALITION MENTORING ACTIVITIES UNDER DRUG-FREE COMMUNITIES SUPPORT PROGRAM.

Subchapter I of chapter 2 of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1531 et seq.) is amended by adding at the end the following new section:

21 USC 1535.

“SEC. 1035. SUPPLEMENTAL GRANTS FOR COALITION MENTORING ACTIVITIES.

“(a) **AUTHORITY TO MAKE GRANTS.**—As part of the program established under section 1031, the Director may award an initial grant under this subsection, and renewal grants under subsection (f), to any coalition awarded a grant under section 1032 that meets the criteria specified in subsection (d) in order to fund coalition mentoring activities by such coalition in support of the program.

“(b) **TREATMENT WITH OTHER GRANTS.**—

“(1) **SUPPLEMENT.**—A grant awarded to a coalition under this section is in addition to any grant awarded to the coalition under section 1032.

“(2) **REQUIREMENT FOR BASIC GRANT.**—A coalition may not be awarded a grant under this section for a fiscal year unless

PUBLIC LAW 107-82—DEC. 14, 2001

the coalition was awarded a grant or renewal grant under section 1032(b) for that fiscal year.

“(c) APPLICATION.—A coalition seeking a grant under this section shall submit to the Administrator an application for the grant in such form and manner as the Administrator may require.

“(d) CRITERIA.—A coalition meets the criteria specified in this subsection if the coalition—

“(1) has been in existence for at least 5 years;

“(2) has achieved, by or through its own efforts, measurable results in the prevention and treatment of substance abuse among youth;

“(3) has staff or members willing to serve as mentors for persons seeking to start or expand the activities of other coalitions in the prevention and treatment of substance abuse;

“(4) has demonstrable support from some members of the community in which the coalition mentoring activities to be supported by the grant under this section are to be carried out; and

“(5) submits to the Administrator a detailed plan for the coalition mentoring activities to be supported by the grant under this section.

“(e) USE OF GRANT FUNDS.—A coalition awarded a grant under this section shall use the grant amount for mentoring activities to support and encourage the development of new, self-supporting community coalitions that are focused on the prevention and treatment of substance abuse in such new coalitions’ communities. The mentoring coalition shall encourage such development in accordance with the plan submitted by the mentoring coalition under subsection (d)(5).

“(f) RENEWAL GRANTS.—The Administrator may make a renewal grant to any coalition awarded a grant under subsection (a), or a previous renewal grant under this subsection, if the coalition, at the time of application for such renewal grant—

“(1) continues to meet the criteria specified in subsection (d); and

“(2) has made demonstrable progress in the development of one or more new, self-supporting community coalitions that are focused on the prevention and treatment of substance abuse.

“(g) GRANT AMOUNTS.—

“(1) IN GENERAL.—Subject to paragraphs (2) and (3), the total amount of grants awarded to a coalition under this section for a fiscal year may not exceed the amount of non-Federal funds raised by the coalition, including in-kind contributions, for that fiscal year. Funds appropriated for the substance abuse activities of a coalition that includes a representative of the Bureau of Indian Affairs, the Indian Health Service, or a tribal government agency with expertise in the field of substance abuse may be counted as non-Federal funds raised by the coalition.

“(2) INITIAL GRANTS.—The amount of the initial grant awarded to a coalition under subsection (a) may not exceed \$75,000.

“(3) RENEWAL GRANTS.—The total amount of renewal grants awarded to a coalition under subsection (f) for any fiscal year may not exceed \$75,000.

“(h) FISCAL YEAR LIMITATION ON AMOUNT AVAILABLE FOR GRANTS.—The total amount available for grants under this section, including renewal grants under subsection (f), in any fiscal year may not exceed the amount equal to five percent of the amount authorized to be appropriated by section 1024(a) for that fiscal year.

“(i) PRIORITY IN AWARDING INITIAL GRANTS.—In awarding initial grants under this section, priority shall be given to a coalition that expressly proposes to provide mentorship to a coalition or aspiring coalition serving economically disadvantaged areas.”

PUBLIC LAW 107-82—DEC. 14, 2001

SEC. 3. FIVE-YEAR EXTENSION OF ADVISORY COMMISSION ON DRUG-FREE COMMUNITIES.

Section 1048 of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1548) is amended by striking “2002” and inserting “2007”.

21 USC 1521
note.

SEC. 4. AUTHORIZATION FOR NATIONAL COMMUNITY ANTIDRUG COALITION INSTITUTE.

(a) **IN GENERAL.**—The Director of the Office of National Drug Control Policy may, using amounts authorized to be appropriated by subsection (d), make a grant to an eligible organization to provide for the establishment of a National Community Antidrug Coalition Institute.

(b) **ELIGIBLE ORGANIZATIONS.**—An organization eligible for the grant under subsection (a) is any national nonprofit organization that represents, provides technical assistance and training to, and has special expertise and broad, national-level experience in community antidrug coalitions under section 1032 of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1532).

(c) **USE OF GRANT AMOUNT.**—The organization receiving the grant under subsection (a) shall establish a National Community Antidrug Coalition Institute to—

(1) provide education, training, and technical assistance for coalition leaders and community teams, with emphasis on the development of coalitions serving economically disadvantaged areas;

(2) develop and disseminate evaluation tools, mechanisms, and measures to better assess and document coalition performance measures and outcomes; and

(3) bridge the gap between research and practice by translating knowledge from research into practical information.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated for purposes of activities under this section, including the grant under subsection (a), amounts as follows:

(1) For each of fiscal years 2002 and 2003, \$2,000,000.

(2) For each of fiscal years 2004 and 2005, \$1,000,000.

(3) For each of fiscal years 2006 and 2007, \$750,000.

21 USC 1521
note.

SEC. 5. PROHIBITION AGAINST DUPLICATION OF EFFORT.

The Director of the Office of National Drug Control Policy shall ensure that the same or similar activities are not carried out, through the use of funds for administrative costs provided under subchapter II of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1521 et seq.) or funds provided under section 4 of this Act, by more than one recipient of such funds.

Approved December 14, 2001.

LEGISLATIVE HISTORY—H.R. 2291:

HOUSE REPORTS: No. 107-175, Pt. 1 (Comm. on Government Reform).
CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 5, considered and passed House.

Nov. 29, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Dec. 14, Presidential remarks.

GENERAL GOVERNMENT ACTS

PUBLIC LAW 107-90—DEC. 21, 2001

Public Law 107-90
107th Congress

An Act

To modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries.

Dec. 21, 2001
[H.R. 10]*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,***SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**(a) **SHORT TITLE.**—This Act may be cited as the “Railroad Retirement and Survivors’ Improvement Act of 2001”.(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974

Sec. 101. Expansion of widow’s and widower’s benefits.

Sec. 102. Retirement age restoration.

Sec. 103. Vesting requirement.

Sec. 104. Repeal of railroad retirement maximum.

Sec. 105. Investment of railroad retirement assets.

Sec. 106. Elimination of supplemental annuity account.

Sec. 107. Transfer authority revisions.

Sec. 108. Annual ratio projections and certifications by the Railroad Retirement Board.

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Sec. 201. Amendments to the Internal Revenue Code of 1986.

Sec. 202. Exemption from tax for National Railroad Retirement Investment Trust.

Sec. 203. Repeal of supplemental annuity tax.

Sec. 204. Employer, employee representative, and employee tier 2 tax rate adjustments.

TITLE I—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974**SEC. 101. EXPANSION OF WIDOW’S AND WIDOWER’S BENEFITS.**(a) **IN GENERAL.**—Section 4(g) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)) is amended by adding at the end the following new subdivision:

“(10)(i) If for any month the unreduced annuity provided under this section for a widow or widower is less than the widow’s or widower’s initial minimum amount computed pursuant to paragraph (ii) of this subdivision, the unreduced annuity shall be increased to that initial minimum amount. For the purposes of this subdivision, the unreduced annuity is the annuity without regard to any deduction on account of work, without regard to any reduction for entitlement to an annuity under section 2(a)(1) of this Act, without regard to any reduction for entitlement to a benefit under title II of the Social Security Act, and without regard to any reduction for entitlement to a public service pension pursuant to section 202(e)(7), 202(f)(2), or 202(g)(4) of the Social Security Act.

“(ii) For the purposes of this subdivision, the widow or widower’s initial minimum amount is the amount of the unreduced annuity computed at the time an annuity is awarded to that widow or widower, except that—

“(A) in subsection (g)(1)(i) ‘100 per centum’ shall be substituted for ‘50 per centum’; and

Railroad Retirement and Survivors’ Improvement Act of 2001.
45 USC 231t note.

PUBLIC LAW 107-90—DEC. 21, 2001

“(B) in subsection (g)(2)(ii) ‘130 per centum’ shall be substituted for ‘80 per centum’ both places it appears.

“(iii) If a widow or widower who was previously entitled to a widow’s or widower’s annuity under section 2(d)(1)(ii) of this Act becomes entitled to a widow’s or widower’s annuity under section 2(d)(1)(i) of this Act, a new initial minimum amount shall be computed at the time of award of the widow’s or widower’s annuity under section 2(d)(1)(i) of this Act.”.

45 USC 231c
note.
Applicability.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall take effect on the first day of the first month that begins more than 30 days after enactment, and shall apply to annuity amounts accruing for months after the effective date in the case of annuities awarded—

(A) on or after that date; and

(B) before that date, but only if the annuity amount under section 4(g) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)) was computed under such section, as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35; 95 Stat. 357).

(2) SPECIAL RULE FOR ANNUITIES AWARDED BEFORE THE EFFECTIVE DATE.—In applying the amendment made by this section to annuities awarded before the effective date, the calculation of the initial minimum amount under new section 4(g)(10)(ii) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)(10)(ii)), as added by subsection (a), shall be made as of the date of the award of the widow’s or widower’s annuity.

SEC. 102. RETIREMENT AGE RESTORATION.

(a) EMPLOYEE ANNUITIES.—Section 3(a)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(2)) is amended by inserting after “(2)” the following new sentence: “For purposes of this subsection, individuals entitled to an annuity under section 2(a)(1)(ii) of this Act shall, except for the purposes of recomputations in accordance with section 215(f) of the Social Security Act, be deemed to have attained retirement age (as defined by section 216(l) of the Social Security Act).”.

(b) SPOUSE AND SURVIVOR ANNUITIES.—Section 4(a)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(a)(2)) is amended by striking “if an” and all that follows through “section 2(c)(1) of this Act” and inserting “a spouse entitled to an annuity under section 2(c)(1)(ii)(B) of this Act”.

(c) CONFORMING REPEALS.—Sections 3(a)(3), 4(a)(3), and 4(a)(4) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(3), 231c(a)(3), and 231c(a)(4)) are repealed.

45 USC 231c
note.
Applicability.

(d) EFFECTIVE DATES.—

(1) GENERALLY.—Except as provided in paragraph (2), the amendments made by this section shall apply to annuities that begin to accrue on or after January 1, 2002.

(2) EXCEPTION.—The amount of the annuity provided for a spouse under section 4(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(a)) shall be computed under section 4(a)(3) of such Act, as in effect on December 31, 2001, if the annuity amount provided under section 3(a) of such Act (45 U.S.C. 231b(a)) for the individual on whose employment record the spouse annuity is based was computed under section 3(a)(3) of such Act, as in effect on December 31, 2001.

SEC. 103. VESTING REQUIREMENT.

(a) CERTAIN ANNUITIES FOR INDIVIDUALS.—Section 2(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(a)) is amended—

(1) by inserting in subdivision (1) “(or, for purposes of paragraphs (i), (iii), and (v), five years of service, all of which accrues after December 31, 1995)” after “ten years of service”; and

PUBLIC LAW 107-90—DEC. 21, 2001

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

“(4) An individual who is entitled to an annuity under paragraph (v) of subdivision (1), but who does not have at least ten years of service, shall, prior to the month in which the individual attains age 62, be entitled only to an annuity amount computed under section 3(a) of this Act (without regard to section 3(a)(2) of this Act) or section 3(f)(3) of this Act. Upon attainment of age 62, such an individual may also be entitled to an annuity amount computed under section 3(b), but such annuity amount shall be reduced for early retirement in the same manner as if the individual were entitled to an annuity under section 2(a)(1)(iii).”

(b) COMPUTATION RULE FOR INDIVIDUALS’ ANNUITIES.—Section 3(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)), as amended by section 102 of this Act, is further amended by adding at the end the following new subdivision:

“(3) If an individual entitled to an annuity under section 2(a)(1)(i) or (iii) of this Act on the basis of less than ten years of service is entitled to a benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act which began to accrue before the annuity under section 2(a)(1)(i) or (iii) of this Act, the annuity amount provided such individual under this subsection, shall be computed as though the annuity under this Act began to accrue on the later of (A) the date on which the benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act began, or (B) the date on which the individual first met the conditions for entitlement to an age reduced annuity under this Act other than the conditions set forth in sections 2(e)(1) and 2(e)(2) of this Act and the requirement that an application be filed.”

(c) SURVIVORS’ ANNUITIES.—Section 2(d)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(d)(1)) is amended by inserting “(or five years of service, all of which accrues after December 31, 1995)” after “ten years of service”.

(d) LIMITATION ON ANNUITY AMOUNTS.—Section 2 of the Railroad Retirement Act of 1974 (45 U.S.C. 231a) is amended by adding at the end the following new subsection:

“(i) An individual entitled to an annuity under this section who has completed five years of service, all of which accrues after 1995, but who has not completed ten years of service, and the spouse, divorced spouse, and survivors of such individual, shall not be entitled to an annuity amount provided under section 3(a), section 4(a), or section 4(f) of this Act unless the individual, or the individual’s spouse, divorced spouse, or survivors, would be entitled to a benefit under title II of the Social Security Act on the basis of the individual’s employment record under both this Act and title II of the Social Security Act.”

(e) COMPUTATION RULE FOR SPOUSES’ ANNUITIES.—Section 4(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(a)), as amended by section 102 of this Act, is further amended by adding at the end the following new subdivision:

“(3) If a spouse entitled to an annuity under section 2(c)(1)(ii)(A), section 2(c)(1)(ii)(C), or section 2(c)(2) of this Act or a divorced spouse entitled to an annuity under section 2(c)(4) of this Act on the basis of the employment record of an employee who will have completed less than 10 years of service is entitled to a benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act which began to accrue before the annuity under section 2(c)(1)(ii)(A), section 2(c)(1)(ii)(C), section 2(c)(2), or section 2(c)(4) of this Act, the annuity amount provided under this subsection shall be computed as though the annuity under this Act began to accrue on the later of (A) the date on which the benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act began or (B) the first date on which the annuitant met the conditions for entitlement to an age reduced annuity under this Act other than the conditions set forth in sections

PUBLIC LAW 107-90—DEC. 21, 2001

2(e)(1) and 2(e)(2) of this Act and the requirement that an application be filed.”.

(f) APPLICATION DEEMING PROVISION.—Section 5(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231d(b)) is amended by striking the second sentence and inserting the following new sentence: “An application filed with the Board for an employee annuity, spouse annuity, or divorced spouse annuity on the basis of the employment record of an employee who will have completed less than ten years of service shall be deemed to be an application for any benefit to which such applicant may be entitled under this Act or section 202(a), section 202(b), or section 202(c) of the Social Security Act. An application filed with the Board for an annuity on the basis of the employment record of an employee who will have completed ten years of service shall, unless the applicant specified otherwise, be deemed to be an application for any benefit to which such applicant may be entitled under this Act or title II of the Social Security Act.”.

(g) CREDITING SERVICE UNDER THE SOCIAL SECURITY ACT.—Section 18(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231q(2)) is amended—

(1) by inserting “(or less than five years of service, all of which accrues after December 31, 1995)” after “ten years of service” every place it appears; and

(2) by inserting “(or five or more years of service, all of which accrues after December 31, 1995)” after “ten or more years of service”.

(h) AUTOMATIC BENEFIT ELIGIBILITY ADJUSTMENTS.—Section 19 of the Railroad Retirement Act of 1974 (45 U.S.C. 231r) is amended—

(1) by inserting “(or five or more years of service, all of which accrues after December 31, 1995)” after “ten years of service” in subsection (c); and

(2) by inserting “(or five or more years of service, all of which accrues after December 31, 1995)” after “ten years of service” in subsection (d)(2).

(i) CONFORMING AMENDMENTS.—

(1) Section 6(e)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231e(1)) is amended by inserting “(or five or more years of service, all of which accrues after December 31, 1995)” after “ten years of service”.

(2) Section 7(b)(2)(A) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(b)(2)(A)) is amended by inserting “(or five or more years of service, all of which accrues after December 31, 1995)” after “ten years of service”.

(3) Section 205(i) of the Social Security Act (42 U.S.C. 405(i)) is amended by inserting “(or five or more years of service, all of which accrues after December 31, 1995)” after “ten years of service”.

(4) Section 6(b)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231e(b)(2)) is amended by inserting “(or five or more years of service, all of which accrues after December 31, 1995)” after “ten years of service” the second place it appears.

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002.

SEC. 104. REPEAL OF RAILROAD RETIREMENT MAXIMUM.

(a) EMPLOYEE ANNUITIES.—

(1) IN GENERAL.—Section 3(f) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(f)) is amended—

(A) by striking subdivision (1); and

(B) by redesignating subdivisions (2) and (3) as subdivisions (1) and (2), respectively.

(2) CONFORMING AMENDMENTS.—

PUBLIC LAW 107-90—DEC. 21, 2001

(A) The first sentence of section 3(f)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(f)(1)), as redesignated by paragraph (1)(B), is amended by striking “, without regard to the provisions of subdivision (1) of this subsection,”.

(B) Paragraphs (i) and (ii) of section 7(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(d)(2)) are each amended by striking “section 3(f)(3)” and inserting “section 3(f)(2)”.

(b) SPOUSE AND SURVIVOR ANNUITIES.—Section 4 of the Railroad Retirement Act of 1974 (45 U.S.C. 231c) is amended by striking subsection (c).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002, and shall apply to annuity amounts accruing for months after December 2001.

Applicability.
45 USC 231b
note.

SEC. 105. INVESTMENT OF RAILROAD RETIREMENT ASSETS.

(a) ESTABLISHMENT OF NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n) is amended by inserting after subsection (i) the following new subsection:

“(j) NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—

“(1) ESTABLISHMENT.—The National Railroad Retirement Investment Trust (hereinafter in this subsection referred to as the ‘Trust’) is hereby established as a trust domiciled in the District of Columbia and shall, to the extent not inconsistent with this Act, be subject to the laws of the District of Columbia applicable to such trusts. The Trust shall manage and invest its assets in the manner set forth in this subsection.

“(2) NOT A FEDERAL AGENCY OR INSTRUMENTALITY.—The Trust is not a department, agency, or instrumentality of the Government of the United States and shall not be subject to title 31, United States Code.

“(3) BOARD OF TRUSTEES.—

“(A) GENERALLY.—

“(i) MEMBERSHIP.—The Trust shall have a Board of Trustees, consisting of 7 members. Three shall represent the interests of labor, 3 shall represent the interests of management, and 1 shall be an independent Trustee. The members of the Board of Trustees shall not be considered officers or employees of the Government of the United States.

“(ii) SELECTION.—

“(I) The 3 members representing the interests of labor shall be selected by the joint recommendation of labor organizations, national in scope, organized in accordance with section 2 of the Railway Labor Act, and representing at least $\frac{2}{3}$ of all active employees, represented by such national labor organizations, covered under this Act.

“(II) The 3 members representing the interests of management shall be selected by the joint recommendation of carriers as defined in section 1 of the Railway Labor Act employing at least $\frac{2}{3}$ of all active employees covered under this Act.

“(III) The independent member shall be selected by a majority of the other 6 members of the Board of Trustees.

A member of the Board of Trustees may be removed in the same manner and by the same constituency that selected that member.

“(iii) DISPUTE RESOLUTION.—In the event that the parties specified in subclause (I), (II), or (III) of the previous clause cannot agree on the selection of Trustees within 60 days of the date of enactment or 60

PUBLIC LAW 107-90—DEC. 21, 2001

days from any subsequent date that a position of the Board of Trustees becomes vacant, an impartial umpire to decide such dispute shall, on the petition of a party to the dispute, be appointed by the District Court of the United States for the District of Columbia.

“(B) QUALIFICATIONS.—Members of the Board of Trustees shall be appointed only from among persons who have experience and expertise in the management of financial investments and pension plans. No member of the Railroad Retirement Board shall be eligible to be a member of the Board of Trustees.

“(C) TERMS.—Except as provided in this subparagraph, each member shall be appointed for a 3-year term. The initial members appointed under this paragraph shall be divided into equal groups so nearly as may be, of which one group will be appointed for a 1-year term, one for a 2-year term, and one for a 3-year term. The Trustee initially selected pursuant to clause (ii)(III) shall be appointed to a 3-year term. A vacancy in the Board of Trustees shall not affect the powers of the Board of Trustees and shall be filled in the same manner as the selection of the member whose departure caused the vacancy. Upon the expiration of a term of a member of the Board of Trustees, that member shall continue to serve until a successor is appointed.

“(4) POWERS OF THE BOARD OF TRUSTEES.—The Board of Trustees shall—

“(A) retain independent advisers to assist it in the formulation and adoption of its investment guidelines;

“(B) retain independent investment managers to invest the assets of the Trust in a manner consistent with such investment guidelines;

“(C) invest assets in the Trust, pursuant to the policies adopted in subparagraph (A);

“(D) pay administrative expenses of the Trust from the assets in the Trust; and

“(E) transfer money to the disbursing agent or as otherwise provided in section 7(b)(4), to pay benefits payable under this Act from the assets of the Trust.

“(5) REPORTING REQUIREMENTS AND FIDUCIARY STANDARDS.—The following reporting requirements and fiduciary standards shall apply with respect to the Trust:

“(A) DUTIES OF THE BOARD OF TRUSTEES.—The Trust and each member of the Board of Trustees shall discharge their duties (including the voting of proxies) with respect to the assets of the Trust solely in the interest of the Railroad Retirement Board and through it, the participants and beneficiaries of the programs funded under this Act—

“(i) for the exclusive purpose of—

“(I) providing benefits to participants and their beneficiaries; and

“(II) defraying reasonable expenses of administering the functions of the Trust;

“(ii) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

“(iii) by diversifying investments so as to minimize the risk of large losses and to avoid disproportionate influence over a particular industry or firm, unless under the circumstances it is clearly prudent not to do so; and

PUBLIC LAW 107-90—DEC. 21, 2001

“(iv) in accordance with Trust governing documents and instruments insofar as such documents and instruments are consistent with this Act.

“(B) PROHIBITIONS WITH RESPECT TO MEMBERS OF THE BOARD OF TRUSTEES.—No member of the Board of Trustees shall—

“(i) deal with the assets of the Trust in the trustee’s own interest or for the trustee’s own account;

“(ii) in an individual or in any other capacity act in any transaction involving the assets of the Trust on behalf of a party (or represent a party) whose interests are adverse to the interests of the Trust, the Railroad Retirement Board, or the interests of participants or beneficiaries; or

“(iii) receive any consideration for the trustee’s own personal account from any party dealing with the assets of the Trust.

“(C) EXCULPATORY PROVISIONS AND INSURANCE.—Any provision in an agreement or instrument that purports to relieve a trustee from responsibility or liability for any responsibility, obligation, or duty under this Act shall be void: *Provided, however,* That nothing shall preclude—

“(i) the Trust from purchasing insurance for its trustees or for itself to cover liability or losses occurring by reason of the act or omission of a trustee, if such insurance permits recourse by the insurer against the trustee in the case of a breach of a fiduciary obligation by such trustee;

“(ii) a trustee from purchasing insurance to cover liability under this section from and for his own account; or

“(iii) an employer or an employee organization from purchasing insurance to cover potential liability of one or more trustees with respect to their fiduciary responsibilities, obligations, and duties under this section.

“(D) BONDING.—Every trustee and every person who handles funds or other property of the Trust (hereafter in this subsection referred to as ‘Trust official’) shall be bonded. Such bond shall provide protection to the Trust against loss by reason of acts of fraud or dishonesty on the part of any Trust official, directly or through the connivance of others, and shall be in accordance with the following:

“(i) The amount of such bond shall be fixed at the beginning of each fiscal year of the Trust by the Railroad Retirement Board. Such amount shall not be less than 10 percent of the amount of the funds handled. In no case shall such bond be less than \$1,000 nor more than \$500,000, except that the Railroad Retirement Board, after consideration of the record, may prescribe an amount in excess of \$500,000, subject to the 10 per centum limitation of the preceding sentence.

“(ii) It shall be unlawful for any Trust official to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of the Trust without being bonded as required by this subsection and it shall be unlawful for any Trust official, or any other person having authority to direct the performance of such functions, to permit such functions, or any of them, to be performed by any Trust official, with respect to whom the requirements of this subsection have not been met.

“(iii) It shall be unlawful for any person to procure any bond required by this subsection from any surety

PUBLIC LAW 107-90—DEC. 21, 2001

or other company or through any agent or broker in whose business operations such person has any control or significant financial interest, direct or indirect.

“(E) AUDIT AND REPORT.—

“(i) The Trust shall annually engage an independent qualified public accountant to audit the financial statements of the Trust.

Deadline.

“(ii) The Trust shall submit an annual management report to the Congress not later than 180 days after the end of the Trust’s fiscal year. A management report under this subsection shall include—

“(I) a statement of financial position;

“(II) a statement of operations;

“(III) a statement of cash flows;

“(IV) a statement on internal accounting and administrative control systems;

“(V) the report resulting from an audit of the financial statements of the Trust conducted under clause (i); and

“(VI) any other comments and information necessary to inform the Congress about the operations and financial condition of the Trust.

“(iii) The Trust shall provide the President, the Railroad Retirement Board, and the Director of the Office of Management and Budget a copy of the management report when it is submitted to Congress.

“(F) ENFORCEMENT.—The Railroad Retirement Board may bring a civil action—

“(i) to enjoin any act or practice by the Trust, its Board of Trustees, or its employees or agents that violates any provision of this Act; or

“(ii) to obtain other appropriate relief to redress such violations, or to enforce any provisions of this Act.

“(6) RULES AND ADMINISTRATIVE POWERS.—The Board of Trustees shall have the authority to make rules to govern its operations, employ professional staff, and contract with outside advisers, including the Railroad Retirement Board, to provide legal, accounting, investment advisory, or other services necessary for the proper administration of this subsection. In the case of contracts with investment advisory services, compensation for such services may be on a fixed contract fee basis or on such other terms and conditions as are customary for such services.

“(7) QUORUM.—Five members of the Board of Trustees constitute a quorum to do business. Investment guidelines must be adopted by a unanimous vote of the entire Board of Trustees. All other decisions of the Board of Trustees shall be decided by a majority vote of the quorum present. All decisions of the Board of Trustees shall be entered upon the records of the Board of Trustees.

“(8) FUNDING.—The expenses of the Trust and the Board of Trustees incurred under this subsection shall be paid from the Trust.”.

(b) CONFORMING AND TECHNICAL AMENDMENTS GOVERNING INVESTMENTS.—Section 15(e) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(e)) is amended—

(1) in the first sentence, by striking “, the Dual Benefits Payments Account” and all that follows through “may be made only” in the second sentence and inserting “and the Dual Benefits Payments Account as are not transferred to the National Railroad Retirement Investment Trust as the Board may determine”;

(2) by striking “the Second Liberty Bond Act, as amended” and inserting “chapter 31 of title 31”; and

PUBLIC LAW 107-90—DEC. 21, 2001

(3) by striking “the foregoing requirements” and inserting “the requirements of this subsection”.

(c) MEANS OF FINANCING.—For all purposes of the Congressional Budget Act of 1974, the Balanced Budget and Emergency Deficit Control Act of 1985, and chapter 11 of title 31, United States Code, and notwithstanding section 20 of the Office of Management and Budget Circular No. A-11, the purchase or sale of non-Federal assets (other than gains or losses from such transactions) by the National Railroad Retirement Investment Trust shall be treated as a means of financing. 45 USC 231n note.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the month that begins more than 30 days after enactment. 45 USC 231n note.

SEC. 106. ELIMINATION OF SUPPLEMENTAL ANNUITY ACCOUNT.

(a) SOURCE OF PAYMENTS.—Section 7(c)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(1)) is amended by striking “payments of supplemental annuities under section 2(b) of this Act shall be made from the Railroad Retirement Supplemental Account, and”.

(b) ELIMINATION OF ACCOUNT.—Section 15(c) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(c)) is repealed.

(c) AMENDMENT TO RAILROAD RETIREMENT ACCOUNT.—Section 15(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(a)) is amended by striking “, except those portions of the amounts covered into the Treasury under sections 3211(b),” and all that follows through the end of the subsection and inserting a period.

(d) TRANSFER.—

(1) DETERMINATION.—As soon as possible after December 31, 2001, the Railroad Retirement Board shall—

(A) determine the amount of funds in the Railroad Retirement Supplemental Account under section 15(c) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(c)) as of the date of such determination; and

(B) direct the Secretary of the Treasury to transfer such funds to the National Railroad Retirement Investment Trust under section 15(j) of such Act (as added by section 105).

(2) TRANSFER BY THE SECRETARY OF THE TREASURY.—The Secretary of the Treasury shall make the transfer described in paragraph (1).

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsections (a), (b), and (c) shall take effect January 1, 2002.

(2) ACCOUNT IN EXISTENCE UNTIL TRANSFER MADE.—The Railroad Retirement Supplemental Account under section 15(c) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(c)) shall continue to exist until the date that the Secretary of the Treasury makes the transfer described in subsection (d)(2).

SEC. 107. TRANSFER AUTHORITY REVISIONS.

(a) RAILROAD RETIREMENT ACCOUNT.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n) is amended by adding after subsection (j) the following new subsection:

“(k) TRANSFERS TO THE TRUST.—The Board shall, upon establishment of the National Railroad Retirement Investment Trust and from time to time thereafter, direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment returns to the Railroad Retirement system, that portion of the Railroad Retirement Account that is not needed to pay current administrative expenses of the Board to the National Railroad Retirement Investment Trust. The Secretary shall make that transfer.”.

45 USC 231n note.

45 USC 231n note.

45 USC 231n note.

45 USC 231n note.

PUBLIC LAW 107-90—DEC. 21, 2001

(b) TRANSFERS FROM THE NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n), as amended by subsection (a), is further amended by adding after subsection (k) the following new subsection:

“(1) NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—The National Railroad Retirement Investment Trust shall from time to time transfer to the disbursing agent described in section 7(b)(4) or as otherwise directed by the Railroad Retirement Board pursuant to section 7(b)(4), such amounts as may be necessary to pay benefits under this Act (other than benefits paid from the Social Security Equivalent Benefit Account or the Dual Benefit Payments Account).”.

(c) SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—

(1) TRANSFERS TO TRUST.—Section 15A(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(d)(2)) is amended to read as follows:

“(2) Upon establishment of the National Railroad Retirement Investment Trust and from time to time thereafter, the Board shall direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment returns to the Railroad Retirement system, the balance of the Social Security Equivalent Benefit Account not needed to pay current benefits and administrative expenses required to be paid from that Account to the National Railroad Retirement Investment Trust, and the Secretary shall make that transfer. Any balance transferred under this paragraph shall be used by the National Railroad Retirement Investment Trust only to pay benefits under this Act or to purchase obligations of the United States that are backed by the full faith and credit of the United States pursuant to chapter 31 of title 31, United States Code. The proceeds of sales of, and the interest income from, such obligations shall be used by the Trust only to pay benefits under this Act.”.

(2) TRANSFERS TO DISBURSING AGENT.—Section 15A(c)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(c)(1)) is amended by adding at the end the following new sentence: “The Secretary shall from time to time transfer to the disbursing agent under section 7(b)(4) amounts necessary to pay those benefits.”.

(3) CONFORMING AMENDMENT.—Section 15A(d)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(d)(1)) is amended by striking the second and third sentences.

(d) DUAL BENEFITS PAYMENTS ACCOUNT.—Section 15(d)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(d)(1)) is amended by adding at the end the following new sentence: “The Secretary of the Treasury shall from time to time transfer from the Dual Benefits Payments Account to the disbursing agent under section 7(b)(4) amounts necessary to pay benefits payable from that Account.”.

(e) CERTIFICATION BY THE BOARD AND PAYMENT.—Paragraph (4) of section 7(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(b)(4)) is amended to read as follows:

“(4)(A) The Railroad Retirement Board, after consultation with the Board of Trustees of the National Railroad Retirement Investment Trust and the Secretary of the Treasury, shall enter into an arrangement with a nongovernmental financial institution to serve as disbursing agent for benefits payable under this Act who shall disburse consolidated benefits under this Act to each recipient. Pending the taking effect of that arrangement, benefits shall be paid as under the law in effect prior to the enactment of the Railroad Retirement and Survivors’ Improvement Act of 2001.

“(B) The Board shall from time to time certify—

“(i) to the Secretary of the Treasury the amounts required to be transferred from the Social Security Equivalent Benefit Account and the Dual Benefits Payments Account to the

PUBLIC LAW 107-90—DEC. 21, 2001

disbursing agent to make payments of benefits and the Secretary of the Treasury shall transfer those amounts;

“(ii) to the Board of Trustees of the National Railroad Retirement Investment Trust the amounts required to be transferred from the National Railroad Retirement Investment Trust to the disbursing agent to make payments of benefits and the Board of Trustees shall transfer those amounts; and

“(iii) to the disbursing agent the name and address of each individual entitled to receive a payment, the amount of such payment, and the time at which the payment should be made.”.

(f) **BENEFIT PAYMENTS.**—Section 7(c)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(1)) is amended—

(1) by striking “from the Railroad Retirement Account” and inserting “by the disbursing agent under subsection (b)(4) from money transferred to it from the National Railroad Retirement Investment Trust or the Social Security Equivalent Benefit Account, as the case may be”; and

(2) by inserting “by the disbursing agent under subsection (b)(4) from money transferred to it” after “Public Law 93-445 shall be made”.

(g) **TRANSITIONAL RULE FOR EXISTING OBLIGATION.**—In making transfers under sections 15(k) and 15A(d)(2) of the Railroad Retirement Act of 1974, as amended by subsections (a) and (c), respectively, the Railroad Retirement Board shall consult with the Secretary of the Treasury to design an appropriate method to transfer obligations held as of the date of enactment of this Act or to convert such obligations to cash at the discretion of the Railroad Retirement Board prior to transfer. The National Railroad Retirement Investment Trust may hold to maturity any obligations so received or may redeem them prior to maturity, as the Trust deems appropriate.

45 USC 231n
note.

SEC. 108. ANNUAL RATIO PROJECTIONS AND CERTIFICATIONS BY THE RAILROAD RETIREMENT BOARD.

(a) **PROJECTIONS.**—Section 22(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231u(a)(1)) is amended—

(1) by inserting after the first sentence the following new sentence: “On or before May 1 of each year beginning in 2003, the Railroad Retirement Board shall compute its projection of the account benefits ratio and the average account benefits ratio (as defined by section 3241(c) of the Internal Revenue Code of 1986) for each of the next succeeding five fiscal years.”; and

(2) by striking “the projection prepared pursuant to the preceding sentence” and inserting “the projections prepared pursuant to the preceding two sentences”.

(b) **CERTIFICATIONS.**—The Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.) is amended by adding at the end the following new section:

“COMPUTATION AND CERTIFICATION OF ACCOUNT BENEFIT RATIOS

“SEC. 23. (a) **INITIAL COMPUTATION AND CERTIFICATION.**—On or before November 1, 2003, the Railroad Retirement Board shall—

45 USC 231v.

“(1) compute the account benefits ratios for each of the most recent 10 preceding fiscal years, and

“(2) certify the account benefits ratios for each such fiscal year to the Secretary of the Treasury.

“(b) **COMPUTATIONS AND CERTIFICATIONS AFTER 2003.**—On or before November 1 of each year after 2003, the Railroad Retirement Board shall—

“(1) compute the account benefits ratio for the fiscal year ending in such year, and

“(2) certify the account benefits ratio for such fiscal year to the Secretary of the Treasury.

PUBLIC LAW 107-90—DEC. 21, 2001

“(c) DEFINITION.—As used in this section, the term ‘account benefits ratio’ has the meaning given that term in section 3241(c) of the Internal Revenue Code of 1986.”.

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

SEC. 201. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 202. EXEMPTION FROM TAX FOR NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.

26 USC 501. Subsection (c) of section 501 is amended by adding at the end the following new paragraph:

“(28) The National Railroad Retirement Investment Trust established under section 15(j) of the Railroad Retirement Act of 1974.”.

SEC. 203. REPEAL OF SUPPLEMENTAL ANNUITY TAX.

26 USC 3211. (a) REPEAL OF TAX ON EMPLOYEE REPRESENTATIVES.—Section 3211 is amended by striking subsection (b).

26 USC 3221. (b) REPEAL OF TAX ON EMPLOYERS.—Section 3221 is amended by striking subsections (c) and (d) and by redesignating subsection (e) as subsection (c).

Applicability.
26 USC 3211
note. (c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after December 31, 2001.

SEC. 204. EMPLOYER, EMPLOYEE REPRESENTATIVE, AND EMPLOYEE TIER 2 TAX RATE ADJUSTMENTS.

(a) RATE OF TAX ON EMPLOYERS.—Subsection (b) of section 3221 is amended to read as follows:

“(b) TIER 2 TAX.—

“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the applicable percentage of the compensation paid during any calendar year by such employer for services rendered to such employer.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—

“(A) 15.6 percent in the case of compensation paid during 2002,

“(B) 14.2 percent in the case of compensation paid during 2003, and

“(C) in the case of compensation paid during any calendar year after 2003, the percentage determined under section 3241 for such calendar year.”.

(b) RATE OF TAX ON EMPLOYEE REPRESENTATIVES.—Section 3211, as amended by section 203, is amended by striking subsection (a) and inserting the following new subsections:

“(a) TIER 1 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representative for services rendered by such employee representative. For purposes of the preceding sentence, the term ‘applicable percentage’ means the percentage equal to the sum of the rates of tax in effect under subsections (a) and (b) of section 3101 and subsections (a) and (b) of section 3111 for the calendar year.

“(b) TIER 2 TAX.—

PUBLIC LAW 107-90—DEC. 21, 2001

“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representatives for services rendered by such employee representative.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—

“(A) 14.75 percent in the case of compensation received during 2002,

“(B) 14.20 percent in the case of compensation received during 2003, and

“(C) in the case of compensation received during any calendar year after 2003, the percentage determined under section 3241 for such calendar year.

“(c) CROSS REFERENCE.—

“For application of different contribution bases with respect to the taxes imposed by subsections (a) and (b), see section 3231(e)(2).”.

(c) RATE OF TAX ON EMPLOYEES.—Subsection (b) of section 3201 is amended to read as follows:

26 USC 3201.

“(b) TIER 2 TAX.—

“(1) IN GENERAL.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the applicable percentage of the compensation received during any calendar year by such employee for services rendered by such employee.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term ‘applicable percentage’ means—

“(A) 4.90 percent in the case of compensation received during 2002 or 2003, and

“(B) in the case of compensation received during any calendar year after 2003, the percentage determined under section 3241 for such calendar year.”.

(d) DETERMINATION OF RATE.—Chapter 22 is amended by adding at the end the following new subchapter:

26 USC 3241.

“Subchapter E—Tier 2 Tax Rate Determination

“Sec. 3241. Determination of tier 2 tax rate based on average account benefits ratio.

“SEC. 3241. DETERMINATION OF TIER 2 TAX RATE BASED ON AVERAGE ACCOUNT BENEFITS RATIO.

“(a) IN GENERAL.—For purposes of sections 3201(b), 3211(b), and 3221(b), the applicable percentage for any calendar year is the percentage determined in accordance with the table in subsection (b).

“(b) TAX RATE SCHEDULE.—

| “Average account benefits ratio | | Applicable percent- age for sections 3211(b) and 3221(b) | Applicable percent- age for section 3201(b) |
|---------------------------------|---------------|--|---|
| At least | But less than | | |
| | 2.5 | 22.1 | 4.9 |
| 2.5 | 3.0 | 18.1 | 4.9 |
| 3.0 | 3.5 | 15.1 | 4.9 |
| 3.5 | 4.0 | 14.1 | 4.9 |
| 4.0 | 6.1 | 13.1 | 4.9 |
| 6.1 | 6.5 | 12.6 | 4.4 |
| 6.5 | 7.0 | 12.1 | 3.9 |
| 7.0 | 7.5 | 11.6 | 3.4 |
| 7.5 | 8.0 | 11.1 | 2.9 |
| 8.0 | 8.5 | 10.1 | 1.9 |
| 8.5 | 9.0 | 9.1 | 0.9 |
| 9.0 | | 8.2 | 0 |

“(c) DEFINITIONS RELATED TO DETERMINATION OF RATES OF TAX.—

PUBLIC LAW 107-90—DEC. 21, 2001

“(1) AVERAGE ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘average account benefits ratio’ means, with respect to any calendar year, the average determined by the Secretary of the account benefits ratios for the 10 most recent fiscal years ending before such calendar year. If the amount determined under the preceding sentence is not a multiple of 0.1, such amount shall be increased to the next highest multiple of 0.1.

“(2) ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘account benefits ratio’ means, with respect to any fiscal year, the amount determined by the Railroad Retirement Board by dividing the fair market value of the assets in the Railroad Retirement Account and of the National Railroad Retirement Investment Trust (and for years before 2002, the Social Security Equivalent Benefits Account) as of the close of such fiscal year by the total benefits and administrative expenses paid from the Railroad Retirement Account and the National Railroad Retirement Investment Trust during such fiscal year.

Deadline.
Federal Register,
publication.

“(d) NOTICE.—No later than December 1 of each calendar year, the Secretary shall publish a notice in the Federal Register of the rates of tax determined under this section which are applicable for the following calendar year.”.

(e) CONFORMING AMENDMENTS.—

26 USC 24.

(1) Section 24(d)(3)(A)(iii) is amended by striking “section 3211(a)(1)” and inserting “section 3211(a)”.

26 USC 72.

(2) Section 72(r)(2)(B)(i) is amended by striking “3211(a)(2)” and inserting “3211(b)”.

26 USC 3231.

(3) Paragraphs (2)(A)(iii)(II) and (4)(A) of section 3231(e) are amended by striking “3211(a)(1)” and inserting “3211(a)”.

(4) Section 3231(e)(2)(B)(ii)(I) is amended by striking “3211(a)(2)” and inserting “3211(b)”.

(5) The table of subchapters for chapter 22 is amended by adding at the end the following new item:

“Subchapter E. Tier 2 tax rate determination.”.

Applicability.
26 USC 24 note.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after December 31, 2001.

Approved December 21, 2001.

LEGISLATIVE HISTORY—H.R. 10:

HOUSE REPORTS: No. 107-51, Pt. 1 (Comm. on Ways and Means) and Pt. 2 (Comm. on Education and the Workforce).

CONGRESSIONAL RECORD, Vol. 147 (2001):

May 2, considered and passed House.

Nov. 29, Dec. 3-5, considered and passed Senate, amended.

Dec. 11, House concurred in Senate amendments.

GENERAL GOVERNMENT ACTS

PUBLIC LAW 107-106—DEC. 28, 2001

Public Law 107-106
107th Congress

An Act

To establish the National Museum of African American History and Culture Plan for Action Presidential Commission to develop a plan of action for the establishment and maintenance of the National Museum of African American History and Culture in Washington, D.C., and for other purposes.

Dec. 28, 2001
[H.R. 3442]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “National Museum of African American History and Culture Plan for Action Presidential Commission Act of 2001”.

SEC. 2. ESTABLISHMENT OF COMMISSION.

(a) **IN GENERAL.**—There is established the National Museum of African American History and Culture Plan for Action Presidential Commission (hereafter in this Act referred to as the “Commission”).

(b) **MEMBERSHIP.**—The Commission shall consist of not more than 23 members appointed as follows:

(1) The President shall appoint seven voting members.

(2) The Speaker of the House of Representatives and the Senate Majority Leader shall each appoint six voting members.

(3) In addition to the members appointed under paragraph (2), the Speaker of the House of Representatives and the Senate Majority Leader shall each appoint two additional nonvoting members.

(c) **QUALIFICATIONS.**—Members of the Commission shall be chosen from the following professional groups:

(1) Professional museum associations, including the Association of African American Museums and African American Museum Cultural Complex, Inc.

(2) Academic institutions and groups committed to the research and study of African American life, art, history, and culture, including Historically Black Colleges and Universities and the Joint Center for Political and Economic Studies.

SEC. 3. FUNCTIONS OF THE COMMISSION.

(a) **PLAN OF ACTION FOR ESTABLISHMENT AND MAINTENANCE OF MUSEUM.**—

(1) **IN GENERAL.**—The Commission shall submit a report to the President and the Congress containing its recommendations with respect to a plan of action for the establishment and maintenance of the National Museum of African American History and Culture in Washington, D.C. (hereafter in this Act referred to as the “Museum”).

(2) **NATIONAL CONFERENCE.**—In developing the recommendations, the Commission shall convene a national conference on the Museum, comprised of individuals committed to the advancement of African American life, art, history, and culture, not later than 3 months after the date of the enactment of this Act.

(b) **FUNDRAISING PLAN.**—The Commission shall develop a fundraising plan for supporting the creation and maintenance of the Museum through contributions by the American people, and a separate plan on fundraising by the African American community.

National
Museum of
African American
History and
Culture Plan for
Action
Presidential
Commission Act
of 2001.

Reports.

PUBLIC LAW 107-106—DEC. 28, 2001

(c) **REPORT ON ISSUES.**—The Commission shall examine and submit a report to the President and the Congress on the following issues:

(1) The availability and cost of collections to be acquired and housed in the Museum.

(2) The impact of the Museum on regional African American museums.

(3) Possible locations for the Museum on or adjacent to the National Mall in Washington, D.C.

(4) The cost of converting the Smithsonian Institution's Arts and Industries Building into a modern museum with requisite temperature and humidity controls.

(5) Whether the Museum should be located within the Smithsonian Institution.

(6) The governance and organizational structure from which the Museum should operate.

(d) **LEGISLATION TO CARRY OUT PLAN OF ACTION.**—Based on the recommendations contained in the report submitted under subsection (a) and the report submitted under subsection (c), the Commission shall submit for consideration to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on House Administration of the House of Representatives, the Committee on Rules and Administration of the Senate, and the Committees on Appropriations of the House of Representatives and Senate a legislative plan of action to create and construct the Museum.

SEC. 4. ADMINISTRATIVE PROVISIONS.

(a) **FACILITIES AND SUPPORT OF SECRETARY OF THE INTERIOR.**—The Secretary of the Interior shall provide the administrative services, facilities, and funds necessary for the performance of the Commission's functions.

(b) **COMPENSATION.**—Each member of the Commission who is not an officer or employee of the Federal Government may receive compensation for each day on which the member is engaged in the work of the Commission, at a daily rate to be determined by the Secretary of the Interior.

(c) **TRAVEL EXPENSES.**—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

SEC. 5. DEADLINE FOR SUBMISSION OF REPORTS; TERMINATION.

(a) **DEADLINE.**—The Commission shall submit final versions of the reports and plans required under section 3 not later than 9 months after the date of the enactment of this Act.

(b) **TERMINATION.**—The Commission shall terminate not later than 30 days after submitting the final versions of reports and plans pursuant to subsection (a).

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$3,000,000 for activities of the Commission during fiscal year 2002.

Approved December 28, 2001.

LEGISLATIVE HISTORY—H.R. 3442:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Dec. 11, considered and passed House.

Dec. 17, considered and passed Senate.

GENERAL GOVERNMENT ACTS

PUBLIC LAW 107-119—JAN. 15, 2002

Public Law 107-119
107th Congress

An Act

To amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

Jan. 15, 2002
[S. 1202]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Office of Government Ethics Authorization Act of 2001”.

Office of
Government
Ethics
Authorization
Act of 2001.
5 USC app.

SEC. 2. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.

Section 405 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking “1997 through 1999” and inserting “2002 through 2006”.

Approved January 15, 2002.

LEGISLATIVE HISTORY—S. 1202:

SENATE REPORTS: No. 107-88 (Comm. on Governmental Affairs).
CONGRESSIONAL RECORD, Vol. 147 (2001):
Nov. 15, considered and passed Senate.
Dec. 19, 20, considered and passed House.

GENERAL GOVERNMENT ACTS

PUBLIC LAW 107-123—JAN. 16, 2002

Public Law 107-123
107th Congress

An Act

Jan. 16, 2002
[H.R. 1088]

To amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*Investor and
Capital Markets
Fee Relief Act.
15 USC 78a note.**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Investor and Capital Markets Fee Relief Act”.

SEC. 2. IMMEDIATE TRANSACTION FEE REDUCTIONS.

Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended—

(1) by striking “ $\frac{1}{300}$ of one percent” each place it appears in subsections (b) and (d) and inserting “\$15 per \$1,000,000”;

(2) by striking “and security futures products” each place it appears in such subsections and inserting “security futures products, and options on securities indexes (excluding a narrow-based security index)”;

(3) in the first sentence of subsection (b), by striking “, except that” and all that follows through the end of such sentence and inserting a period;

(4) in paragraph (1) of subsection (d), by striking “, except that” and all that follows through the end of such paragraph and inserting a period;

(5) in subsection (e), by striking “\$0.02” and inserting “\$0.009”; and

(6) by adding at the end the following new subsection:
“(i) PRO RATA APPLICATION.—The rates per \$1,000,000 required by this section shall be applied pro rata to amounts and balances of less than \$1,000,000.”.**SEC. 3. REVISION OF SECURITIES TRANSACTION FEE PROVISIONS; ADDITIONAL FEE REDUCTIONS.**

(a) POOLING AND ALLOCATION OF COLLECTIONS.—Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is further amended—

(1) in subsection (b)—

(A) by striking “Every” and inserting “Subject to subsection (j), each”; and

(B) by striking the last sentence;

(2) by striking subsection (c);

(3) in subsection (d)—

(A) by striking paragraphs (2) and (3);

(B) by striking the following:

“(d) OFF-EXCHANGE TRADES OF LAST-SALE-REPORTED SECURITIES.—

“(1) COVERED TRANSACTIONS.—Each national securities”
and inserting the following:

“(c) OFF-EXCHANGE TRADES OF EXCHANGE REGISTERED AND LAST-SALE-REPORTED SECURITIES.—Subject to subsection (j), each national securities”;

(C) by inserting “registered on a national securities exchange or” after “narrow-based security index)” (as added by section 2(2)); and

PUBLIC LAW 107-123—JAN. 16, 2002

(D) by striking “, excluding any sales for which a fee is paid under subsection (c)”;

(4) in subsection (e), by striking “except that for fiscal year 2007” and all that follows through the end of such subsection and inserting the following: “except that for fiscal year 2007 and each succeeding fiscal year such assessment shall be equal to \$0.0042 for each such transaction.”;

(5) in subsection (f), by striking “DATES FOR PAYMENT OF FEES.—The fees required” and inserting “DATES FOR PAYMENTS.—The fees and assessments required”;

(6) by redesignating subsections (e) through (i) (as added by section 2(5)) as subsections (d) through (h), respectively;

(7) by adding at the end the following new subsection: “(i) DEPOSIT OF FEES.—

“(1) OFFSETTING COLLECTIONS.—Fees collected pursuant to subsections (b), (c), and (d) for any fiscal year—

“(A) shall be deposited and credited as offsetting collections to the account providing appropriations to the Commission; and

“(B) except as provided in subsection (k), shall not be collected for any fiscal year except to the extent provided in advance in appropriation Acts.

“(2) GENERAL REVENUES PROHIBITED.—No fees collected pursuant to subsections (b), (c), and (d) for fiscal year 2002 or any succeeding fiscal year shall be deposited and credited as general revenue of the Treasury.”.

(b) ADDITIONAL REDUCTIONS OF FEES.—

(1) AMENDMENT.—Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is further amended by adding after subsection (i) (as added by subsection (a)(7)) the following new subsections:

“(j) RECAPTURE OF PROJECTION WINDFALLS FOR FURTHER RATE REDUCTIONS.—

“(1) ANNUAL ADJUSTMENT.—For each of the fiscal years 2003 through 2011, the Commission shall by order adjust each of the rates applicable under subsections (b) and (c) for such fiscal year to a uniform adjusted rate that, when applied to the baseline estimate of the aggregate dollar amount of sales for such fiscal year, is reasonably likely to produce aggregate fee collections under this section (including assessments collected under subsection (d)) that are equal to the target offsetting collection amount for such fiscal year.

“(2) MID-YEAR ADJUSTMENT.—For each of the fiscal years 2002 through 2011, the Commission shall determine, by March 1 of such fiscal year, whether, based on the actual aggregate dollar volume of sales during the first 5 months of such fiscal year, the baseline estimate of the aggregate dollar volume of sales used under paragraph (1) for such fiscal year (or \$48,800,000,000,000 in the case of fiscal year 2002) is reasonably likely to be 10 percent (or more) greater or less than the actual aggregate dollar volume of sales for such fiscal year. If the Commission so determines, the Commission shall by order, no later than such March 1, adjust each of the rates applicable under subsections (b) and (c) for such fiscal year to a uniform adjusted rate that, when applied to the revised estimate of the aggregate dollar amount of sales for the remainder of such fiscal year, is reasonably likely to produce aggregate fee collections under this section (including fees collected during such 5-month period and assessments collected under subsection (d)) that are equal to the target offsetting collection amount for such fiscal year. In making such revised estimate, the Commission shall, after consultation with the Congressional Budget Office and the Office of Management and Budget, use the same methodology required by subsection (1)(2).

Deadline.

Deadline.

PUBLIC LAW 107-123—JAN. 16, 2002

“(3) FINAL RATE ADJUSTMENT.—For fiscal year 2012 and all of the succeeding fiscal years, the Commission shall by order adjust each of the rates applicable under subsections (b) and (c) for all of such fiscal years to a uniform adjusted rate that, when applied to the baseline estimate of the aggregate dollar amount of sales for fiscal year 2012, is reasonably likely to produce aggregate fee collections under this section in fiscal year 2012 (including assessments collected under subsection (d)) equal to the target offsetting collection amount for fiscal year 2011.

“(4) REVIEW AND EFFECTIVE DATE.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (1), (2), or (3) and published under subsection (g) shall not be subject to judicial review. Subject to subsections (i)(1)(B) and (k)—

“(A) an adjusted rate prescribed under paragraph (1) shall take effect on the later of—

“(i) the first day of the fiscal year to which such rate applies; or

“(ii) thirty days after the date on which a regular appropriation to the Commission for such fiscal year is enacted;

“(B) an adjusted rate prescribed under paragraph (2) shall take effect on April 1 of the fiscal year to which such rate applies; and

“(C) an adjusted rate prescribed under paragraph (3) shall take effect on the later of—

“(i) the first day of fiscal year 2012; or

“(ii) thirty days after the date on which a regular appropriation to the Commission for fiscal year 2012 is enacted.

“(k) LAPSE OF APPROPRIATION.—If on the first day of a fiscal year a regular appropriation to the Commission has not been enacted, the Commission shall continue to collect (as offsetting collections) the fees and assessments under subsections (b), (c), and (d) at the rate in effect during the preceding fiscal year, until 30 days after the date such a regular appropriation is enacted.

“(l) DEFINITIONS.—For purposes of this section:

“(1) TARGET OFFSETTING COLLECTION AMOUNT.—The target offsetting collection amount for each of the fiscal years 2002 through 2011 is determined according to the following table:

| “Fiscal year: | Target offsetting collection amount |
|---------------|--|
| 2002 | \$732,000,000 |
| 2003 | \$849,000,000 |
| 2004 | \$1,028,000,000 |
| 2005 | \$1,220,000,000 |
| 2006 | \$1,435,000,000 |
| 2007 | \$881,000,000 |
| 2008 | \$892,000,000 |
| 2009 | \$1,023,000,000 |
| 2010 | \$1,161,000,000 |
| 2011 | \$1,321,000,000 |

“(2) BASELINE ESTIMATE OF THE AGGREGATE DOLLAR AMOUNT OF SALES.—The baseline estimate of the aggregate dollar amount of sales for any fiscal year is the baseline estimate of the aggregate dollar amount of sales of securities (other than bonds, debentures, other evidences of indebtedness, security futures products, and options on securities indexes (excluding a narrow-based security index)) to be transacted on each national securities exchange and by or through any member of each national securities association (otherwise than on a national securities exchange) during such fiscal year as

Termination
date.

PUBLIC LAW 107-123—JAN. 16, 2002

determined by the Commission, after consultation with the Congressional Budget Office and the Office of Management and Budget, using the methodology required for making projections pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(2) CONFORMING AMENDMENT.—Section 31(g) of such Act (as redesignated by subsection (a)(6) of this section) is amended by inserting before the period at the end the following: “not later than April 30 of the fiscal year preceding the fiscal year to which such rate applies, together with any estimates or projections on which such fees are based”.

Deadline.

SEC. 4. REDUCTION OF REGISTRATION FEES.

Section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) is amended by striking paragraphs (2) through (5) and inserting the following:

“(2) FEE PAYMENT REQUIRED.—At the time of filing a registration statement, the applicant shall pay to the Commission a fee at a rate that shall be equal to \$92 per \$1,000,000 of the maximum aggregate price at which such securities are proposed to be offered, except that during fiscal year 2003 and any succeeding fiscal year such fee shall be adjusted pursuant to paragraph (5) or (6).

“(3) OFFSETTING COLLECTIONS.—Fees collected pursuant to this subsection for any fiscal year—

“(A) shall be deposited and credited as offsetting collections to the account providing appropriations to the Commission; and

“(B) except as provided in paragraph (9), shall not be collected for any fiscal year except to the extent provided in advance in appropriation Acts.

“(4) GENERAL REVENUES PROHIBITED.—No fees collected pursuant to this subsection for fiscal year 2002 or any succeeding fiscal year shall be deposited and credited as general revenue of the Treasury.

“(5) ANNUAL ADJUSTMENT.—For each of the fiscal years 2003 through 2011, the Commission shall by order adjust the rate required by paragraph (2) for such fiscal year to a rate that, when applied to the baseline estimate of the aggregate maximum offering prices for such fiscal year, is reasonably likely to produce aggregate fee collections under this subsection that are equal to the target offsetting collection amount for such fiscal year.

“(6) FINAL RATE ADJUSTMENT.—For fiscal year 2012 and all of the succeeding fiscal years, the Commission shall by order adjust the rate required by paragraph (2) for all of such fiscal years to a rate that, when applied to the baseline estimate of the aggregate maximum offering prices for fiscal year 2012, is reasonably likely to produce aggregate fee collections under this subsection in fiscal year 2012 equal to the target offsetting collection amount for fiscal year 2011.

“(7) PRO RATA APPLICATION.—The rates per \$1,000,000 required by this subsection shall be applied pro rata to amounts and balances of less than \$1,000,000.

“(8) REVIEW AND EFFECTIVE DATE.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (5) or (6) and published under paragraph (10) shall not be subject to judicial review. Subject to paragraphs (3)(B) and (9)—

“(A) an adjusted rate prescribed under paragraph (5) shall take effect on the later of—

“(i) the first day of the fiscal year to which such rate applies; or

PUBLIC LAW 107-123—JAN. 16, 2002

“(ii) five days after the date on which a regular appropriation to the Commission for such fiscal year is enacted; and
 “(B) an adjusted rate prescribed under paragraph (6) shall take effect on the later of—
 “(i) the first day of fiscal year 2012; or
 “(ii) five days after the date on which a regular appropriation to the Commission for fiscal year 2012 is enacted.

Termination date.

“(9) LAPSE OF APPROPRIATION.—If on the first day of a fiscal year a regular appropriation to the Commission has not been enacted, the Commission shall continue to collect fees (as offsetting collections) under this subsection at the rate in effect during the preceding fiscal year, until 5 days after the date such a regular appropriation is enacted.

Federal Register, publication. Notice. Deadline.

“(10) PUBLICATION.—The Commission shall publish in the Federal Register notices of the rate applicable under this subsection and under sections 13(e) and 14(g) for each fiscal year not later than April 30 of the fiscal year preceding the fiscal year to which such rate applies, together with any estimates or projections on which such rate is based.

“(11) DEFINITIONS.—For purposes of this subsection:

“(A) TARGET OFFSETTING COLLECTION AMOUNT.—The target offsetting collection amount for each of the fiscal years 2002 through 2011 is determined according to the following table:

| “Fiscal year: | Target offsetting collection amount |
|---------------|-------------------------------------|
| 2002 | \$377,000,000 |
| 2003 | \$435,000,000 |
| 2004 | \$467,000,000 |
| 2005 | \$570,000,000 |
| 2006 | \$689,000,000 |
| 2007 | \$214,000,000 |
| 2008 | \$234,000,000 |
| 2009 | \$284,000,000 |
| 2010 | \$334,000,000 |
| 2011 | \$394,000,000 |

“(B) BASELINE ESTIMATE OF THE AGGREGATE MAXIMUM OFFERING PRICES.—The baseline estimate of the aggregate maximum offering prices for any fiscal year is the baseline estimate of the aggregate maximum offering price at which securities are proposed to be offered pursuant to registration statements filed with the Commission during such fiscal year as determined by the Commission, after consultation with the Congressional Budget Office and the Office of Management and Budget, using the methodology required for projections pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

SEC. 5. FEES FOR STOCK REPURCHASE STATEMENTS.

Section 13(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e)) is amended—

(1) in paragraph (3), by striking “a fee of 1/50 of 1 per centum of the value of securities proposed to be purchased” and inserting “a fee at a rate that, subject to paragraphs (5) and (6), is equal to \$92 per \$1,000,000 of the value of securities proposed to be purchased”;

(2) by inserting after paragraph (3) the following new paragraphs:

“(4) OFFSETTING COLLECTIONS.—Fees collected pursuant to this subsection for any fiscal year shall be deposited and credited as offsetting collections to the account providing appropriations to the Commission, and, except as provided in paragraph (9), shall not be collected for any fiscal year except to the extent provided in advance in appropriation Acts. No fees col-

PUBLIC LAW 107-123—JAN. 16, 2002

lected pursuant to this subsection for fiscal year 2002 or any succeeding fiscal year shall be deposited and credited as general revenue of the Treasury.

“(5) ANNUAL ADJUSTMENT.—For each of the fiscal years 2003 through 2011, the Commission shall by order adjust the rate required by paragraph (3) for such fiscal year to a rate that is equal to the rate (expressed in dollars per million) that is applicable under section 6(b) of the Securities Act of 1933 for such fiscal year.

“(6) FINAL RATE ADJUSTMENT.—For fiscal year 2012 and all of the succeeding fiscal years, the Commission shall by order adjust the rate required by paragraph (3) for all of such fiscal years to a rate that is equal to the rate (expressed in dollars per million) that is applicable under section 6(b) of the Securities Act of 1933 for all of such fiscal years.

“(7) PRO RATA APPLICATION.—The rates per \$1,000,000 required by this subsection shall be applied pro rata to amounts and balances of less than \$1,000,000.

“(8) REVIEW AND EFFECTIVE DATE.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (5) or (6) and published under paragraph (10) shall not be subject to judicial review. Subject to paragraphs (4) and (9)—

“(A) an adjusted rate prescribed under paragraph (5) shall take effect on the later of—

“(i) the first day of the fiscal year to which such rate applies; or

“(ii) five days after the date on which a regular appropriation to the Commission for such fiscal year is enacted; and

“(B) an adjusted rate prescribed under paragraph (6) shall take effect on the later of—

“(i) the first day of fiscal year 2012; or

“(ii) five days after the date on which a regular appropriation to the Commission for fiscal year 2012 is enacted.

“(9) LAPSE OF APPROPRIATION.—If on the first day of a fiscal year a regular appropriation to the Commission has not been enacted, the Commission shall continue to collect fees (as offsetting collections) under this subsection at the rate in effect during the preceding fiscal year, until 5 days after the date such a regular appropriation is enacted.

“(10) PUBLICATION.—The rate applicable under this subsection for each fiscal year is published pursuant to section 6(b)(10) of the Securities Act of 1933.”

Termination
date.

SEC. 6. FEES FOR PROXY SOLICITATIONS AND STATEMENTS IN CORPORATE CONTROL TRANSACTIONS.

Section 14(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(g)) is amended—

(1) in paragraphs (1) and (3), by striking “a fee of $\frac{1}{50}$ of 1 per centum of” each place it appears and inserting “a fee at a rate that, subject to paragraphs (5) and (6), is equal to \$92 per \$1,000,000 of”;

(2) by redesignating paragraph (4) as paragraph (11); and

(3) by inserting after paragraph (3) the following new paragraphs:

“(4) OFFSETTING COLLECTIONS.—Fees collected pursuant to this subsection for any fiscal year shall be deposited and credited as offsetting collections to the account providing appropriations to the Commission, and, except as provided in paragraph (9), shall not be collected for any fiscal year except to the extent provided in advance in appropriation Acts. No fees collected pursuant to this subsection for fiscal year 2002 or any

PUBLIC LAW 107-123—JAN. 16, 2002

succeeding fiscal year shall be deposited and credited as general revenue of the Treasury.

“(5) ANNUAL ADJUSTMENT.—For each of the fiscal years 2003 through 2011, the Commission shall by order adjust each of the rates required by paragraphs (1) and (3) for such fiscal year to a rate that is equal to the rate (expressed in dollars per million) that is applicable under section 6(b) of the Securities Act of 1933 for such fiscal year.

“(6) FINAL RATE ADJUSTMENT.—For fiscal year 2012 and all of the succeeding fiscal years, the Commission shall by order adjust each of the rates required by paragraphs (1) and (3) for all of such fiscal years to a rate that is equal to the rate (expressed in dollars per million) that is applicable under section 6(b) of the Securities Act of 1933 for all of such fiscal years.

Applicability.

“(7) PRO RATA APPLICATION.—The rates per \$1,000,000 required by this subsection shall be applied pro rata to amounts and balances of less than \$1,000,000.

“(8) REVIEW AND EFFECTIVE DATE.—In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code. An adjusted rate prescribed under paragraph (5) or (6) and published under paragraph (10) shall not be subject to judicial review. Subject to paragraphs (4) and (9)—

“(A) an adjusted rate prescribed under paragraph (5) shall take effect on the later of—

“(i) the first day of the fiscal year to which such rate applies; or

“(ii) five days after the date on which a regular appropriation to the Commission for such fiscal year is enacted; and

“(B) an adjusted rate prescribed under paragraph (6) shall take effect on the later of—

“(i) the first day of fiscal year 2012; or

“(ii) five days after the date on which a regular appropriation to the Commission for fiscal year 2012 is enacted.

Termination date.

“(9) LAPSE OF APPROPRIATION.—If on the first day of a fiscal year a regular appropriation to the Commission has not been enacted, the Commission shall continue to collect fees (as offsetting collections) under this subsection at the rate in effect during the preceding fiscal year, until 5 days after the date such a regular appropriation is enacted.

“(10) PUBLICATION.—The rate applicable under this subsection for each fiscal year is published pursuant to section 6(b)(10) of the Securities Act of 1933.”.

SEC. 7. TRUST INDENTURE ACT FEE.

Section 307(b) of the Trust Indenture Act of 1939 (15 U.S.C. 77ggg(b)) is amended by striking “Commission, but, in the case” and all that follows and inserting “Commission.”.

SEC. 8. COMPARABILITY PROVISIONS.

(a) COMMISSION DEMONSTRATION PROJECT.—Subpart C of part III of title 5, United States Code, is amended by adding at the end the following:

“CHAPTER 48—AGENCY PERSONNEL DEMONSTRATION PROJECT

“Sec.

“4801. Nonapplicability of chapter 47.

“4802. Securities and Exchange Commission.

“§ 4801. Nonapplicability of chapter 47

“Chapter 47 shall not apply to this chapter.

PUBLIC LAW 107-123—JAN. 16, 2002

“§ 4802. Securities and Exchange Commission

“(a) In this section, the term ‘Commission’ means the Securities and Exchange Commission.

“(b) The Commission may appoint and fix the compensation of such officers, attorneys, economists, examiners, and other employees as may be necessary for carrying out its functions under the securities laws as defined under section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).

“(c) Rates of basic pay for all employees of the Commission may be set and adjusted by the Commission without regard to the provisions of chapter 51 or subchapter III of chapter 53.

“(d) The Commission may provide additional compensation and benefits to employees of the Commission if the same type of compensation or benefits are then being provided by any agency referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees, the Commission shall consult with, and seek to maintain comparability with, the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b).

“(e) The Commission shall consult with the Office of Personnel Management in the implementation of this section.

“(f) This section shall be administered consistent with merit system principles.”

(b) **EMPLOYEES REPRESENTED BY LABOR ORGANIZATIONS.**—To the extent that any employee of the Securities and Exchange Commission is represented by a labor organization with exclusive recognition in accordance with chapter 71 of title 5, United States Code, no reduction in base pay of such employee shall be made by reason of enactment of this section (including the amendments made by this section).

5 USC 4802 note.

(c) **IMPLEMENTATION PLAN AND REPORT.**—

5 USC 4802 note.

(1) **IMPLEMENTATION PLAN.**—

(A) **IN GENERAL.**—The Securities and Exchange Commission shall develop a plan to implement section 4802 of title 5, United States Code, as added by this section.

(B) **INCLUSION IN ANNUAL PERFORMANCE PLAN AND REPORT.**—The Securities and Exchange Commission shall include—

(i) the plan developed under this paragraph in the annual program performance plan submitted under section 1115 of title 31, United States Code; and

(ii) the effects of implementing the plan developed under this paragraph in the annual program performance report submitted under section 1116 of title 31, United States Code.

(2) **IMPLEMENTATION REPORT.**—

(A) **IN GENERAL.**—Before implementing the plan developed under paragraph (1), the Securities and Exchange Commission shall submit a report to the Committee on Governmental Affairs and the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Government Reform and the Committee on Financial Services of the House of Representatives, and the Office of Personnel Management on the details of the plan.

(B) **CONTENT.**—The report under this paragraph shall include—

(i) evidence and supporting documentation justifying the plan; and

(ii) budgeting projections on costs and benefits resulting from the plan.

(d) **TECHNICAL AND CONFORMING AMENDMENTS.**—

PUBLIC LAW 107-123—JAN. 16, 2002

(1) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—

(A) The table of chapters for part III of title 5, United States Code, is amended by adding at the end of subpart C the following:

“48. Agency Personnel Demonstration Project 4801.”.

(B) Section 3132(a)(1) of title 5, United States Code, is amended—

(i) in subparagraph (C), by striking “or” after the semicolon;

(ii) in subparagraph (D), by inserting “or” after the semicolon; and

(iii) by adding at the end the following:

“(E) the Securities and Exchange Commission;”.

(C) Section 5373(a) of title 5, United States Code, is amended—

(i) in paragraph (2), by striking “or” after the semicolon;

(ii) in paragraph (3), by striking the period and inserting “; or”; and

(iii) by adding at the end the following:

“(4) section 4802.”.

(2) AMENDMENT TO SECURITIES EXCHANGE ACT OF 1934.—

Section 4(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(b)) is amended by striking paragraphs (1) and (2) and inserting the following:

“(1) APPOINTMENT AND COMPENSATION.—The Commission shall appoint and compensate officers, attorneys, economists, examiners, and other employees in accordance with section 4802 of title 5, United States Code.

“(2) REPORTING OF INFORMATION.—In establishing and adjusting schedules of compensation and benefits for officers, attorneys, economists, examiners, and other employees of the Commission under applicable provisions of law, the Commission shall inform the heads of the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) and Congress of such compensation and benefits and shall seek to maintain comparability with such agencies regarding compensation and benefits.”.

(3) AMENDMENT TO FIRREA OF 1989.—Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) is amended by striking “the Thrift Depositor Protection Oversight Board of the Resolution Trust Corporation”.

15 USC 78ee
note.

SEC. 9. STUDY OF THE EFFECT OF FEE REDUCTIONS.

(a) STUDY.—The Office of Economic Analysis of the Securities and Exchange Commission (hereinafter referred to as the “Office”) shall conduct a study of the extent to which the benefits of reductions in fees effected as a result of this Act are passed on to investors.

(b) FACTORS FOR CONSIDERATION.—In conducting the study under subsection (a), the Office shall—

(1) consider the various elements of the securities industry directly and indirectly benefiting from the fee reductions, including purchasers and sellers of securities, members of national securities exchanges, issuers, broker-dealers, underwriters, participants in investment companies, retirement programs, and others;

(2) consider the impact on different types of investors, such as individual equity holders, individual investment company shareholders, businesses, and other types of investors;

(3) include in the interpretation of the term “investor” shareholders of entities subject to the fee reductions; and

PUBLIC LAW 107-123—JAN. 16, 2002

(4) consider the economic benefits to investors flowing from the fee reductions to include such factors as market efficiency, expansion of investment opportunities, and enhanced liquidity and capital formation.

(c) REPORT TO CONGRESS.—Not later than 2 years after the date of the enactment of this Act, the Securities and Exchange Commission shall submit to the Congress the report prepared by the Office on the findings of the study conducted under subsection (a). Deadline.

SEC. 10. STUDY OF CONVERSION TO SELF-FUNDING.

(a) GAO STUDY REQUIRED.—The Comptroller General shall conduct a study of the impact, implications, and consequences of converting the Securities and Exchange Commission to a self-funded basis. Such study shall include analysis of the following issues:

(1) SEC OPERATIONS.—The impact of such conversion on the Commission's operations, including staff quality, recruitment, and retention.

(2) CONGRESSIONAL OVERSIGHT.—The implications for congressional oversight of the Commission, including whether imposing annual expenditure limitations would be beneficial to such oversight.

(3) FEES.—The likely consequences of the conversion on the rates, collection procedures, and predictability of fees collected by the Commission.

(4) APPROPRIATIONS.—The methods by which the conversion may be accomplished without reducing the availability of offsetting collections for appropriations.

(5) OTHER MATTERS.—Such other impacts, implications, and consequences as the Comptroller General may consider relevant to congressional consideration of the question of such conversion.

(b) SUBMISSION OF REPORT.—The Comptroller General shall submit to the Committees on Financial Services and Government Reform of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Governmental Affairs of the Senate a report on the study required by subsection (a) no later than 180 days after the date of the enactment of this Act. Deadline.

(c) DEFINITION.—For the purposes of this section, the term “self-funded basis” means that—

(1) an agency is authorized to deposit the receipts of its collections in the Treasury of the United States, or in a depository institution, but such deposits are not treated as Government funds or appropriated monies, and are available for the salaries and other expenses of the Commission and its employees without annual appropriation or apportionment; and

(2) the agency is authorized to employ and fix the salaries and other compensation of its officers and employees, and such salaries and other compensation are paid without regard to the provisions of other laws applicable to officers and employees of the United States.

PUBLIC LAW 107-123—JAN. 16, 2002

15 USC 78ee
note.

SEC. 11. EFFECTIVE DATES.

(a) **IN GENERAL.**—Except as provided in subsections (b) and (c), the amendments made by this Act shall take effect on October 1, 2001.

(b) **IMMEDIATE TRANSACTION FEE REDUCTIONS.**—The amendments made by section 2 shall take effect on the later of—

(1) the first day of fiscal year 2002; or

(2) thirty days after the date on which a regular appropriation to the Commission for such fiscal year is enacted.

(c) **ADDITIONAL EXCEPTIONS.**—The authorities provided by section 6(b)(9) of the Securities Act of 1933 and sections 13(e)(9), 14(g)(9), and 31(k) of the Securities Exchange Act of 1934, as so designated by this Act, shall not apply until October 1, 2002.

Approved January 16, 2002.

LEGISLATIVE HISTORY—H.R. 1088:

HOUSE REPORTS: No. 107-52, Pt. 1 (Comm. on Financial Services).
CONGRESSIONAL RECORD, Vol. 147 (2001):

June 14, considered and passed House.
Dec. 20, considered and passed Senate.

HEALTH AND HUMAN SERVICES ACTS

PUBLIC LAW 107-84—DEC. 18, 2001

Public Law 107-84
107th Congress

An Act

To amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and Emery-Dreifuss muscular dystrophies.

 Dec. 18, 2001
 [H.R. 717]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Muscular Dystrophy Community Assistance, Research and Education Amendments of 2001”, or the “MD-CARE Act”.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Of the childhood muscular dystrophies, Duchenne Muscular Dystrophy (DMD) is the world’s most common and catastrophic form of genetic childhood disease, and is characterized by a rapidly progressive muscle weakness that almost always results in death, usually by 20 years of age.

(2) Duchenne muscular dystrophy is genetically inherited, and mothers are the carriers in approximately 70 percent of all cases.

(3) If a female is a carrier of the dystrophin gene, there is a 50 percent chance per birth that her male offspring will have Duchenne muscular dystrophy, and a 50 percent chance per birth that her female offspring will be carriers.

(4) Duchenne is the most common lethal genetic disorder of childhood worldwide, affecting approximately 1 in every 3,500 boys worldwide.

(5) Children with muscular dystrophy exhibit extreme symptoms of weakness, delay in walking, waddling gait, difficulty in climbing stairs, and progressive mobility problems often in combination with muscle hypertrophy.

(6) Other forms of muscular dystrophy affecting children and adults include Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and Emery-Dreifuss muscular dystrophies.

(7) Myotonic muscular dystrophy (also known as Steinert’s disease and dystrophia myotonica) is the second most prominent form of muscular dystrophy and the type most commonly found in adults. Unlike any of the other muscular dystrophies, the muscle weakness is accompanied by myotonia (delayed relaxation of muscles after contraction) and by a variety of abnormalities in addition to those of muscle.

(8) Facioscapulohumeral muscular dystrophy (referred to in this section as “FSHD”) is a neuromuscular disorder that is inherited genetically and has an estimated frequency of 1 in 20,000. FSHD, affecting between 15,000 to 40,000 persons, causes a progressive and severe loss of skeletal muscle gradually bringing weakness and reduced mobility. Many persons with FSHD become severely physically disabled and spend many decades in a wheelchair.

(9) FSHD is regarded as a novel genetic phenomenon resulting from a crossover of subtelomeric DNA and may be the only human disease caused by a deletion-mutation.

Muscular
Dystrophy
Community
Assistance,
Research and
Education
Amendments of
2001.
42 USC 201 note.
42 USC 247b-18
note.

PUBLIC LAW 107-84—DEC. 18, 2001

(10) Each of the muscular dystrophies, though distinct in progressivity and severity of symptoms, have a devastating impact on tens of thousands of children and adults throughout the United States and worldwide and impose severe physical and economic burdens on those affected.

(11) Muscular dystrophies have a significant impact on quality of life—not only for the individual who experiences its painful symptoms and resulting disability, but also for family members and caregivers.

(12) Development of therapies for these disorders, while realistic with recent advances in research, is likely to require costly investments and infrastructure to support gene and other therapies.

(13) There is a shortage of qualified researchers in the field of neuromuscular research.

(14) Many family physicians and health care professionals lack the knowledge and resources to detect and properly diagnose the disease as early as possible, thus exacerbating the progressiveness of symptoms in cases that go undetected or misdiagnosed.

(15) There is a need for efficient mechanisms to translate clinically relevant findings in muscular dystrophy research from basic science to applied work.

(16) Educating the public and health care community throughout the country about this devastating disease is of paramount importance and is in every respect in the public interest and to the benefit of all communities.

SEC. 3. EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES OF NATIONAL INSTITUTES OF HEALTH WITH RESPECT TO RESEARCH ON MUSCULAR DYSTROPHY.

Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following:

42 USC 283g.

“SEC. 404E. MUSCULAR DYSTROPHY; INITIATIVE THROUGH DIRECTOR OF NATIONAL INSTITUTES OF HEALTH.

“(a) EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES.—

“(1) IN GENERAL.—The Director of NIH, in coordination with the Directors of the National Institute of Neurological Disorders and Stroke, the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the National Institute of Child Health and Human Development, and the other national research institutes as appropriate, shall expand and intensify programs of such Institutes with respect to research and related activities concerning various forms of muscular dystrophy, including Duchenne, myotonic, facioscapulohumeral muscular dystrophy (referred to in this section as ‘FSHD’) and other forms of muscular dystrophy.

“(2) COORDINATION.—The Directors referred to in paragraph (1) shall jointly coordinate the programs referred to in such paragraph and consult with the Muscular Dystrophy Interagency Coordinating Committee established under section 6 of the MD-CARE Act.

“(3) ALLOCATIONS BY DIRECTOR OF NIH.—The Director of NIH shall allocate the amounts appropriated to carry out this section for each fiscal year among the national research institutes referred to in paragraph (1).

“(b) CENTERS OF EXCELLENCE.—

“(1) IN GENERAL.—The Director of NIH shall award grants and contracts under subsection (a)(1) to public or nonprofit private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for centers of excellence regarding research on various forms of muscular dystrophy.

Grants.
Contracts.

PUBLIC LAW 107-84—DEC. 18, 2001

“(2) RESEARCH.—Each center under paragraph (1) shall supplement but not replace the establishment of a comprehensive research portfolio in all the muscular dystrophies. As a whole, the centers shall conduct basic and clinical research in all forms of muscular dystrophy including early detection, diagnosis, prevention, and treatment, including the fields of muscle biology, genetics, noninvasive imaging, genetics, pharmacological and other therapies.

“(3) COORDINATION OF CENTERS; REPORTS.—The Director of NIH—

“(A) shall, as appropriate, provide for the coordination of information among centers under paragraph (1) and ensure regular communication between such centers; and

“(B) shall require the periodic preparation of reports on the activities of the centers and the submission of the reports to the Director.

“(4) ORGANIZATION OF CENTERS.—Each center under paragraph (1) shall use the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such requirements as may be prescribed by the Director of NIH.

“(5) DURATION OF SUPPORT.—Support for a center established under paragraph (1) may be provided under this section for a period of not to exceed 5 years. Such period may be extended for 1 or more additional periods not exceeding 5 years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director of NIH and if such group has recommended to the Director that such period should be extended.

“(c) FACILITATION OF RESEARCH.—The Director of NIH shall provide for a program under subsection (a)(1) under which samples of tissues and genetic materials that are of use in research on muscular dystrophy are donated, collected, preserved, and made available for such research. The program shall be carried out in accordance with accepted scientific and medical standards for the donation, collection, and preservation of such samples.

“(d) COORDINATING COMMITTEE.—

“(1) IN GENERAL.—The Secretary shall establish the Muscular Dystrophy Coordinating Committee (referred to in this section as the ‘Coordinating Committee’) to coordinate activities across the National Institutes and with other Federal health programs and activities relating to the various forms of muscular dystrophy.

Establishment.

“(2) COMPOSITION.—The Coordinating Committee shall consist of not more than 15 members to be appointed by the Secretary, of which—

“(A) $\frac{2}{3}$ of such members shall represent governmental agencies, including the directors or their designees of each of the national research institutes involved in research with respect to muscular dystrophy and representatives of all other Federal departments and agencies whose programs involve health functions or responsibilities relevant to such diseases, including the Centers for Disease Control and Prevention, the Health Resources and Services Administration and the Food and Drug Administration and representatives of other governmental agencies that serve children with muscular dystrophy, such as the Department of Education; and

“(B) $\frac{1}{3}$ of such members shall be public members, including a broad cross section of persons affected with muscular dystrophies including parents or legal guardians, affected individuals, researchers, and clinicians.

PUBLIC LAW 107-84—DEC. 18, 2001

Members appointed under subparagraph (B) shall serve for a term of 3 years, and may serve for an unlimited number of terms if reappointed.

“(3) CHAIR.—

“(A) IN GENERAL.—With respect to muscular dystrophy, the Chair of the Coordinating Committee shall serve as the principal advisor to the Secretary, the Assistant Secretary for Health, and the Director of NIH, and shall provide advice to the Director of the Centers for Disease Control and Prevention, the Commissioner of Food and Drugs, and to the heads of other relevant agencies. The Coordinating Committee shall select the Chair for a term not to exceed 2 years.

“(B) APPOINTMENT.—The Chair of the Committee shall be appointed by and be directly responsible to the Secretary.

Applicability.

“(4) ADMINISTRATIVE SUPPORT; TERMS OF SERVICE; OTHER PROVISIONS.—The following shall apply with respect to the Coordinating Committee:

“(A) The Coordinating Committee shall receive necessary and appropriate administrative support from the Department of Health and Human Services.

“(B) The Coordinating Committee shall meet as appropriate as determined by the Secretary, in consultation with the chair.

Deadline.

“(e) PLAN FOR HHS ACTIVITIES.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Coordinating Committee shall develop a plan for conducting and supporting research and education on muscular dystrophy through the national research institutes and shall periodically review and revise the plan. The plan shall—

“(A) provide for a broad range of research and education activities relating to biomedical, epidemiological, psychosocial, and rehabilitative issues, including studies of the impact of such diseases in rural and underserved communities;

“(B) identify priorities among the programs and activities of the National Institutes of Health regarding such diseases; and

“(C) reflect input from a broad range of scientists, patients, and advocacy groups.

“(2) CERTAIN ELEMENTS OF PLAN.—The plan under paragraph (1) shall, with respect to each form of muscular dystrophy, provide for the following as appropriate:

“(A) Research to determine the reasons underlying the incidence and prevalence of various forms of muscular dystrophy.

“(B) Basic research concerning the etiology and genetic links of the disease and potential causes of mutations.

“(C) The development of improved screening techniques.

“(D) Basic and clinical research for the development and evaluation of new treatments, including new biological agents.

“(E) Information and education programs for health care professionals and the public.

“(f) REPORTS TO CONGRESS.—The Coordinating Committee shall biennially submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate, a report that describes the research, education, and other activities on muscular dystrophy being conducted or supported through the Department of Health and Human Services. Each such report shall include the following:

PUBLIC LAW 107-84—DEC. 18, 2001

“(1) The plan under subsection (e)(1) (or revisions to the plan, as the case may be).

“(2) Provisions specifying the amounts expended by the Department of Health and Human Services with respect to various forms of muscular dystrophy, including Duchenne, myotonic, FSHD and other forms of muscular dystrophy.

“(3) Provisions identifying particular projects or types of projects that should in the future be considered by the national research institutes or other entities in the field of research on all muscular dystrophies.

“(g) PUBLIC INPUT.—The Secretary shall, under subsection (a)(1), provide for a means through which the public can obtain information on the existing and planned programs and activities of the Department of Health and Human Services with respect to various forms of muscular dystrophy and through which the Secretary can receive comments from the public regarding such programs and activities.

“(h) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2002 through 2006. The authorization of appropriations established in the preceding sentence is in addition to any other authorization of appropriations that is available for conducting or supporting through the National Institutes of Health research and other activities with respect to muscular dystrophy.”.

SEC. 4. DEVELOPMENT AND EXPANSION OF ACTIVITIES OF CENTERS FOR DISEASE CONTROL AND PREVENTION WITH RESPECT TO EPIDEMIOLOGICAL RESEARCH ON MUSCULAR DYSTROPHY.

Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.) is amended by inserting after section 317P the following:

“SEC. 317Q. SURVEILLANCE AND RESEARCH REGARDING MUSCULAR DYSTROPHY. 42 USC 247b-18.

“(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants and cooperative agreements to public or nonprofit private entities (including health departments of States and political subdivisions of States, and including universities and other educational entities) for the collection, analysis, and reporting of data on Duchenne and other forms of muscular dystrophy. In making such awards, the Secretary may provide direct technical assistance in lieu of cash.

“(b) NATIONAL MUSCULAR DYSTROPHY EPIDEMIOLOGY PROGRAM.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants to public or nonprofit private entities (including health departments of States and political subdivisions of States, and including universities and other educational entities) for the purpose of carrying out epidemiological activities regarding Duchenne and other forms of muscular dystrophies, including collecting and analyzing information on the number, incidence, correlates, and symptoms of cases. In carrying out the preceding sentence, the Secretary shall provide for a national surveillance program. In making awards under this subsection, the Secretary may provide direct technical assistance in lieu of cash.

“(c) COORDINATION WITH CENTERS OF EXCELLENCE.—The Secretary shall ensure that epidemiological information under subsections (a) and (b) is made available to centers of excellence supported under section 404E(b) by the Director of the National Institutes of Health.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.”.

PUBLIC LAW 107-84—DEC. 18, 2001

42 USC 247b-19. **SEC. 5. INFORMATION AND EDUCATION.**

(a) **IN GENERAL.**—The Secretary of Health and Human Services (referred to in this Act as the “Secretary”) shall establish and implement a program to provide information and education on muscular dystrophy to health professionals and the general public, including information and education on advances in the diagnosis and treatment of muscular dystrophy and training and continuing education through programs for scientists, physicians, medical students, and other health professionals who provide care for patients with muscular dystrophy.

(b) **STIPENDS.**—The Secretary may use amounts made available under this section provides stipends for health professionals who are enrolled in training programs under this section.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out this section.

42 USC 247b-18 note. Deadline. **SEC. 6. REPORT TO CONGRESS.**

Not later than January 1, 2003, and each January 1 thereafter, the Secretary shall prepare and submit to the appropriate committees of Congress, a report concerning the implementation of this Act and the amendments made by this Act.

42 USC 281 note. **SEC. 7. STUDY ON THE USE OF CENTERS OF EXCELLENCE AT THE NATIONAL INSTITUTES OF HEALTH.**

Deadline.
Contracts.

(a) **REVIEW.**—Not later than 60 days after the date of enactment of this Act, the Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for the purpose of conducting a study and making recommendations on the impact of, need for, and other issues associated with Centers of Excellence at the National Institutes of Health.

(b) **AREAS OF REVIEW.**—In conducting the study under subsection (a), the Institute of Medicine shall at a minimum consider the following:

(1) The current areas of research incorporating Centers of Excellence (which shall include a description of such areas) and the relationship of this form of funding mechanism to other forms of funding for research grants, including investigator initiated research, contracts and other types of research support awards.

(2) The distinctive aspects of Centers of Excellence, including the additional knowledge that may be expected to be gained through Centers of Excellence as compared to other forms of grant or contract mechanisms.

(3) The costs associated with establishing and maintaining Centers of Excellence, and the record of scholarship and training resulting from such Centers. The research and training contributions of Centers should be assessed on their own merits and in comparison with other forms of research support.

(4) Specific areas of research in which Centers of Excellence may be useful, needed, or underused, as well as areas of research in which Centers of Excellence may not be helpful.

(5) Criteria that may be applied in determining when Centers of Excellence are an appropriate and cost-effective research investment and conditions that should be present in order to consider the establishment of Centers of Excellence.

PUBLIC LAW 107-84—DEC. 18, 2001

(6) Alternative research models that may accomplish results similar to or greater than Centers of Excellence.

(c) REPORT.—Not later than 1 year after the date on which the contract is entered into under subsection (a), the Institute of Medicine shall complete the study under such subsection and submit a report to the Secretary of Health and Human Services and the appropriate committees of Congress that contains the results of such study. Deadline.

Approved December 18, 2001.

LEGISLATIVE HISTORY—H.R. 717:

HOUSE REPORTS: No. 107-195 (Comm. on Energy and Commerce).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 24, considered and passed House.

Nov. 15, considered and passed Senate, amended.

Nov. 29, House concurred in Senate amendment.

HEALTH AND HUMAN SERVICES ACTS

PUBLIC LAW 107-105—DEC. 27, 2001

Public Law 107-105
107th Congress

An Act

Dec. 27, 2001
[H.R. 3323]

To ensure that covered entities comply with the standards for electronic health care transactions and code sets adopted under part C of title XI of the Social Security Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Administrative
Simplification
Compliance Act.
42 USC 1305
note.

SECTION 1. SHORT TITLE.

This Act may be cited as the “Administrative Simplification Compliance Act”.

42 USC 1320d-4
note.

SEC. 2. EXTENSION OF DEADLINE FOR COVERED ENTITIES SUBMITTING COMPLIANCE PLANS.

(a) IN GENERAL.—

(1) EXTENSION.—Subject to paragraph (2), notwithstanding section 1175(b)(1)(A) of the Social Security Act (42 U.S.C. 1320d-4(b)(1)(A)) and section 162.900 of title 45, Code of Federal Regulations, a health care provider, health plan (other than a small health plan), or a health care clearinghouse shall not be considered to be in noncompliance with the applicable requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations, before October 16, 2003.

(2) CONDITION.—Paragraph (1) shall apply to a person described in such paragraph only if, before October 16, 2002, the person submits to the Secretary of Health and Human Services a plan of how the person will come into compliance with the requirements described in such paragraph not later than October 16, 2003. Such plan shall be a summary of the following:

(A) An analysis reflecting the extent to which, and the reasons why, the person is not in compliance.

(B) A budget, schedule, work plan, and implementation strategy for achieving compliance.

(C) Whether the person plans to use or might use a contractor or other vendor to assist the person in achieving compliance.

(D) A timeframe for testing that begins not later than April 16, 2003.

(3) ELECTRONIC SUBMISSION.—Plans described in paragraph (2) may be submitted electronically.

(4) MODEL FORM.—Not later than March 31, 2002, the Secretary of Health and Human Services shall promulgate a model form that persons may use in drafting a plan described in paragraph (2). The promulgation of such form shall be made without regard to chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(5) ANALYSIS OF PLANS; REPORTS ON SOLUTIONS.—

(A) ANALYSIS OF PLANS.—

(i) FURNISHING OF PLANS.—Subject to subparagraph (D), the Secretary of Health and Human Services shall furnish the National Committee on Vital and Health Statistics with a sample of the plans submitted under paragraph (2) for analysis by such Committee.

(ii) ANALYSIS.—The National Committee on Vital and Health Statistics shall analyze the sample of the plans furnished under clause (i).

PUBLIC LAW 107-105—DEC. 27, 2001

(B) **REPORTS ON SOLUTIONS.**—The National Committee on Vital and Health Statistics shall regularly publish, and widely disseminate to the public, reports containing effective solutions to compliance problems identified in the plans analyzed under subparagraph (A). Such reports shall not relate specifically to any one plan but shall be written for the purpose of assisting the maximum number of persons to come into compliance by addressing the most common or challenging problems encountered by persons submitting such plans.

(C) **CONSULTATION.**—In carrying out this paragraph, the National Committee on Vital and Health Statistics shall consult with each organization—

(i) described in section 1172(c)(3)(B) of the Social Security Act (42 U.S.C. 1320d-1(c)(3)(B)); or

(ii) designated by the Secretary of Health and Human Services under section 162.910(a) of title 45, Code of Federal Regulations.

(D) **PROTECTION OF CONFIDENTIAL INFORMATION.**—

(i) **IN GENERAL.**—The Secretary of Health and Human Services shall ensure that any material provided under subparagraph (A) to the National Committee on Vital and Health Statistics or any organization described in subparagraph (C) is redacted so as to prevent the disclosure of any—

(I) trade secrets;

(II) commercial or financial information that is privileged or confidential; and

(III) other information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

(ii) **CONSTRUCTION.**—Nothing in clause (i) shall be construed to affect the application of section 552 of title 5, United States Code (commonly known as the “Freedom of Information Act”), including the exceptions from disclosure provided under subsection (b) of such section.

(6) **ENFORCEMENT THROUGH EXCLUSION FROM PARTICIPATION IN MEDICARE.**—

(A) **IN GENERAL.**—In the case of a person described in paragraph (1) who fails to submit a plan in accordance with paragraph (2), and who is not in compliance with the applicable requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations, on or after October 16, 2002, the person may be excluded at the discretion of the Secretary of Health and Human Services from participation (including under part C or as a contractor under sections 1816, 1842, and 1893) in title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(B) **PROCEDURE.**—The provisions of section 1128A of the Social Security Act (42 U.S.C. 1320a-7a) (other than the first and second sentences of subsection (a) and subsection (b)) shall apply to an exclusion under this paragraph in the same manner as such provisions apply with respect to an exclusion or proceeding under section 1128A(a) of such Act.

(C) **CONSTRUCTION.**—The availability of an exclusion under this paragraph shall not be construed to affect the imposition of penalties under section 1176 of the Social Security Act (42 U.S.C. 1320d-5).

(D) **NONAPPLICABILITY TO COMPLYING PERSONS.**—The exclusion under subparagraph (A) shall not apply to a person who—

(i) submits a plan in accordance with paragraph (2); or

PUBLIC LAW 107-105—DEC. 27, 2001

(ii) who is in compliance with the applicable requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations, on or before October 16, 2002.

(b) SPECIAL RULES.—

(1) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

(A) as modifying the October 16, 2003, deadline for a small health plan to comply with the requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations; or

(B) as modifying—

(i) the April 14, 2003, deadline for a health care provider, a health plan (other than a small health plan), or a health care clearinghouse to comply with the requirements of subpart E of part 164 of title 45, Code of Federal Regulations; or

(ii) the April 14, 2004, deadline for a small health plan to comply with the requirements of such subpart.

(2) APPLICABILITY OF PRIVACY STANDARDS BEFORE COMPLIANCE DEADLINE FOR INFORMATION TRANSACTION STANDARDS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, during the period that begins on April 14, 2003, and ends on October 16, 2003, a health care provider or, subject to subparagraph (B), a health care clearinghouse, that transmits any health information in electronic form in connection with a transaction described in subparagraph (C) shall comply with the requirements of subpart E of part 164 of title 45, Code of Federal Regulations, without regard to whether the transmission meets the standards required by part 162 of such title.

(B) APPLICATION TO HEALTH CARE CLEARINGHOUSES.—For purposes of this paragraph, during the period described in subparagraph (A), an entity that processes or facilitates the processing of information in connection with a transaction described in subparagraph (C) and that otherwise would be treated as a health care clearinghouse shall be treated as a health care clearinghouse without regard to whether the processing or facilitation produces (or is required to produce) standard data elements or a standard transaction as required by part 162 of title 45, Code of Federal Regulations.

(C) TRANSACTIONS DESCRIBED.—The transactions described in this subparagraph are the following:

(i) A health care claims or equivalent encounter information transaction.

(ii) A health care payment and remittance advice transaction.

(iii) A coordination of benefits transaction.

(iv) A health care claim status transaction.

(v) An enrollment and disenrollment in a health plan transaction.

(vi) An eligibility for a health plan transaction.

(vii) A health plan premium payments transaction.

(viii) A referral certification and authorization transaction.

(c) DEFINITIONS.—In this section—

(1) the terms “health care provider”, “health plan”, and “health care clearinghouse” have the meaning given those terms in section 1171 of the Social Security Act (42 U.S.C. 1320d) and section 160.103 of title 45, Code of Federal Regulations;

(2) the terms “small health plan” and “transaction” have the meaning given those terms in section 160.103 of title 45, Code of Federal Regulations; and

PUBLIC LAW 107-105—DEC. 27, 2001

(3) the terms “health care claims or equivalent encounter information transaction”, “health care payment and remittance advice transaction”, “coordination of benefits transaction”, “health care claim status transaction”, “enrollment and disenrollment in a health plan transaction”, “eligibility for a health plan transaction”, “health plan premium payments transaction”, and “referral certification and authorization transaction” have the meanings given those terms in sections 162.1101, 162.1601, 162.1801, 162.1401, 162.1501, 162.1201, 162.1701, and 162.1301 of title 45, Code of Federal Regulations, respectively.

SEC. 3. REQUIRING ELECTRONIC SUBMISSION OF MEDICARE CLAIMS.

(a) IN GENERAL.—Section 1862 of the Social Security Act (42 U.S.C. 1395y) is amended—

(1) in subsection (a)—

(A) by striking “or” at the end of paragraph (20);

(B) by striking the period at the end of paragraph

(21) and inserting “; or”; and

(C) by inserting after paragraph (21) the following new paragraph:

“(22) subject to subsection (h), for which a claim is submitted other than in an electronic form specified by the Secretary.”; and

(2) by inserting after subsection (g) the following new subsection:

“(h)(1) The Secretary—

“(A) shall waive the application of subsection (a)(22) in cases in which—

“(i) there is no method available for the submission of claims in an electronic form; or

“(ii) the entity submitting the claim is a small provider of services or supplier; and

“(B) may waive the application of such subsection in such unusual cases as the Secretary finds appropriate.

“(2) For purposes of this subsection, the term ‘small provider of services or supplier’ means—

“(A) a provider of services with fewer than 25 full-time equivalent employees; or

“(B) a physician, practitioner, facility, or supplier (other than provider of services) with fewer than 10 full-time equivalent employees.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to claims submitted on or after October 16, 2003.

42 USC 1395y
note.

SEC. 4. CLARIFICATION WITH RESPECT TO APPLICABILITY OF ADMINISTRATIVE SIMPLIFICATION REQUIREMENTS TO MEDICARE+CHOICE ORGANIZATIONS.

Section 1171(5)(D) of the Social Security Act (42 U.S.C. 1320d(5)(D)) is amended by striking “Part A or part B” and inserting “Parts A, B, or C”.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR IMPLEMENTATION OF REGULATIONS.

(a) IN GENERAL.—Subject to subsection (b), and in addition to any other amounts that may be authorized to be appropriated, there are authorized to be appropriated a total of \$44,200,000, for—

(1) technical assistance, education and outreach, and enforcement activities related to subparts I through R of part 162 of title 45, Code of Federal Regulations; and

(2) adopting the standards required to be adopted under section 1173 of the Social Security Act (42 U.S.C. 1320d-2).

(b) REDUCTIONS.—

(1) MODEL FORM 14 DAYS LATE.—If the Secretary fails to promulgate the model form described in section 1(a)(4) by the

PUBLIC LAW 107-105—DEC. 27, 2001

date that is 14 days after the deadline described in such section, the amount referred to in subsection (a) shall be reduced by 25 percent.

(2) MODEL FORM 30 DAYS LATE.—If the Secretary fails to promulgate the model form described in section 1(a)(4) by the date that is 30 days after the deadline described in such section, the amount referred to in subsection (a) shall be reduced by 50 percent.

(3) MODEL FORM 45 DAYS LATE.—If the Secretary fails to promulgate the model form described in section 1(a)(4) by the date that is 45 days after the deadline described in such section, the amount referred to in subsection (a) shall be reduced by 75 percent.

(4) MODEL FORM 60 DAYS LATE.—If the Secretary fails to promulgate the model form described in section 1(a)(4) by the date that is 60 days after the deadline described in such section, the amount referred to in subsection (a) shall be reduced by 100 percent.

Approved December 27, 2001.

LEGISLATIVE HISTORY—H.R. 3323 (S. 1684):
CONGRESSIONAL RECORD, Vol. 147 (2001):
Dec. 4, considered and passed House.
Dec. 12, considered and passed Senate.

HEALTH AND HUMAN SERVICES ACTS

PUBLIC LAW 107-109—JAN. 4, 2002

Public Law 107-109
107th Congress

An Act

To amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

Jan. 4, 2002

[S. 1789]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Best Pharmaceuticals for Children Act”.

Best
Pharmaceuticals
for Children Act.
21 USC 301 note.

SEC. 2. PEDIATRIC STUDIES OF ALREADY-MARKETED DRUGS.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended—

- (1) by striking subsection (b); and
- (2) in subsection (c)—

(A) by inserting after “the Secretary” the following: “determines that information relating to the use of an approved drug in the pediatric population may produce health benefits in that population and”; and

(B) by striking “concerning a drug identified in the list described in subsection (b)”.

SEC. 3. RESEARCH FUND FOR THE STUDY OF DRUGS.

Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended—

- (1) by redesignating the second section 409C, relating to clinical research (42 U.S.C. 284k), as section 409G;
- (2) by redesignating the second section 409D, relating to enhancement awards (42 U.S.C. 284l), as section 409H; and
- (3) by adding at the end the following:

“SEC. 409I. PROGRAM FOR PEDIATRIC STUDIES OF DRUGS.

42 USC 284m.

“(a) LIST OF DRUGS FOR WHICH PEDIATRIC STUDIES ARE NEEDED.—

“(1) IN GENERAL.—Not later than one year after the date of enactment of this section, the Secretary, acting through the Director of the National Institutes of Health and in consultation with the Commissioner of Food and Drugs and experts in pediatric research, shall develop, prioritize, and publish an annual list of approved drugs for which—

“(A)(i) there is an approved application under section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j));

“(ii) there is a submitted application that could be approved under the criteria of section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j));

“(iii) there is no patent protection or market exclusivity protection under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); or

“(iv) there is a referral for inclusion on the list under section 505A(d)(4)(C) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)(4)(C)); and

“(B) in the case of a drug referred to in clause (i), (ii), or (iii) of subparagraph (A), additional studies are needed to assess the safety and effectiveness of the use of the drug in the pediatric population.

PUBLIC LAW 107-109—JAN. 4, 2002

“(2) CONSIDERATION OF AVAILABLE INFORMATION.—In developing and prioritizing the list under paragraph (1), the Secretary shall consider, for each drug on the list—

“(A) the availability of information concerning the safe and effective use of the drug in the pediatric population;

“(B) whether additional information is needed;

“(C) whether new pediatric studies concerning the drug may produce health benefits in the pediatric population; and

“(D) whether reformulation of the drug is necessary.

“(b) CONTRACTS FOR PEDIATRIC STUDIES.—The Secretary shall award contracts to entities that have the expertise to conduct pediatric clinical trials (including qualified universities, hospitals, laboratories, contract research organizations, federally funded programs such as pediatric pharmacology research units, other public or private institutions, or individuals) to enable the entities to conduct pediatric studies concerning one or more drugs identified in the list described in subsection (a).

“(c) PROCESS FOR CONTRACTS AND LABELING CHANGES.—

“(1) WRITTEN REQUEST TO HOLDERS OF APPROVED APPLICATIONS FOR DRUGS LACKING EXCLUSIVITY.—The Commissioner of Food and Drugs, in consultation with the Director of the National Institutes of Health, may issue a written request (which shall include a timeframe for negotiations for an agreement) for pediatric studies concerning a drug identified in the list described in subsection (a)(1)(A) (except clause (iv)) to all holders of an approved application for the drug under section 505 of the Federal Food, Drug, and Cosmetic Act. Such a written request shall be made in a manner equivalent to the manner in which a written request is made under subsection (a) or (b) of section 505A of the Federal Food, Drug, and Cosmetic Act, including with respect to information provided on the pediatric studies to be conducted pursuant to the request.

Deadline.

“(2) REQUESTS FOR CONTRACT PROPOSALS.—If the Commissioner of Food and Drugs does not receive a response to a written request issued under paragraph (1) within 30 days of the date on which a request was issued, or if a referral described in subsection (a)(1)(A)(iv) is made, the Secretary, acting through the Director of the National Institutes of Health and in consultation with the Commissioner of Food and Drugs, shall publish a request for contract proposals to conduct the pediatric studies described in the written request.

“(3) DISQUALIFICATION.—A holder that receives a first right of refusal shall not be entitled to respond to a request for contract proposals under paragraph (2).

Deadline.

“(4) GUIDANCE.—Not later than 270 days after the date of enactment of this section, the Commissioner of Food and Drugs shall promulgate guidance to establish the process for the submission of responses to written requests under paragraph (1).

“(5) CONTRACTS.—A contract under this section may be awarded only if a proposal for the contract is submitted to the Secretary in such form and manner, and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

“(6) REPORTING OF STUDIES.—

“(A) IN GENERAL.—On completion of a pediatric study in accordance with a contract awarded under this section, a report concerning the study shall be submitted to the Director of the National Institutes of Health and the Commissioner of Food and Drugs. The report shall include all data generated in connection with the study.

“(B) AVAILABILITY OF REPORTS.—Each report submitted under subparagraph (A) shall be considered to be in the public domain (subject to section 505A(d)(4)(D) of the Fed-

PUBLIC LAW 107-109—JAN. 4, 2002

eral Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)(4)(D)) and shall be assigned a docket number by the Commissioner of Food and Drugs. An interested person may submit written comments concerning such pediatric studies to the Commissioner of Food and Drugs, and the written comments shall become part of the docket file with respect to each of the drugs.

“(C) ACTION BY COMMISSIONER.—The Commissioner of Food and Drugs shall take appropriate action in response to the reports submitted under subparagraph (A) in accordance with paragraph (7).

“(7) REQUESTS FOR LABELING CHANGE.—During the 180-day period after the date on which a report is submitted under paragraph (6)(A), the Commissioner of Food and Drugs shall—

“(A) review the report and such other data as are available concerning the safe and effective use in the pediatric population of the drug studied;

“(B) negotiate with the holders of approved applications for the drug studied for any labeling changes that the Commissioner of Food and Drugs determines to be appropriate and requests the holders to make; and

“(C)(i) place in the public docket file a copy of the report and of any requested labeling changes; and

“(ii) publish in the Federal Register a summary of the report and a copy of any requested labeling changes.

“(8) DISPUTE RESOLUTION.—

“(A) REFERRAL TO PEDIATRIC ADVISORY SUBCOMMITTEE OF THE ANTI-INFECTIVE DRUGS ADVISORY COMMITTEE.—If, not later than the end of the 180-day period specified in paragraph (7), the holder of an approved application for the drug involved does not agree to any labeling change requested by the Commissioner of Food and Drugs under that paragraph, the Commissioner of Food and Drugs shall refer the request to the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee.

“(B) ACTION BY THE PEDIATRIC ADVISORY SUBCOMMITTEE OF THE ANTI-INFECTIVE DRUGS ADVISORY COMMITTEE.—Not later than 90 days after receiving a referral under subparagraph (A), the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee shall—

Deadline.

“(i) review the available information on the safe and effective use of the drug in the pediatric population, including study reports submitted under this section; and

“(ii) make a recommendation to the Commissioner of Food and Drugs as to appropriate labeling changes, if any.

“(9) FDA DETERMINATION.—Not later than 30 days after receiving a recommendation from the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee under paragraph (8)(B)(ii) with respect to a drug, the Commissioner of Food and Drugs shall consider the recommendation and, if appropriate, make a request to the holders of approved applications for the drug to make any labeling change that the Commissioner of Food and Drugs determines to be appropriate.

Deadline.

“(10) FAILURE TO AGREE.—If a holder of an approved application for a drug, within 30 days after receiving a request to make a labeling change under paragraph (9), does not agree to make a requested labeling change, the Commissioner may deem the drug to be misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

“(11) NO EFFECT ON AUTHORITY.—Nothing in this subsection limits the authority of the United States to bring an enforcement action under the Federal Food, Drug, and Cosmetic

PUBLIC LAW 107-109—JAN. 4, 2002

Act when a drug lacks appropriate pediatric labeling. Neither course of action (the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee process or an enforcement action referred to in the preceding sentence) shall preclude, delay, or serve as the basis to stay the other course of action.

“(12) RECOMMENDATION FOR FORMULATION CHANGES.—If a pediatric study completed under public contract indicates that a formulation change is necessary and the Secretary agrees, the Secretary shall send a nonbinding letter of recommendation regarding that change to each holder of an approved application.

“(d) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section—

“(A) \$200,000,000 for fiscal year 2002; and

“(B) such sums as are necessary for each of the five succeeding fiscal years.

“(2) AVAILABILITY.—Any amount appropriated under paragraph (1) shall remain available to carry out this section until expended.”.

SEC. 4. WRITTEN REQUEST TO HOLDERS OF APPROVED APPLICATIONS FOR DRUGS THAT HAVE MARKET EXCLUSIVITY.

Section 505A(d) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)) is amended by adding at the end the following:

“(4) WRITTEN REQUEST TO HOLDERS OF APPROVED APPLICATIONS FOR DRUGS THAT HAVE MARKET EXCLUSIVITY.—

Deadline.

“(A) REQUEST AND RESPONSE.—If the Secretary makes a written request for pediatric studies (including neonates, as appropriate) under subsection (c) to the holder of an application approved under section 505(b)(1), the holder, not later than 180 days after receiving the written request, shall respond to the Secretary as to the intention of the holder to act on the request by—

“(i) indicating when the pediatric studies will be initiated, if the holder agrees to the request; or

“(ii) indicating that the holder does not agree to the request.

“(B) NO AGREEMENT TO REQUEST.—

“(i) REFERRAL.—If the holder does not agree to a written request within the time period specified in subparagraph (A), and if the Secretary determines that there is a continuing need for information relating to the use of the drug in the pediatric population (including neonates, as appropriate), the Secretary shall refer the drug to the Foundation for the National Institutes of Health established under section 499 of the Public Health Service Act (42 U.S.C. 290b) (referred to in this paragraph as the ‘Foundation’) for the conduct of the pediatric studies described in the written request.

“(ii) PUBLIC NOTICE.—The Secretary shall give public notice of the name of the drug, the name of the manufacturer, and the indications to be studied made in a referral under clause (i).

“(C) LACK OF FUNDS.—On referral of a drug under subparagraph (B)(i), the Foundation shall issue a proposal to award a grant to conduct the requested studies unless the Foundation certifies to the Secretary, within a time-frame that the Secretary determines is appropriate through guidance, that the Foundation does not have funds available under section 499(j)(9)(B)(i) to conduct the requested studies. If the Foundation so certifies, the Secretary shall refer the drug for inclusion on the list established under

PUBLIC LAW 107-109—JAN. 4, 2002

section 409I of the Public Health Service Act for the conduct of the studies.

“(D) EFFECT OF SUBSECTION.—Nothing in this subsection (including with respect to referrals from the Secretary to the Foundation) alters or amends section 301(j) of this Act or section 552 of title 5 or section 1905 of title 18, United States Code.

“(E) NO REQUIREMENT TO REFER.—Nothing in this subsection shall be construed to require that every declined written request shall be referred to the Foundation.

“(F) WRITTEN REQUESTS UNDER SUBSECTION (b).—For drugs under subsection (b) for which written requests have not been accepted, if the Secretary determines that there is a continuing need for information relating to the use of the drug in the pediatric population (including neonates, as appropriate), the Secretary shall issue a written request under subsection (c) after the date of approval of the drug.”.

SEC. 5. TIMELY LABELING CHANGES FOR DRUGS GRANTED EXCLUSIVITY; DRUG FEES.

(a) ELIMINATION OF USER FEE WAIVER FOR PEDIATRIC SUPPLEMENTS.—Section 736(a)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379h(a)(1)) is amended—

(1) by striking subparagraph (F); and

(2) by redesignating subparagraph (G) as subparagraph (F).

(b) LABELING CHANGES.—

(1) DEFINITION OF PRIORITY SUPPLEMENT.—Section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) is amended by adding at the end the following:

“(kk) PRIORITY SUPPLEMENT.—The term ‘priority supplement’ means a drug application referred to in section 101(4) of the Food and Drug Administration Modernization Act of 1997 (111 Stat. 2298).”.

(2) TREATMENT AS PRIORITY SUPPLEMENTS.—Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended by adding at the end the following:

“(1) LABELING SUPPLEMENTS.—

“(1) PRIORITY STATUS FOR PEDIATRIC SUPPLEMENTS.—Any supplement to an application under section 505 proposing a labeling change pursuant to a report on a pediatric study under this section—

“(A) shall be considered to be a priority supplement;

and

“(B) shall be subject to the performance goals established by the Commissioner for priority drugs.

“(2) DISPUTE RESOLUTION.—

“(A) REQUEST FOR LABELING CHANGE AND FAILURE TO AGREE.—If the Commissioner determines that an application with respect to which a pediatric study is conducted under this section is approvable and that the only open issue for final action on the application is the reaching of an agreement between the sponsor of the application and the Commissioner on appropriate changes to the labeling for the drug that is the subject of the application, not later than 180 days after the date of submission of the application—

“(i) the Commissioner shall request that the sponsor of the application make any labeling change that the Commissioner determines to be appropriate; and

“(ii) if the sponsor of the application does not agree to make a labeling change requested by the Commissioner, the Commissioner shall refer the matter to the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee.

Deadline.

PUBLIC LAW 107-109—JAN. 4, 2002

Deadline. “(B) ACTION BY THE PEDIATRIC ADVISORY SUBCOMMITTEE OF THE ANTI-INFECTIVE DRUGS ADVISORY COMMITTEE.—Not later than 90 days after receiving a referral under subparagraph (A)(ii), the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee shall—

“(i) review the pediatric study reports; and

“(ii) make a recommendation to the Commissioner concerning appropriate labeling changes, if any.

Deadline. “(C) CONSIDERATION OF RECOMMENDATIONS.—The Commissioner shall consider the recommendations of the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee and, if appropriate, not later than 30 days after receiving the recommendation, make a request to the sponsor of the application to make any labeling change that the Commissioner determines to be appropriate.

“(D) MISBRANDING.—If the sponsor of the application, within 30 days after receiving a request under subparagraph (C), does not agree to make a labeling change requested by the Commissioner, the Commissioner may deem the drug that is the subject of the application to be misbranded.

“(E) NO EFFECT ON AUTHORITY.—Nothing in this subsection limits the authority of the United States to bring an enforcement action under this Act when a drug lacks appropriate pediatric labeling. Neither course of action (the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee process or an enforcement action referred to in the preceding sentence) shall preclude, delay, or serve as the basis to stay the other course of action.”.

21 USC 393a.

SEC. 6. OFFICE OF PEDIATRIC THERAPEUTICS.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services shall establish an Office of Pediatric Therapeutics within the Food and Drug Administration.

(b) DUTIES.—The Office of Pediatric Therapeutics shall be responsible for coordination and facilitation of all activities of the Food and Drug Administration that may have any effect on a pediatric population or the practice of pediatrics or may in any other way involve pediatric issues.

(c) STAFF.—The staff of the Office of Pediatric Therapeutics shall coordinate with employees of the Department of Health and Human Services who exercise responsibilities relating to pediatric therapeutics and shall include—

(1) one or more additional individuals with expertise concerning ethical issues presented by the conduct of clinical research in the pediatric population; and

(2) one or more additional individuals with expertise in pediatrics as may be necessary to perform the activities described in subsection (b).

SEC. 7. NEONATES.

Section 505A(g) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(g)) is amended by inserting “(including neonates in appropriate cases)” after “pediatric age groups”.

SEC. 8. SUNSET.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended by striking subsection (j) and inserting the following:

“(j) SUNSET.—A drug may not receive any 6-month period under subsection (a) or (c) unless—

“(1) on or before October 1, 2007, the Secretary makes a written request for pediatric studies of the drug;

PUBLIC LAW 107-109—JAN. 4, 2002

“(2) on or before October 1, 2007, an application for the drug is accepted for filing under section 505(b); and
 “(3) all requirements of this section are met.”.

SEC. 9. DISSEMINATION OF PEDIATRIC INFORMATION.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) (as amended by section 5(b)(2)) is amended by adding at the end the following:

“(m) DISSEMINATION OF PEDIATRIC INFORMATION.—

“(1) IN GENERAL.—Not later than 180 days after the date of submission of a report on a pediatric study under this section, the Commissioner shall make available to the public a summary of the medical and clinical pharmacology reviews of pediatric studies conducted for the supplement, including by publication in the Federal Register.

Deadline.

“(2) EFFECT OF SUBSECTION.—Nothing in this subsection alters or amends section 301(j) of this Act or section 552 of title 5 or section 1905 of title 18, United States Code.”.

SEC. 10. CLARIFICATION OF INTERACTION OF PEDIATRIC EXCLUSIVITY UNDER SECTION 505A OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND 180-DAY EXCLUSIVITY AWARDED TO AN APPLICANT FOR APPROVAL OF A DRUG UNDER SECTION 505(j) OF THAT ACT.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) (as amended by section 9) is amended by adding at the end the following:

“(n) CLARIFICATION OF INTERACTION OF MARKET EXCLUSIVITY UNDER THIS SECTION AND MARKET EXCLUSIVITY AWARDED TO AN APPLICANT FOR APPROVAL OF A DRUG UNDER SECTION 505(j).—If a 180-day period under section 505(j)(5)(B)(iv) overlaps with a 6-month exclusivity period under this section, so that the applicant for approval of a drug under section 505(j) entitled to the 180-day period under that section loses a portion of the 180-day period to which the applicant is entitled for the drug, the 180-day period shall be extended from—

“(1) the date on which the 180-day period would have expired by the number of days of the overlap, if the 180-day period would, but for the application of this subsection, expire after the 6-month exclusivity period; or

“(2) the date on which the 6-month exclusivity period expires, by the number of days of the overlap if the 180-day period would, but for the application of this subsection, expire during the six-month exclusivity period.”.

SEC. 11. PROMPT APPROVAL OF DRUGS UNDER SECTION 505(j) WHEN PEDIATRIC INFORMATION IS ADDED TO LABELING.

(a) IN GENERAL.—Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) (as amended by section 10) is amended by adding at the end the following:

“(o) PROMPT APPROVAL OF DRUGS UNDER SECTION 505(j) WHEN PEDIATRIC INFORMATION IS ADDED TO LABELING.—

“(1) GENERAL RULE.—A drug for which an application has been submitted or approved under section 505(j) shall not be considered ineligible for approval under that section or misbranded under section 502 on the basis that the labeling of the drug omits a pediatric indication or any other aspect of labeling pertaining to pediatric use when the omitted indication or other aspect is protected by patent or by exclusivity under clause (iii) or (iv) of section 505(j)(5)(D).

“(2) LABELING.—Notwithstanding clauses (iii) and (iv) of section 505(j)(5)(D), the Secretary may require that the labeling of a drug approved under section 505(j) that omits a pediatric indication or other aspect of labeling as described in paragraph (1) include—

PUBLIC LAW 107-109—JAN. 4, 2002

“(A) a statement that, because of marketing exclusivity for a manufacturer—

“(i) the drug is not labeled for pediatric use; or

“(ii) in the case of a drug for which there is an additional pediatric use not referred to in paragraph (1), the drug is not labeled for the pediatric use under paragraph (1); and

“(B) a statement of any appropriate pediatric contraindications, warnings, or precautions that the Secretary considers necessary.

“(3) PRESERVATION OF PEDIATRIC EXCLUSIVITY AND OTHER PROVISIONS.—This subsection does not affect—

“(A) the availability or scope of exclusivity under this section;

“(B) the availability or scope of exclusivity under section 505 for pediatric formulations;

“(C) the question of the eligibility for approval of any application under section 505(j) that omits any other conditions of approval entitled to exclusivity under clause (iii) or (iv) of section 505(j)(5)(D); or

“(D) except as expressly provided in paragraphs (1) and (2), the operation of section 505.”

21 USC 355a
note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date of enactment of this Act, including with respect to applications under section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)) that are approved or pending on that date.

42 USC 289 note.

SEC. 12. STUDY CONCERNING RESEARCH INVOLVING CHILDREN.

(a) CONTRACT WITH INSTITUTE OF MEDICINE.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for—

(1) the conduct, in accordance with subsection (b), of a review of—

(A) Federal regulations in effect on the date of the enactment of this Act relating to research involving children;

(B) federally prepared or supported reports relating to research involving children; and

(C) federally supported evidence-based research involving children; and

(2) the submission to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives, not later than two years after the date of enactment of this Act, of a report concerning the review conducted under paragraph (1) that includes recommendations on best practices relating to research involving children.

(b) AREAS OF REVIEW.—In conducting the review under subsection (a)(1), the Institute of Medicine shall consider the following:

(1) The written and oral process of obtaining and defining “assent”, “permission” and “informed consent” with respect to child clinical research participants and the parents, guardians, and the individuals who may serve as the legally authorized representatives of such children (as defined in subpart A of part 46 of title 45, Code of Federal Regulations).

(2) The expectations and comprehension of child research participants and the parents, guardians, or legally authorized representatives of such children, for the direct benefits and risks of the child’s research involvement, particularly in terms of research versus therapeutic treatment.

(3) The definition of “minimal risk” with respect to a healthy child or a child with an illness.

PUBLIC LAW 107-109—JAN. 4, 2002

(4) The appropriateness of the regulations applicable to children of differing ages and maturity levels, including regulations relating to legal status.

(5) Whether payment (financial or otherwise) may be provided to a child or his or her parent, guardian, or legally authorized representative for the participation of the child in research, and if so, the amount and type of payment that may be made.

(6) Compliance with the regulations referred to in subsection (a)(1)(A), the monitoring of such compliance (including the role of institutional review boards), and the enforcement actions taken for violations of such regulations.

(7) The unique roles and responsibilities of institutional review boards in reviewing research involving children, including composition of membership on institutional review boards.

(c) REQUIREMENTS OF EXPERTISE.—The Institute of Medicine shall conduct the review under subsection (a)(1) and make recommendations under subsection (a)(2) in conjunction with experts in pediatric medicine, pediatric research, and the ethical conduct of research involving children.

SEC. 13. FOUNDATION FOR THE NATIONAL INSTITUTES OF HEALTH.

Section 499 of the Public Health Service Act (42 U.S.C. 290b) is amended—

(1) in subsection (b), by inserting “(including collection of funds for pediatric pharmacologic research)” after “mission”;

(2) in subsection (c)(1)—

(A) by redesignating subparagraph (C) as subparagraph (D); and

(B) by inserting after subparagraph (B) the following:

“(C) A program to collect funds for pediatric pharmacologic research and studies listed by the Secretary pursuant to section 409I(a)(1)(A) of this Act and referred under section 505A(d)(4)(C) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)(4)(C)).”;

(3) in subsection (d)—

(A) in paragraph (1)—

(i) in subparagraph (B)—

(I) in clause (ii), by striking “and” at the end;

(II) in clause (iii), by striking the period and inserting “; and”; and

(III) by adding at the end the following:

“(iv) the Commissioner of Food and Drugs.”; and

(ii) by striking subparagraph (C) and inserting

the following:

“(C) The ex officio members of the Board under subparagraph (B) shall appoint to the Board individuals from among a list of candidates to be provided by the National Academy of Science. Such appointed members shall include—

“(i) representatives of the general biomedical field;

“(ii) representatives of experts in pediatric medicine and research;

“(iii) representatives of the general biobehavioral field, which may include experts in biomedical ethics; and

“(iv) representatives of the general public, which may include representatives of affected industries.”; and

(B) in paragraph (2), by realigning the margin of subparagraph (B) to align with subparagraph (A);

(4) in subsection (k)(9)—

(A) by striking “The Foundation” and inserting the following:

“(A) IN GENERAL.—The Foundation”; and

PUBLIC LAW 107-109—JAN. 4, 2002

(B) by adding at the end the following:

“(B) GIFTS, GRANTS, AND OTHER DONATIONS.—

“(i) IN GENERAL.—Gifts, grants, and other donations to the Foundation may be designated for pediatric research and studies on drugs, and funds so designated shall be used solely for grants for research and studies under subsection (c)(1)(C).

“(ii) OTHER GIFTS.—Other gifts, grants, or donations received by the Foundation and not described in clause (i) may also be used to support such pediatric research and studies.

“(iii) REPORT.—The recipient of a grant for research and studies shall agree to provide the Director of the National Institutes of Health and the Commissioner of Food and Drugs, at the conclusion of the research and studies—

“(I) a report describing the results of the research and studies; and

“(II) all data generated in connection with the research and studies.

“(iv) ACTION BY THE COMMISSIONER OF FOOD AND DRUGS.—The Commissioner of Food and Drugs shall take appropriate action in response to a report received under clause (iii) in accordance with paragraphs (7) through (12) of section 409I(c), including negotiating with the holders of approved applications for the drugs studied for any labeling changes that the Commissioner determines to be appropriate and requests the holders to make.

“(C) APPLICABILITY.—Subparagraph (A) does not apply to the program described in subsection (c)(1)(C).”;

(5) by redesignating subsections (f) through (m) as subsections (e) through (l), respectively;

(6) in subsection (h)(11) (as so redesignated), by striking “solicit” and inserting “solicit,”; and

(7) in paragraphs (1) and (2) of subsection (j) (as so redesignated), by striking “(including those developed under subsection (d)(2)(B)(i)(II))” each place it appears.

42 USC 284m
note.

SEC. 14. PEDIATRIC PHARMACOLOGY ADVISORY COMMITTEE.

(a) IN GENERAL.—The Secretary of Health and Human Services shall, under section 222 of the Public Health Service Act (42 U.S.C. 217a), convene and consult an advisory committee on pediatric pharmacology (referred to in this section as the “advisory committee”).

(b) PURPOSE.—

(1) IN GENERAL.—The advisory committee shall advise and make recommendations to the Secretary, through the Commissioner of Food and Drugs and in consultation with the Director of the National Institutes of Health, on matters relating to pediatric pharmacology.

(2) MATTERS INCLUDED.—The matters referred to in paragraph (1) include—

(A) pediatric research conducted under sections 351, 409I, and 499 of the Public Health Service Act and sections 501, 502, 505, and 505A of the Federal Food, Drug, and Cosmetic Act;

(B) identification of research priorities related to pediatric pharmacology and the need for additional treatments of specific pediatric diseases or conditions; and

(C) the ethics, design, and analysis of clinical trials related to pediatric pharmacology.

(c) COMPOSITION.—The advisory committee shall include representatives of pediatric health organizations, pediatric researchers,

PUBLIC LAW 107-109—JAN. 4, 2002

relevant patient and patient-family organizations, and other experts selected by the Secretary.

SEC. 15. PEDIATRIC SUBCOMMITTEE OF THE ONCOLOGIC DRUGS ADVISORY COMMITTEE.

(a) CLARIFICATION OF AUTHORITIES.—

(1) IN GENERAL.—The Pediatric Subcommittee of the Oncologic Drugs Advisory Committee (referred to in this section as the “Subcommittee”), in carrying out the mission of reviewing and evaluating the data concerning the safety and effectiveness of marketed and investigational human drug products for use in the treatment of pediatric cancers, shall—

(A) evaluate and, to the extent practicable, prioritize new and emerging therapeutic alternatives available to treat pediatric cancer;

(B) provide recommendations and guidance to help ensure that children with cancer have timely access to the most promising new cancer therapies; and

(C) advise on ways to improve consistency in the availability of new therapeutic agents.

(2) MEMBERSHIP.—

(A) IN GENERAL.—The Secretary shall appoint not more than 11 voting members to the Pediatric Subcommittee from the membership of the Pediatric Pharmacology Advisory Committee and the Oncologic Drugs Advisory Committee.

(B) REQUEST FOR PARTICIPATION.—The Subcommittee shall request participation of the following members in the scientific and ethical consideration of topics of pediatric cancer, as necessary:

(i) At least two pediatric oncology specialists from the National Cancer Institute.

(ii) At least four pediatric oncology specialists from—

(I) the Children’s Oncology Group;

(II) other pediatric experts with an established history of conducting clinical trials in children; or

(III) consortia sponsored by the National Cancer Institute, such as the Pediatric Brain Tumor Consortium, the New Approaches to Neuroblastoma Therapy or other pediatric oncology consortia.

(iii) At least two representatives of the pediatric cancer patient and patient-family community.

(iv) One representative of the nursing community.

(v) At least one statistician.

(vi) At least one representative of the pharmaceutical industry.

(b) PRE-CLINICAL MODELS TO EVALUATE PROMISING PEDIATRIC CANCER THERAPIES.—Section 413 of the Public Health Service Act (42 U.S.C. 285a-2) is amended by adding at the end the following:

“(c) PRE-CLINICAL MODELS TO EVALUATE PROMISING PEDIATRIC CANCER THERAPIES.—

“(1) EXPANSION AND COORDINATION OF ACTIVITIES.—The Director of the National Cancer Institute shall expand, intensify, and coordinate the activities of the Institute with respect to research on the development of preclinical models to evaluate which therapies are likely to be effective for treating pediatric cancer.

“(2) COORDINATION WITH OTHER INSTITUTES.—The Director of the Institute shall coordinate the activities under paragraph (1) with similar activities conducted by other national research institutes and agencies of the National Institutes of Health

PUBLIC LAW 107-109—JAN. 4, 2002

to the extent that those Institutes and agencies have responsibilities that are related to pediatric cancer.”.

(c) CLARIFICATION OF AVAILABILITY OF INVESTIGATIONAL NEW DRUGS FOR PEDIATRIC STUDY AND USE.—

(1) AMENDMENT OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT.—Section 505(i)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(i)(1)) is amended—

(A) in subparagraph (B), by striking “and” at the end;

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

(C) by adding at the end the following:

“(D) the submission to the Secretary by the manufacturer or the sponsor of the investigation of a new drug of a statement of intent regarding whether the manufacturer or sponsor has plans for assessing pediatric safety and efficacy.”.

(2) AMENDMENT OF THE PUBLIC HEALTH SERVICE ACT.—Section 402(j)(3)(A) of the Public Health Service Act (42 U.S.C. 282(j)(3)(A)) is amended in the first sentence—

(A) by striking “trial sites, and” and inserting “trial sites,”; and

(B) by striking “in the trial,” and inserting “in the trial, and a description of whether, and through what procedure, the manufacturer or sponsor of the investigation of a new drug will respond to requests for protocol exception, with appropriate safeguards, for single-patient and expanded protocol use of the new drug, particularly in children,”.

Deadline.
21 USC 355 note.

(d) REPORT.—Not later than January 31, 2003, the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs and in consultation with the Director of the National Institutes of Health, shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on patient access to new therapeutic agents for pediatric cancer, including access to single patient use of new therapeutic agents.

21 USC 355a
note.
Deadline.

SEC. 16. REPORT ON PEDIATRIC EXCLUSIVITY PROGRAM.

Not later than October 1, 2006, the Comptroller General of the United States, in consultation with the Secretary of Health and Human Services, shall submit to Congress a report that addresses the following issues, using publicly available data or data otherwise available to the Government that may be used and disclosed under applicable law:

(1) The effectiveness of section 505A of the Federal Food, Drug, and Cosmetic Act and section 409I of the Public Health Service Act (as added by this Act) in ensuring that medicines used by children are tested and properly labeled, including—

(A) the number and importance of drugs for children that are being tested as a result of this legislation and the importance for children, health care providers, parents, and others of labeling changes made as a result of such testing;

(B) the number and importance of drugs for children that are not being tested for their use notwithstanding the provisions of this legislation, and possible reasons for the lack of testing; and

(C) the number of drugs for which testing is being done, exclusivity granted, and labeling changes required, including the date pediatric exclusivity is granted and the date labeling changes are made and which labeling changes required the use of the dispute resolution process established pursuant to the amendments made by this Act, together with a description of the outcomes of such process,

PUBLIC LAW 107-109—JAN. 4, 2002

including a description of the disputes and the recommendations of the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee.

(2) The economic impact of section 505A of the Federal Food, Drug, and Cosmetic Act and section 409I of the Public Health Service Act (as added by this Act), including an estimate of—

(A) the costs to taxpayers in the form of higher expenditures by medicaid and other Government programs;

(B) sales for each drug during the 6-month period for which exclusivity is granted, as attributable to such exclusivity;

(C) costs to consumers and private insurers as a result of any delay in the availability of lower cost generic equivalents of drugs tested and granted exclusivity under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), and loss of revenue by the generic drug industry and retail pharmacies as a result of any such delay; and

(D) the benefits to the government, to private insurers, and to consumers resulting from decreased health care costs, including—

(i) decreased hospitalizations and fewer medical errors, due to more appropriate and more effective use of medications in children as a result of testing and re-labeling because of the amendments made by this Act;

(ii) direct and indirect benefits associated with fewer physician visits not related to hospitalization;

(iii) benefits to children from missing less time at school and being less affected by chronic illnesses, thereby allowing a better quality of life;

(iv) benefits to consumers from lower health insurance premiums due to lower treatment costs and hospitalization rates; and

(v) benefits to employers from reduced need for employees to care for family members.

(3) The nature and type of studies in children for each drug granted exclusivity under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), including—

(A) a description of the complexity of the studies;

(B) the number of study sites necessary to obtain appropriate data;

(C) the number of children involved in any clinical studies; and

(D) the estimated cost of each of the studies.

(4) Any recommendations for modifications to the programs established under section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) and section 409I of the Public Health Service Act (as added by section 3) that the Secretary determines to be appropriate, including a detailed rationale for each recommendation.

(5) The increased private and Government-funded pediatric research capability associated with this Act and the amendments made by this Act.

(6) The number of written requests and additional letters of recommendation that the Secretary issues.

(7) The prioritized list of off-patent drugs for which the Secretary issues written requests.

(8)(A) The efforts made by the Secretary to increase the number of studies conducted in the neonate population; and

(B) the results of those efforts, including efforts made to encourage the conduct of appropriate studies in neonates by companies with products that have sufficient safety and other information to make the conduct of studies ethical and safe.

PUBLIC LAW 107-109—JAN. 4, 2002

21 USC 355b.

SEC. 17. ADVERSE-EVENT REPORTING.Deadline.
Regulations.

(a) **TOLL-FREE NUMBER IN LABELING.**—Not later than one year after the date of the enactment of this Act, the Secretary of Health and Human Services shall promulgate a final rule requiring that the labeling of each drug for which an application is approved under section 505 of the Federal Food, Drug, and Cosmetic Act (regardless of the date on which approved) include the toll-free number maintained by the Secretary for the purpose of receiving reports of adverse events regarding drugs and a statement that such number is to be used for reporting purposes only, not to receive medical advice. With respect to the final rule:

(1) The rule shall provide for the implementation of such labeling requirement in a manner that the Secretary considers to be most likely to reach the broadest consumer audience.

(2) In promulgating the rule, the Secretary shall seek to minimize the cost of the rule on the pharmacy profession.

(3) The rule shall take effect not later than 60 days after the date on which the rule is promulgated.

(b) **DRUGS WITH PEDIATRIC MARKET EXCLUSIVITY.**—

(1) **IN GENERAL.**—During the one year beginning on the date on which a drug receives a period of market exclusivity under 505A of the Federal Food, Drug, and Cosmetic Act, any report of an adverse event regarding the drug that the Secretary of Health and Human Services receives shall be referred to the Office of Pediatric Therapeutics established under section 6 of this Act. In considering the report, the Director of such Office shall provide for the review of the report by the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee, including obtaining any recommendations of such subcommittee regarding whether the Secretary should take action under the Federal Food, Drug, and Cosmetic Act in response to the report.

(2) **RULE OF CONSTRUCTION.**—Paragraph (1) may not be construed as restricting the authority of the Secretary of Health and Human Services to continue carrying out the activities described in such paragraph regarding a drug after the one-year period described in such paragraph regarding the drug has expired.

SEC. 18. MINORITY CHILDREN AND PEDIATRIC-EXCLUSIVITY PROGRAM.

(a) **PROTOCOLS FOR PEDIATRIC STUDIES.**—Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended in subsection (d)(2) by inserting after the first sentence the following: “In reaching an agreement regarding written protocols, the Secretary shall take into account adequate representation of children of ethnic and racial minorities.”

21 USC 355a
note.

(b) **STUDY BY GENERAL ACCOUNTING OFFICE.**—

(1) **IN GENERAL.**—The Comptroller General of the United States shall conduct a study for the purpose of determining the following:

(A) The extent to which children of ethnic and racial minorities are adequately represented in studies under section 505A of the Federal Food, Drug, and Cosmetic Act; and to the extent ethnic and racial minorities are not adequately represented, the reasons for such underrepresentation and recommendations to increase such representation.

(B) Whether the Food and Drug Administration has appropriate management systems to monitor the representation of the children of ethnic and racial minorities in such studies.

(C) Whether drugs used to address diseases that disproportionately affect racial and ethnic minorities are being

PUBLIC LAW 107-109—JAN. 4, 2002

studied for their safety and effectiveness under section 505A of the Federal Food, Drug, and Cosmetic Act.

(2) **DATE CERTAIN FOR COMPLETING STUDY.**—Not later than January 10, 2003, the Comptroller General shall complete the study required in paragraph (1) and submit to the Congress a report describing the findings of the study. Deadline.

SEC. 19. TECHNICAL AND CONFORMING AMENDMENTS.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) (as amended by sections 2(1), 5(b)(2), 9, 10, 11, and 17) is amended—

(1)(A) by striking “(j)(4)(D)(ii)” each place it appears and inserting “(j)(5)(D)(ii)”;

(B) by striking “(j)(4)(D)” each place it appears and inserting “(j)(5)(D)”;

(C) by striking “505(j)(4)(D)” each place it appears and inserting “505(j)(5)(D)”;

(2) by redesignating subsections (a), (g), (h), (i), (j), (k), (l), (m), (n), and (o) as subsections (b), (a), (g), (h), (n), (m), (i), (j), (k), and (l) respectively;

(3) by moving the subsections so as to appear in alphabetical order;

(4) in paragraphs (1), (2), and (3) of subsection (d), subsection (e), and subsection (m) (as redesignated by paragraph (2)), by striking “subsection (a) or (c)” and inserting “subsection (b) or (c)”;

(5) in subsection (g) (as redesignated by paragraph (2)), by striking “subsection (a) or (b)” and inserting “subsection (b) or (c)”.

Approved January 4, 2002.

LEGISLATIVE HISTORY—S. 1789 (H.R. 2887):

HOUSE REPORTS: No. 107-277 accompanying H.R. 2887 (Comm. on Energy and Commerce).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Dec. 12, considered and passed Senate.

Dec. 18, considered and passed House.

HEALTH AND HUMAN SERVICES ACTS

PUBLIC LAW 107-133—JAN. 17, 2002

**Public Law 107-133
107th Congress****An Act**Jan. 17, 2002
[H.R. 2873]Promoting Safe
and Stable
Families
Amendments of
2001.
42 USC 1305
note.

To extend and amend the program entitled Promoting Safe and Stable Families under title IV-B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV-E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Promoting Safe and Stable Families Amendments of 2001”.

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES**Subtitle A—Grants to States for Promoting Safe and Stable Families**

- Sec. 101. Findings and purpose.
- Sec. 102. Definition of family support services.
- Sec. 103. Reallotments.
- Sec. 104. Payments to States.
- Sec. 105. Evaluations, research, and technical assistance.
- Sec. 106. Authorization of appropriations; reservation of certain amounts.
- Sec. 107. State court improvements.

Subtitle B—Mentoring Children of Prisoners

- Sec. 121. Program authorized.

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

- Sec. 201. Educational and training vouchers for youths aging out of foster care.
- Sec. 202. Reallocation and extension of funds.

TITLE III—EFFECTIVE DATE

- Sec. 301. Effective date.

SEC. 3. REFERENCES.

Except as otherwise specified in this Act, an amendment made by this Act to a section or other provision shall be considered an amendment to the section or other provision of the Social Security Act.

**TITLE I—PROMOTING SAFE AND
STABLE FAMILIES****Subtitle A—Grants to States for Promoting
Safe and Stable Families****SEC. 101. FINDINGS AND PURPOSE.**

Section 430 (42 U.S.C. 629) is amended to read as follows:

PUBLIC LAW 107-133—JAN. 17, 2002

“SEC. 430. FINDINGS AND PURPOSE.

“(a) FINDINGS.—The Congress finds that there is a continuing urgent need to protect children and to strengthen families as demonstrated by the following:

“(1) Family support programs directed at specific vulnerable populations have had positive effects on parents, children, or both. The vulnerable populations for which programs have been shown to be effective include teenage mothers with very young children and families that have children with special needs.

“(2) Family preservation programs have been shown to provide extensive and intensive services to families in crisis.

“(3) The time lines established by the Adoption and Safe Families Act of 1997 have made the prompt availability of services to address family problems (and in particular the prompt availability of appropriate services and treatment addressing substance abuse) an important factor in successful family reunification.

“(4) The rapid increases in the annual number of adoptions since the enactment of the Adoption and Safe Families Act of 1997 have created a growing need for postadoption services and for service providers with the particular knowledge and skills required to address the unique issues adoptive families and children may face.

“(b) PURPOSE.—The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support services to accomplish the following objectives:

“(1) To prevent child maltreatment among families at risk through the provision of supportive family services.

“(2) To assure children’s safety within the home and preserve intact families in which children have been maltreated, when the family’s problems can be addressed effectively.

“(3) To address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner in accordance with the Adoption and Safe Families Act of 1997.

“(4) To support adoptive families by providing support services as necessary so that they can make a lifetime commitment to their children.”.

SEC. 102. DEFINITIONS.

(a) INCLUSION OF INFANT SAFE HAVEN PROGRAMS AMONG FAMILY PRESERVATION SERVICES.—Section 431(a)(1) (42 U.S.C. 629a(a)(1)) is amended—

(1) by striking “and” at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting “; and”; and

(3) by adding at the end the following:

“(F) infant safe haven programs to provide a way for a parent to safely relinquish a newborn infant at a safe haven designated pursuant to a State law.”.

(b) FAMILY SUPPORT SERVICES.—Section 431(a)(2) (42 U.S.C. 629a(a)(2)) is amended by inserting “to strengthen parental relationships and promote healthy marriages,” after “environment,”.

SEC. 103. REALLOTMENTS.

Section 433 (42 U.S.C. 629c) is amended by adding at the end the following:

“(d) REALLOTMENTS.—The amount of any allotment to a State under this section for any fiscal year that the State certifies to the Secretary will not be required for carrying out the State plan under section 432 shall be available for reallocation using the

PUBLIC LAW 107-133—JAN. 17, 2002

allotment methodology specified in this section. Any amount so reallocated to a State is deemed part of the allotment of the State under the preceding provisions of this section.”.

SEC. 104. PAYMENTS TO STATES.

(a) IN GENERAL.—Section 434(a) (42 U.S.C. 629d(a)) is amended—

(1) by striking paragraph (2);

(2) by striking all that precedes subparagraph (A) of paragraph (1) and inserting the following:

“(a) ENTITLEMENT.—Each State that has a plan approved under section 432 shall be entitled to payment of the lesser of—”;

(3) by redesignating subparagraphs (A) and (B) of paragraph (1) as paragraphs (1) and (2), respectively, and by indenting the provisions 2 ems to the left.

(b) CONFORMING AMENDMENTS.—Section 434(b) (42 U.S.C. 629d(b)) is amended—

(1) in paragraph (1)—

(A) by striking “paragraph (1) or (2)(B) of”; and

(B) by striking “described in this subpart” and inserting “under the State plan under section 432”; and

(2) in paragraph (2), by striking “subsection (a)(1)” and inserting “subsection (a)”.

SEC. 105. EVALUATIONS, RESEARCH, AND TECHNICAL ASSISTANCE.

Section 435 (42 U.S.C. 629e) is amended—

(1) by striking all that precedes “the effectiveness” in paragraph (1) of subsection (a), including the heading for section 435 and the caption for subsection (a), and inserting the following:

“SEC. 435. EVALUATIONS; RESEARCH; TECHNICAL ASSISTANCE.

“(a) EVALUATIONS.—

“(1) IN GENERAL.—The Secretary shall evaluate and report to the Congress biennially on”;

(2) by adding at the end of subsection (a) the following:

“(3) TIMING OF REPORT.—Beginning in 2003, the Secretary shall submit the biennial report required by this subsection not later than April 1 of every other year, and shall include in each such report the funding level, the status of ongoing evaluations, findings to date, and the nature of any technical assistance provided to States under subsection (d).”; and

(3) by adding at the end the following:

“(c) RESEARCH.—The Secretary shall give priority consideration to the following topics for research and evaluation under this subsection, using rigorous evaluation methodologies where feasible:

“(1) Promising program models in the service categories specified in section 430(b), particularly time-limited reunification services and postadoption services.

“(2) Multi-disciplinary service models designed to address parental substance abuse and to reduce its impacts on children.

“(3) The efficacy of approaches directed at families with specific problems and with children of specific age ranges.

“(4) The outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act of 1997.

“(d) TECHNICAL ASSISTANCE.—To the extent funds are available therefor, the Secretary shall provide technical assistance that helps States and Indian tribes to—

“(1) develop research-based protocols for identifying families at risk of abuse and neglect of use in the field;

“(2) develop treatment models that address the needs of families at risk, particularly families with substance abuse issues;

“(3) implement programs with well-articulated theories of how the intervention will result in desired changes among families at risk;

Deadline.

PUBLIC LAW 107-133—JAN. 17, 2002

“(4) establish mechanisms to ensure that service provision matches the treatment model; and

“(5) establish mechanisms to ensure that postadoption services meet the needs of the individual families and develop models to reduce the disruption rates of adoption.”.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

(a) MANDATORY FUNDING.—

(1) IN GENERAL.—Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is amended by adding at the end the following:

“SEC. 436. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS. 42 USC 629f.

“(a) AUTHORIZATION.—There are authorized to be appropriated to carry out the provisions of this subpart \$305,000,000 for each of fiscal years 2002 through 2006.

“(b) RESERVATION OF CERTAIN AMOUNTS.—From the amount specified in subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

“(1) EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.—The Secretary shall reserve \$6,000,000 for expenditure by the Secretary—

“(A) for research, training, and technical assistance costs related to the program under this subpart; and

“(B) for evaluation of State programs based on the plans approved under section 432 and funded under this subpart, and any other Federal, State, or local program, regardless of whether federally assisted, that is designed to achieve the same purposes as the State programs.

“(2) STATE COURT IMPROVEMENTS.—The Secretary shall reserve \$10,000,000 for grants under section 438.

“(3) INDIAN TRIBES.—The Secretary shall reserve 1 percent for allotment to Indian tribes in accordance with section 433(a).”.

(2) CONFORMING AMENDMENTS.—Section 433 (42 U.S.C. 629c) is amended—

(A) in subsection (a), by striking “section 430(d)(3)” and inserting “section 436(b)(3)”;

(B) in subsection (b)—

(i) by striking “section 430(b)” and inserting “section 436(a)”;

(ii) by striking “section 430(d)” and inserting “section 436(b)”;

(C) in subsection (c)(1)—

(i) by striking “section 430(b)” and inserting “section 436(a)”;

(ii) by striking “section 430(d)” and inserting “section 436(b)”.

(b) DISCRETIONARY FUNDING.—Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is further amended by adding at the end the following:

“SEC. 437. DISCRETIONARY GRANTS. 42 USC 629g.

“(a) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In addition to any amount appropriated pursuant to section 436, there are authorized to be appropriated to carry out this section \$200,000,000 for each of fiscal years 2002 through 2006.

“(b) RESERVATION OF CERTAIN AMOUNTS.—From the amount (if any) appropriated pursuant to subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

“(1) EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.—The Secretary shall reserve 3.3 percent for expenditure by the Secretary for the activities described in section 436(b)(1).

PUBLIC LAW 107-133—JAN. 17, 2002

“(2) STATE COURT IMPROVEMENTS.—The Secretary shall reserve 3.3 percent for grants under section 438.

“(3) INDIAN TRIBES.—The Secretary shall reserve 2 percent for allotment to Indian tribes in accordance with subsection (c)(1).

“(c) ALLOTMENTS.—

“(1) INDIAN TRIBES.—From the amount (if any) reserved pursuant to subsection (b)(3) for any fiscal year, the Secretary shall allot to each Indian tribe with a plan approved under this subpart an amount that bears the same ratio to such reserved amount as the number of children in the Indian tribe bears to the total number of children in all Indian tribes with State plans so approved, as determined by the Secretary on the basis of the most current and reliable information available to the Secretary.

“(2) TERRITORIES.—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 421.

“(3) OTHER STATES.—From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) and paragraph (2) of this subsection for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) which is not specified in paragraph (2) of this subsection an amount equal to such remaining amount multiplied by the food stamp percentage (as defined in section 433(c)(2)) of the State for the fiscal year.

“(d) GRANTS.—The Secretary may make a grant to a State which has a plan approved under this subpart in an amount equal to the lesser of—

“(1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

“(2) the allotment of the State under subsection (c) for the fiscal year.

“(e) APPLICABILITY OF CERTAIN RULES.—The rules of subsections (b) and (c) of section 434 shall apply in like manner to the amounts made available pursuant to this section.”.

SEC. 107. STATE COURT IMPROVEMENTS.

(a) SCOPE OF ACTIVITIES.—Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) is amended—

(1) in subsection (a), by striking paragraph (2) and inserting the following:

“(2) to implement improvements the highest state courts deem necessary as a result of the assessments, including—

“(A) to provide for the safety, well-being, and permanence of children in foster care, as set forth in the Adoption and Safe Families Act of 1997 (Public Law 105-89); and

“(B) to implement a corrective action plan, as necessary, resulting from reviews of child and family service programs under section 1123A of this Act.”; and

(2) in subsection (c)(1), in the matter preceding subparagraph (A), by inserting “and improvement” after “assessment”.

(b) ALLOTMENTS.—Section 13712(c)(1) of such Act (42 U.S.C. 670 note) is amended by striking all that follows “shall be entitled to payment,” and inserting “for each of fiscal years 2002 through 2006, from the amount reserved pursuant to section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2)), of an

PUBLIC LAW 107-133—JAN. 17, 2002

amount equal to the sum of \$85,000 plus the amount described in paragraph (2) of this subsection for the fiscal year.”.

(c) FEDERAL SHARE.—Section 13712(d) of such Act (42 U.S.C. 670 note) is amended—

(1) in the heading, by striking “USE OF GRANT FUNDS” and inserting “FEDERAL SHARE”; and

(2) by striking “to pay—” and all that follows and inserting “to pay not more than 75 percent of the cost of activities under this section in each of fiscal years 2002 through 2006.”.

(d) CONFORMING AMENDMENTS.—Section 13712 of such Act (42 U.S.C. 670 note) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “of title IV of the Social Security Act”; and

(B) in paragraph (1)(A), by striking “of title IV of such Act”; and

(2) in subsection (c)(2), by striking “section 430(d)(2) of the Social Security Act” and inserting “section 436(b)(2) (and the amount, if any, reserved pursuant to section 437(b)(2))”.

(e) TRANSFER AND REDESIGNATION.—Section 13712 of such Act (42 U.S.C. 670 note), as amended by the preceding provisions of this section, is redesignated as section 438 and is transferred to the end of subpart 2 of part B of title IV of the Social Security Act.

42 USC 629h.

Subtitle B—Mentoring Children of Prisoners

SEC. 121. PROGRAM AUTHORIZED.

Subpart 2 of part B of title IV (42 U.S.C. 629–629e) is further amended by adding at the end the following:

“SEC. 439. GRANTS FOR PROGRAMS FOR MENTORING CHILDREN OF PRISONERS.

42 USC 629i.

“(a) FINDINGS AND PURPOSE.—

“(1) FINDINGS.—

“(A) In the period between 1991 and 1999, the number of children with a parent incarcerated in a Federal or State correctional facility increased by more than 100 percent, from approximately 900,000 to approximately 2,000,000. In 1999, 2.1 percent of all children in the United States had a parent in Federal or State prison.

“(B) Prior to incarceration, 64 percent of female prisoners and 44 percent of male prisoners in State facilities lived with their children.

“(C) Nearly 90 percent of the children of incarcerated fathers live with their mothers, and 79 percent of the children of incarcerated mothers live with a grandparent or other relative.

“(D) Parental arrest and confinement lead to stress, trauma, stigmatization, and separation problems for children. These problems are coupled with existing problems that include poverty, violence, parental substance abuse, high-crime environments, intrafamilial abuse, child abuse and neglect, multiple care givers, and/or prior separations. As a result, these children often exhibit a broad variety of behavioral, emotional, health, and educational problems that are often compounded by the pain of separation.

“(E) Empirical research demonstrates that mentoring is a potent force for improving children’s behavior across all risk behaviors affecting health. Quality, one-on-one relationships that provide young people with caring role models for future success have profound, life-changing potential. Done right, mentoring markedly advances youths’ life pros-

PUBLIC LAW 107-133—JAN. 17, 2002

pects. A widely cited 1995 study by Public/Private Ventures measured the impact of one Big Brothers Big Sisters program and found significant effects in the lives of youth—cutting first-time drug use by almost half and first-time alcohol use by about a third, reducing school absenteeism by half, cutting assaultive behavior by a third, improving parental and peer relationships, giving youth greater confidence in their school work, and improving academic performance.

“(2) PURPOSE.—The purpose of this section is to authorize the Secretary to make competitive grants to applicants in areas with substantial numbers of children of incarcerated parents, to support the establishment or expansion and operation of programs using a network of public and private community entities to provide mentoring services for children of prisoners.

“(b) DEFINITIONS.—In this section:

“(1) CHILDREN OF PRISONERS.—The term ‘children of prisoners’ means children one or both of whose parents are incarcerated in a Federal, State, or local correctional facility. The term is deemed to include children who are in an ongoing mentoring relationship in a program under this section at the time of their parents’ release from prison, for purposes of continued participation in the program.

“(2) MENTORING.—The term ‘mentoring’ means a structured, managed program in which children are appropriately matched with screened and trained adult volunteers for one-on-one relationships, involving meetings and activities on a regular basis, intended to meet, in part, the child’s need for involvement with a caring and supportive adult who provides a positive role model.

“(3) MENTORING SERVICES.—The term ‘mentoring services’ means those services and activities that support a structured, managed program of mentoring, including the management by trained personnel of outreach to, and screening of, eligible children; outreach to, education and training of, and liaison with sponsoring local organizations; screening and training of adult volunteers; matching of children with suitable adult volunteer mentors; support and oversight of the mentoring relationship; and establishment of goals and evaluation of outcomes for mentored children.

“(c) PROGRAM AUTHORIZED.—From the amounts appropriated under subsection (h) for a fiscal year that remain after applying subsection (h)(2), the Secretary shall make grants under this section for each of fiscal years 2002 through 2006 to State or local governments, tribal governments or tribal consortia, faith-based organizations, and community-based organizations in areas that have significant numbers of children of prisoners and that submit applications meeting the requirements of this section, in amounts that do not exceed \$5,000,000 per grant.

“(d) APPLICATION REQUIREMENTS.—In order to be eligible for a grant under this section, the chief executive officer of the applicant must submit to the Secretary an application containing the following:

“(1) PROGRAM DESIGN.—A description of the proposed program, including—

“(A) a list of local public and private organizations and entities that will participate in the mentoring network;

“(B) the name, description, and qualifications of the entity that will coordinate and oversee the activities of the mentoring network;

“(C) the number of mentor-child matches proposed to be established and maintained annually under the program;

“(D) such information as the Secretary may require concerning the methods to be used to recruit, screen sup-

PUBLIC LAW 107-133—JAN. 17, 2002

port, and oversee individuals participating as mentors, (which methods shall include criminal background checks on the individuals), and to evaluate outcomes for participating children, including information necessary to demonstrate compliance with requirements established by the Secretary for the program; and

“(E) such other information as the Secretary may require.

“(2) COMMUNITY CONSULTATION; COORDINATION WITH OTHER PROGRAMS.—A demonstration that, in developing and implementing the program, the applicant will, to the extent feasible and appropriate—

“(A) consult with public and private community entities, including religious organizations, and including, as appropriate, Indian tribal organizations and urban Indian organizations, and with family members of potential clients;

“(B) coordinate the programs and activities under the program with other Federal, State, and local programs serving children and youth; and

“(C) consult with appropriate Federal, State, and local corrections, workforce development, and substance abuse and mental health agencies.

“(3) EQUAL ACCESS FOR LOCAL SERVICE PROVIDERS.—An assurance that public and private entities and community organizations, including religious organizations and Indian organizations, will be eligible to participate on an equal basis.

“(4) RECORDS, REPORTS, AND AUDITS.—An agreement that the applicant will maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.

“(5) EVALUATION.—An agreement that the applicant will cooperate fully with the Secretary’s ongoing and final evaluation of the program under the plan, by means including providing the Secretary access to the program and program-related records and documents, staff, and grantees receiving funding under the plan.

“(e) FEDERAL SHARE.—

“(1) IN GENERAL.—A grant for a program under this section shall be available to pay a percentage share of the costs of the program up to—

“(A) 75 percent for the first and second fiscal years for which the grant is awarded; and

“(B) 50 percent for the third and each succeeding such fiscal years.

“(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of projects under this section may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

“(f) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section, the Secretary shall take into consideration—

“(1) the qualifications and capacity of applicants and networks of organizations to effectively carry out a mentoring program under this section;

“(2) the comparative severity of need for mentoring services in local areas, taking into consideration data on the numbers of children (and in particular of low-income children) with an incarcerated parents (or parents) in the areas;

“(3) evidence of consultation with existing youth and family service programs, as appropriate; and

“(4) any other factors the Secretary may deem significant with respect to the need for or the potential success of carrying out a mentoring program under this section.

PUBLIC LAW 107-133—JAN. 17, 2002

Deadline.
Reports.

“(g) EVALUATION.—The Secretary shall conduct an evaluation of the programs conducted pursuant to this section, and submit to the Congress not later than April 15, 2005, a report on the findings of the evaluation.

“(h) AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.—

“(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this section \$67,000,000 for each of fiscal years 2002 and 2003, and such sums as may be necessary for each succeeding fiscal year.

“(2) RESERVATION.—The Secretary shall reserve 2.5 percent of the amount appropriated for each fiscal year under paragraph (1) for expenditure by the Secretary for research, technical assistance, and evaluation related to programs under this section.”.

TITLE II—FOSTER CARE AND INDEPENDENT LIVING

SEC. 201. EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.

(a) PURPOSE.—Section 477(a) (42 U.S.C. 677(a)) is amended—

(1) by striking “and” at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(6) to make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care.”.

(b) EDUCATIONAL AND TRAINING VOUCHERS.—Section 477 (42 U.S.C. 677) is amended by adding at the end the following:

“(i) EDUCATIONAL AND TRAINING VOUCHERS.—The following conditions shall apply to a State educational and training voucher program under this section:

“(1) Vouchers under the program may be available to youths otherwise eligible for services under the State program under this section.

“(2) For purposes of the voucher program, youths adopted from foster care after attaining age 16 may be considered to be youths otherwise eligible for services under the State program under this section.

“(3) The State may allow youths participating in the voucher program on the date they attain 21 years of age to remain eligible until they attain 23 years of age, as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program.

“(4) The voucher or vouchers provided for an individual under this section—

“(A) may be available for the cost of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965; and

“(B) shall not exceed the lesser of \$5,000 per year or the total cost of attendance, as defined in section 472 of that Act.

“(5) The amount of a voucher under this section may be disregarded for purposes of determining the recipient’s eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965, and except that the

PUBLIC LAW 107-133—JAN. 17, 2002

State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.

“(6) The program is coordinated with other appropriate education and training programs.”.

(c) CERTIFICATION.—Section 477(b)(3) (42 U.S.C. 677(b)(3)) is amended by adding at the end the following:

“(J) A certification by the chief executive officer of the State that the State educational and training voucher program under this section is in compliance with the conditions specified in subsection (i), including a statement describing methods the State will use—

“(i) to ensure that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs does not exceed the limitation specified in subsection (i)(5); and

“(ii) to avoid duplication of benefits under this and any other Federal or Federally assisted benefit program.”.

(d) INCREASED AUTHORIZATIONS OF APPROPRIATIONS.—Section 477(h) (42 U.S.C. 677(h)) is amended by striking “there are authorized” and all that follows and inserting the following: “there are authorized to be appropriated to the Secretary for each fiscal year—

“(1) \$140,000,000, which shall be available for all purposes under this section; and

“(2) an additional \$60,000,000, which are authorized to be available for payments to States for education and training vouchers for youths who age out of foster care, to assist the youths to develop skills necessary to lead independent and productive lives.”.

(e) ALLOTMENTS TO STATES.—Section 477(c) (42 U.S.C. 677(c)) is amended—

(1) in paragraph (1)—

(A) by striking “(1) IN GENERAL.—From the amount specified in subsection (h)” and inserting “(1) GENERAL PROGRAM ALLOTMENT.—From the amount specified in subsection (h)(1)”; and

(B) by striking “which bears the same ratio” and inserting “which bears the ratio”; and

(C) by striking “as the number of children in foster care” and all that follows and inserting “equal to the State foster care ratio, as adjusted in accordance with paragraph (2).”; and

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

“(3) VOUCHER PROGRAM ALLOTMENT.—From the amount, if any, appropriated pursuant to subsection (h)(2) for a fiscal year, the Secretary may allot to each State with an application approved under subsection (b) for the fiscal year an amount equal to the State foster care ratio multiplied by the amount so specified.

“(4) STATE FOSTER CARE RATIO.—In this subsection, the term ‘State foster care ratio’ means the ratio of the number of children in foster care under a program of the State in the most recent fiscal year for which the information is available to the total number of children in foster care in all States for the most recent fiscal year.”.

(f) PAYMENTS TO STATES.—

(1) IN GENERAL.—Section 474(a)(4) (42 U.S.C. 674(a)(4)) is amended to read as follows:

“(4) an amount equal to the amount (if any) by which—
“(A) the lesser of—

“(i) 80 percent of the amounts expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State

PUBLIC LAW 107-133—JAN. 17, 2002

application approved under section 477(b) for the period in which the quarter occurs (including any amendment that meets the requirements of section 477(b)(5)); or

“(ii) the amount allotted to the State under section 477(c)(1) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year; exceeds

“(B) the total amount of any penalties assessed against the State under section 477(e) during the fiscal year in which the quarter occurs.”.

(2) DISCRETIONARY GRANTS.—Section 474 (42 U.S.C. 674) is amended by adding at the end the following:

“(e) DISCRETIONARY GRANTS FOR EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.—From amounts appropriated pursuant to section 477(h)(2), the Secretary may make a grant to a State with a plan approved under this part, for a calendar quarter, in an amount equal to the lesser of—

“(1) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in section 477(a)(6); or

“(2) the amount, if any, allotted to the State under section 477(c)(3) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this subsection for such purposes for all prior quarters in the fiscal year.”.

SEC. 202. REALLOCATION AND EXTENSION OF FUNDS.

(a) REALLOCATION OF UNUSED FUNDS.—Section 477(d) (42 U.S.C. 677(d)) is amended by adding at the end the following:

“(4) REALLOCATION OF UNUSED FUNDS.—If a State does not apply for funds under this section for a fiscal year within such time as may be provided by the Secretary, the funds to which the State would be entitled for the fiscal year shall be reallocated to 1 or more other States on the basis of their relative need for additional payments under this section, as determined by the Secretary.”.

42 USC 677 note.

(b) TEMPORARY EXTENSION OF AVAILABILITY OF INDEPENDENT LIVING FUNDS.—Notwithstanding section 477(d)(3) of the Social Security Act, payments made to a State under section 477 of such Act for fiscal year 2000 shall remain available for expenditure by the State through fiscal year 2002.

PUBLIC LAW 107-133—JAN. 17, 2002

TITLE III—EFFECTIVE DATE**SEC. 301. EFFECTIVE DATE.**

42 USC 629 note.

(a) **IN GENERAL.**—Subject to subsection (b), the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) **DELAY PERMITTED IF STATE LEGISLATION REQUIRED.**—In the case of a State plan under subpart 2 of part B or part E of the Social Security Act that the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments specified in subsection (a) of this section, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet the additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be deemed to be a separate regular session of the State legislature.

Approved January 17, 2002.

LEGISLATIVE HISTORY—H.R. 2873:

HOUSE REPORTS: No. 107-281 (Comm. on Ways and Means).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Nov. 13, considered and passed House.

Dec. 13, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 38 (2002):

Jan. 17, Presidential remarks.

HOUSING ACTS

PUBLIC LAW 107-18—JULY 5, 2001

Public Law 107-18
107th Congress

An Act

To clarify the authority of the Department of Housing and Urban Development with respect to the use of fees during fiscal year 2001 for the manufactured housing program.

July 5, 2001
[S. 1029]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MANUFACTURED HOUSING.

(a) **AVAILABILITY OF FEES.**—Notwithstanding section 620(e)(2) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5419(e)(2)), any fees collected under that Act, including any fees collected before the date of enactment of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701 note) and remaining unobligated on the date of enactment of this Act, shall be available for expenditure to offset the expenses incurred by the Secretary under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), otherwise in accordance with section 620 of that Act.

42 USC 5419
note.

(b) **DURATION.**—The authority for the use of fees provided for in subsection (a) shall remain in effect during the period beginning in fiscal year 2001 and ending on the effective date of the first appropriations Act referred to in section 620(e)(2) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5419(e)(2)) that is enacted with respect to a fiscal year after fiscal year 2001.

Approved July 5, 2001.

LEGISLATIVE HISTORY—S. 1029:

CONGRESSIONAL RECORD, Vol. 147 (2001):
June 13, considered and passed Senate.
June 20, considered and passed House.

INTERIOR ACTS

PUBLIC LAW 107-13—JUNE 3, 2001

Public Law 107-13
107th Congress

An Act

To authorize the Secretary of the Interior and the Secretary of Agriculture to use funds appropriated for wildland fire management in the Department of the Interior and Related Agencies Appropriations Act, 2001, to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service to facilitate the interagency cooperation required under the Endangered Species Act of 1973 in connection with wildland fire management.

June 3, 2001
[H.R. 581]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. USE OF WILDLAND FIRE MANAGEMENT FUNDS TO FACILITATE COMPLIANCE WITH ENDANGERED SPECIES ACT CONSULTATION REQUIREMENTS.

The Secretary of the Interior and the Secretary of Agriculture may use funds appropriated for wildland fire management in the Department of the Interior and Related Agencies Appropriations Act, 2001 (Public Law 106-291; 114 Stat. 922), to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service for the costs of carrying out their responsibilities under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) to consult and conference, as required by section 7 of such Act (16 U.S.C. 1536), in connection with wildland fire management activities.

SEC. 2. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) **PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.**—In the case of any equipment or products that may be authorized to be purchased using funds provided under section 1, it is the sense of the Congress that entities receiving the funds should, in expending the funds, purchase only American-made equipment and products.

(b) **NOTICE TO RECIPIENTS OF FUNDS.**—In expending funds provided under section 1, the head of each Federal agency receiving such funds shall provide to each recipient of the funds a notice describing the statement made in subsection (a) by the Congress.

(c) **NOTICE OF REPORT.**—Any entity which receives funds under section 1 shall report any expenditures on foreign-made items to the Congress within 180 days of the expenditure.

Deadline.

Approved June 3, 2001.

LEGISLATIVE HISTORY—H.R. 581:

HOUSE REPORTS: No. 107-35 (Comm. on Resources).

CONGRESSIONAL RECORD, Vol. 147 (2001):

May 9, considered and passed House.

May 24, considered and passed Senate.

INTERIOR ACTS

PUBLIC LAW 107-30—AUG. 20, 2001

Public Law 107-30
107th Congress

An Act

Aug. 20, 2001
[H.R. 427]

To provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCLUSION OF ADDITIONAL PORTION OF THE LITTLE SANDY RIVER WATERSHED IN THE BULL RUN WATERSHED MANAGEMENT UNIT, OREGON.

(a) **IN GENERAL.**—Public Law 95-200 (16 U.S.C. 482b note; 91 Stat. 1425) is amended by striking section 1 and inserting the following:

“SECTION 1. ESTABLISHMENT OF SPECIAL RESOURCES MANAGEMENT UNIT; DEFINITION OF SECRETARY.

“(a) **DEFINITION OF SECRETARY.**—In this Act, the term ‘Secretary’ means—

“(1) with respect to land administered by the Secretary of Agriculture, the Secretary of Agriculture; and

“(2) with respect to land administered by the Secretary of the Interior, the Secretary of the Interior.

“(b) **ESTABLISHMENT.**—

“(1) **IN GENERAL.**—There is established, subject to valid existing rights, a special resources management unit in the State of Oregon, comprising approximately 98,272 acres, as depicted on a map dated May 2000 and entitled ‘Bull Run Watershed Management Unit’.

“(2) **MAP.**—The map described in paragraph (1) shall be on file and available for public inspection in the offices of—

“(A) the Regional Forester-Pacific Northwest Region of the Forest Service; and

“(B) the Oregon State Director of the Bureau of Land Management.

“(3) **BOUNDARY ADJUSTMENTS.**—The Secretary may periodically make such minor adjustments in the boundaries of the unit as are necessary, after consulting with the city and providing for appropriate public notice and hearings.”.

(b) **CONFORMING AND TECHNICAL AMENDMENTS.**—

(1) **SECRETARY.**—Public Law 95-200 (16 U.S.C. 482b note; 91 Stat. 1425) is amended by striking “Secretary of Agriculture” each place it appears (except subsection (b) of section 1, as added by subsection (a), and except in the amendments made by paragraph (2)) and inserting “Secretary”.

(2) **APPLICABLE LAW.**—

(A) **IN GENERAL.**—Section 2(a) of Public Law 95-200 (16 U.S.C. 482b note; 91 Stat. 1425) is amended by striking “applicable to National Forest System lands” and inserting “applicable to land under the administrative jurisdiction of the Forest Service (in the case of land administered by the Secretary of Agriculture) or applicable to land under the administrative jurisdiction of the Bureau of Land Management (in the case of land administered by the Secretary of the Interior)”.

PUBLIC LAW 107-30—AUG. 20, 2001

(B) MANAGEMENT PLANS.—The first sentence of section 2(c) of Public Law 95-200 (16 U.S.C. 482b note; 91 Stat. 1426) is amended—

(i) by striking “subsection (a) and (b)” and inserting “subsections (a) and (b)”; and

(ii) by striking “, through the maintenance” and inserting “(in the case of land administered by the Secretary of Agriculture) or section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) (in the case of land administered by the Secretary of the Interior), through the maintenance”.

SEC. 2. MANAGEMENT.

(a) TIMBER CUTTING RESTRICTIONS.—Section 2(b) of Public Law 95-200 (16 U.S.C. 482b note; 91 Stat. 1426) is amended by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall prohibit the cutting of trees on Federal land in the unit, as designated in section 1 and depicted on the map referred to in that section.”.

(b) REPEAL OF MANAGEMENT EXCEPTION.—The Oregon Resource Conservation Act of 1996 (division B of Public Law 104-208) is amended by striking section 606 (110 Stat. 3009-543).

(c) REPEAL OF DUPLICATIVE ENACTMENT.—Section 1026 of division I of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104-333; 110 Stat. 4228) and the amendments made by that section are repealed.

(d) WATER RIGHTS.—Nothing in this section strengthens, diminishes, or has any other effect on water rights held by any person or entity.

16 USC 482b
note.

SEC. 3. LAND RECLASSIFICATION.

(a) OREGON AND CALIFORNIA RAILROAD LAND.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture and the Secretary of the Interior shall identify any Oregon and California Railroad land that is subject to the distribution provision of title II of the Act of August 28, 1937 (43 U.S.C. 1181f), within the boundary of the special resources management area described in section 1 of Public Law 95-200 (as amended by section 1(a)).

(b) PUBLIC DOMAIN LAND.—

(1) DEFINITION OF PUBLIC DOMAIN LAND.—

(A) IN GENERAL.—In this subsection, the term “public domain land” has the meaning given the term “public land” in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702).

(B) EXCLUSION.—The term “public domain land” does not include any land managed under the Act of August 28, 1937 (43 U.S.C. 1181a et seq.).

(2) IDENTIFICATION.—Not later than 18 months after the date of enactment of this Act, the Secretary of the Interior shall identify public domain land within the Medford, Roseburg, Eugene, Salem, and Coos Bay Districts and the Klamath Resource Area of the Lakeview District of the Bureau of Land Management in the State of Oregon that—

(A) is approximately equal in acreage and condition as the land identified in subsection (a); but

(B) is not subject to the Act of August 28, 1937 (43 U.S.C. 1181a et seq.).

(c) MAPS.—Not later than 2 years after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress and publish in the Federal Register 1 or more maps depicting the land identified in subsections (a) and (b).

PUBLIC LAW 107-30—AUG. 20, 2001

(d) RECLASSIFICATION.—After providing an opportunity for public comment, the Secretary of the Interior shall administratively reclassify—

(1) the land described in subsection (a), as public domain land (as the term is defined in subsection (b)) that is not subject to the distribution provision of title II of the Act of August 28, 1937 (43 U.S.C. 1181f); and

(2) the land described in subsection (b), as Oregon and California Railroad land that is subject to the Act of August 28, 1937 (43 U.S.C. 1181a et seq.).

SEC. 4. FUNDING FOR ENVIRONMENTAL RESTORATION.

There is authorized to be appropriated to carry out, in accordance with section 323 of the Department of the Interior and Related Agencies Appropriations Act, 1999 (16 U.S.C. 1101 note; 112 Stat. 2681–290), watershed restoration that protects or enhances water quality, or relates to the recovery of endangered species or threatened species listed under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), in Clackamas County, Oregon, \$10,000,000.

Approved August 20, 2001.

LEGISLATIVE HISTORY—H.R. 427 (S. 254):

HOUSE REPORTS: No. 107-151, Pt. 1 (Comm. on Resources).

SENATE REPORTS: No. 107-23 accompanying S. 254 (Comm. on Energy and Natural Resources).

CONGRESSIONAL RECORD, Vol. 147 (2001):

July 23, considered and passed House.

Aug. 3, considered and passed Senate.

INTERIOR ACTS

PUBLIC LAW 107-59—NOV. 5, 2001

Public Law 107-59
107th Congress

An Act

To authorize the Secretary of the Interior to study the suitability and feasibility of designating the Great Falls Historic District in Paterson, New Jersey, as a unit of the National Park System, and for other purposes.

Nov. 5, 2001

[H.R. 146]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Great Falls Historic District Study Act of 2001”.

Great Falls
Historic District
Study Act of
2001.

SEC. 2. NATIONAL PARK SERVICE STUDY REGARDING GREAT FALLS HISTORIC DISTRICT, PATERSON, NEW JERSEY.

(a) **DEFINITIONS.**—In this section:

(1) **GREAT FALLS HISTORIC DISTRICT.**—The term “Great Falls Historic District” means the Great Falls Historic District in the city of Paterson, New Jersey, established as an historic district by section 510 of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104-333; 110 Stat. 4158; 16 U.S.C. 461 note).

(2) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior, acting through the Director of the National Park Service.

(b) **STUDY.**—As soon as practicable after funds are made available to carry out this section, the Secretary shall commence a study regarding the suitability and feasibility of further recognizing the historic and cultural significance of the lands and structures of the Great Falls Historic District through the designation of the Great Falls Historic District as a unit of the National Park System.

(c) **STUDY PROCESS AND COMPLETION.**—Section 8(c) of Public Law 91-383 (16 U.S.C. 1a-5(c)) shall apply to the study required by this section.

Applicability.

(d) **SUBMISSION.**—The Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the results of the study.

Reports.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as are necessary to carry out this section.

Approved November 5, 2001.

LEGISLATIVE HISTORY—H.R. 146:

HOUSE REPORTS: No. 107-47 (Comm. on Resources).

SENATE REPORTS: No. 107-74 (Comm. on Energy and Natural Resources).

CONGRESSIONAL RECORD, Vol. 147 (2001):

May 9, considered and passed House.

Oct. 17, considered and passed Senate.

INTERIOR ACTS

PUBLIC LAW 107-65—NOV. 6, 2001

Public Law 107-65
107th Congress

An Act

Nov. 6, 2001
[H.R. 182]

Eightmile River
Wild and Scenic
River Study Act
of 2001.
16 USC 1271
note.

To amend the Wild and Scenic Rivers Act to designate a segment of the Eightmile River in the State of Connecticut for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Eightmile River Wild and Scenic River Study Act of 2001”.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Eightmile River in the State of Connecticut possesses important resource values, including wildlife, ecological, and scenic values, and historic sites and a cultural past important to America’s heritage;

(2) there is strong support among State and local officials, area residents, and river users for a cooperative wild and scenic river study of the area; and

(3) there is a longstanding interest among State and local officials, area residents, and river users in undertaking a concerted cooperative effort to manage the river in a productive and meaningful way.

SEC. 3. DESIGNATION FOR STUDY.

Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding at the end the following new paragraph:

“(138) EIGHTMILE RIVER, CONNECTICUT.—The segment from its headwaters downstream to its confluence with the Connecticut River.”.

SEC. 4. STUDY AND REPORT.

Section 5(b) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(b)) is amended by adding at the end the following new paragraph:

“(18) The study of the Eightmile River, Connecticut, named in paragraph (138) of subsection (a) shall be completed by the Secretary of the Interior and the report thereon submitted to Congress not later than 3 years after the date of the enactment of this paragraph.”.

PUBLIC LAW 107-65—NOV. 6, 2001

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

Approved November 6, 2001.

LEGISLATIVE HISTORY—H.R. 182:

HOUSE REPORTS: No. 107-36 (Comm. on Resources).

SENATE REPORTS: No. 107-75 (Comm. on Energy and Natural Resources).

CONGRESSIONAL RECORD, Vol. 147 (2001):

May 1, considered and passed House.

Oct. 17, considered and passed Senate.

INTERIOR ACTS

PUBLIC LAW 107-91—DEC. 21, 2001

Public Law 107-91
107th Congress

An Act

Dec. 21, 2001
[H.R. 1230]

To provide for the establishment of the Detroit River International Wildlife Refuge in the State of Michigan, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Detroit River
International
Wildlife Refuge
Establishment
Act.
16 USC 668dd
note.

SECTION 1. SHORT TITLE.

This Act may be cited as the “Detroit River International Wildlife Refuge Establishment Act”.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Detroit River, one of North America’s greatest rivers, was created some 14,000 years ago during the retreat of the Wisconsin Glacier.

(2) The present river channel, established when falling water levels permitted erosion of the Lake Plain and moraines, is a connecting channel linking the Upper and Lower Great Lakes, as well as linking the United States to Canada.

(3) The Lower Detroit River ecosystem is diverse with a number of distinct channels, numerous shoals that support dense stands of aquatic plants, and many islands. These nationally and internationally significant habitats and ecological features attract as many as 29 species of waterfowl and 65 kinds of fish.

(4) The Detroit River is a major migration corridor for fish, butterflies, raptors, and other birds, in addition to waterfowl. Over 300 species of birds have been documented in the Detroit-Windsor area, of which about 150 species breed in the immediate area.

(5) Because the Great Lakes are situated at the intersection of the Atlantic and Mississippi Flyways, the Detroit River is an important waterfowl migration corridor. 3,000,000 ducks, geese, swans, and coots migrate annually through the Great Lakes region.

(6) The importance of this corridor is recognized in the Canada-United States North American Waterfowl Management Plan that has identified the Detroit River as part of one of 34 Waterfowl Habitat Areas of Major Concern in the United States and Canada.

(7) Some 300,000 diving ducks stop in the Lower Detroit River on their fall migration from Canada to the east and south each year to rest and feed in beds of water celery found in the region.

(8) The international importance of the Lower Detroit River area is manifested in the United States congressional designation of the 460-acre Wyandotte National Wildlife Refuge.

(9) Canada’s Canard River Marsh Complex is an internationally significant waterfowl staging area which is one of the main resting and feeding areas for canvasbacks migrating from their nesting grounds in the Canadian prairies to the East Coast. Many over-winter in the area as well.

(10) The diversity of biota and habitats in the Lower Detroit River ecosystem provides substantial benefits to the over 5,000,000 people who live in the vicinity. The Lower Detroit

PUBLIC LAW 107-91—DEC. 21, 2001

River has an international reputation for duck hunting. On an economic basis, retail sales related to waterfowl hunting in Michigan were estimated in 1991 to be \$20,100,000. During the same year birding, photography, and other nonconsumptive uses of waterfowl contributed an additional \$192,800,000 in Michigan.

(11) More than 1,000,000 pleasure boats are registered in Michigan and about half of those are used on the Detroit River and Lake St. Clair, in part to fish for the estimated 10,000,000 walleye that migrate to the Detroit River each spring from Lake Erie to spawn. These walleye have helped create an internationally renowned sport fishery estimated to bring in \$1,000,000 to the economy of communities along the lower Detroit River each spring.

(12) All of these natural resource values and socioeconomic benefits were acclaimed when the Detroit River was designated an American Heritage River in 1998. The Detroit River is also a Canadian Heritage River, making it the first international heritage river system in the world.

(13) The Detroit River has lost over 95 percent of its coastal wetland habitats and despite increased awareness and supporting science of their importance, habitats continue to be destroyed and degraded.

(14) Protection of remaining wildlife habitats and enhancement of degraded wildlife habitats are essential to sustain the quality of life enjoyed by so many living along the Detroit River corridor.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term “Refuge” means the Detroit River International Wildlife Refuge established by section 5.

(2) The term “Secretary” means the Secretary of the Interior.

(3) The term “Detroit River” means those lands and waters within the area described in section 5(a).

SEC. 4. PURPOSES.

The purposes for which the Refuge is established and shall be managed are as follows:

(1) To protect the remaining high-quality fish and wildlife habitats of the Detroit River before they are lost to further development and to restore and enhance degraded wildlife habitats associated with the Detroit River.

(2) To assist in international efforts to conserve, enhance, and restore the native aquatic and terrestrial community characteristics of the Detroit River (including associated fish, wildlife, and plant species) both in the United States and Canada.

(3) To facilitate partnerships among the United States Fish and Wildlife Service, Canadian national and provincial authorities, State and local governments, local communities in the United States and in Canada, conservation organizations, and other non-Federal entities to promote public awareness of the resources of the Detroit River.

SEC. 5. ESTABLISHMENT OF REFUGE.

(a) BOUNDARIES.—There is hereby established the Detroit River International Wildlife Refuge, consisting of the lands and waters owned or managed by the Secretary pursuant to this Act in the State of Michigan within the area extending from the point in Michigan directly across the river from northernmost point of Ojibway Shores to the southern boundary of the Sterling State Park, as depicted upon a map entitled “Detroit River International Wildlife Refuge Proposed”, dated July 31, 2001, which shall be available

PUBLIC LAW 107-91—DEC. 21, 2001

for inspection in appropriate offices of the United States Fish and Wildlife Service.

(b) **EXISTING REFUGE LANDS.**—The Wyandotte National Wildlife Refuge is hereby included within, and shall be a part of, the Detroit River International Wildlife Refuge. All references to the Wyandotte National Wildlife Refuge shall hereafter be treated as references to the Detroit River International Wildlife Refuge.

(c) **BOUNDARY REVISIONS.**—The Secretary may make such revisions of the boundaries of the Refuge as may be appropriate to carry out the purposes of the Refuge or to facilitate the acquisition of property within the Refuge.

(d) **ACQUISITION.**—The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange the lands and waters, or interests therein (including conservation easements), within the boundaries of the Refuge.

(e) **TRANSFERS FROM OTHER AGENCIES.**—Any Federal property located within the boundaries of the Refuge which is under the administrative jurisdiction of another department or agency of the United States may, with the concurrence of the head of administering department or agency, be transferred without consideration to the administrative jurisdiction of the Secretary for the purposes of this Act.

(f) **STUDY OF ASSOCIATED AREA.**—The Secretary (acting through the Director of the United States Fish and Wildlife Service) shall conduct a study of fish and wildlife habitat and aquatic and terrestrial communities of the north reach of the Detroit River, from the northernmost point of Ojibway Shores north to the mouth of Lake St. Clair, for potential inclusion in the Refuge. Not later than 18 months after the date of the enactment of the Act, the Secretary shall complete such study and submit a report containing the results thereof to the Congress.

Deadline.
Reports.

SEC. 6. ADMINISTRATION.

(a) **IN GENERAL.**—The Secretary shall administer all federally owned lands, waters, and interests therein that are within the boundaries of the Refuge in accordance with the National Wildlife Refuge System Administration Act (16 U.S.C. 668dd et seq.) and this Act. The Secretary may use such additional statutory authority as may be available for the conservation of fish and wildlife, and the provision of fish and wildlife dependent recreational opportunities as the Secretary considers appropriate to carry out the purposes of this Act.

(b) **PRIORITY USES.**—In providing opportunities for compatible fish and wildlife dependent recreation, the Secretary, in accordance with paragraphs (3) and (4) of section 4(a) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(a)), shall ensure that hunting, fishing, wildlife observation and photography, and environmental education and interpretation are the priority public uses of the Refuge.

(c) **COOPERATIVE AGREEMENTS REGARDING NONFEDERAL LANDS.**—The Secretary is authorized to enter into cooperative agreements with the State of Michigan, or any political subdivision thereof, and with any other person or entity for the management in a manner consistent with this Act of lands that are owned by such State, subdivision, or other person or entity and located within the boundaries of the Refuge and to promote public awareness of the resources of the Detroit River International Wildlife Refuge and encourage public participation in the conservation of those resources.

(d) **USE OF EXISTING GREENWAY AUTHORITY.**—The Secretary shall encourage the State of Michigan to use existing authorities under the Transportation Equity Act for the 21st Century (TEA-21) to provide funding for acquisition and development of trails within the boundaries of the Refuge.

PUBLIC LAW 107-91—DEC. 21, 2001

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department of the Interior—

- (1) such sums as may be necessary for the acquisition of lands and waters within the Refuge;
- (2) such sums as may be necessary for the development, operation, and maintenance of the Refuge; and
- (3) such sums as may be necessary to carry out the study under section 5(f).

Approved December 21, 2001.

LEGISLATIVE HISTORY—H.R. 1230 (S. 835):

HOUSE REPORTS: No. 107-270 (Comm. on Resources).

SENATE REPORTS: No. 107-112 accompanying S. 835 (Comm. on Environment and Public Works).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Nov. 27, considered and passed House.

Dec. 7, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Dec. 21, Presidential statement.

JUSTICE ACTS

PUBLIC LAW 107-12—MAY 30, 2001

Public Law 107-12
107th Congress

An Act

To authorize the Public Safety Officer Medal of Valor, and for other purposes.

May 30, 2001
[H.R. 802]*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,***SECTION 1. SHORT TITLE.**

This Act may be cited as the “Public Safety Officer Medal of Valor Act of 2001”.

Public Safety
Officer Medal of
Valor Act of
2001.
42 USC 15201
note.
42 USC 15201.**SEC. 2. AUTHORIZATION OF MEDAL.**

After September 1, 2001, the President may award, and present in the name of Congress, a Medal of Valor of appropriate design, with ribbons and appurtenances, to a public safety officer who is cited by the Attorney General, upon the recommendation of the Medal of Valor Review Board, for extraordinary valor above and beyond the call of duty. The Public Safety Medal of Valor shall be the highest national award for valor by a public safety officer.

SEC. 3. MEDAL OF VALOR BOARD.

42 USC 15202.

(a) ESTABLISHMENT OF BOARD.—There is established a Medal of Valor Review Board (hereinafter in this Act referred to as the “Board”), which shall be composed of 11 members appointed in accordance with subsection (b) and shall conduct its business in accordance with this Act.

(b) MEMBERSHIP.—

Congress.
President.

(1) MEMBERS.—The members of the Board shall be individuals with knowledge or expertise, whether by experience or training, in the field of public safety, of which—

(A) two shall be appointed by the majority leader of the Senate;

(B) two shall be appointed by the minority leader of the Senate;

(C) two shall be appointed by the Speaker of the House of Representatives;

(D) two shall be appointed by the minority leader of the House of Representatives; and

(E) three shall be appointed by the President, including one with experience in firefighting, one with experience in law enforcement, and one with experience in emergency services.

(2) TERM.—The term of a Board member shall be 4 years.

(3) VACANCIES.—Any vacancy in the membership of the Board shall not affect the powers of the Board and shall be filled in the same manner as the original appointment.

(4) OPERATION OF THE BOARD.—

(A) CHAIRMAN.—The Chairman of the Board shall be elected by the members of the Board from among the members of the Board.

(B) MEETINGS.—The Board shall conduct its first meeting not later than 90 days after the appointment of the last member appointed of the initial group of members appointed to the Board. Thereafter, the Board shall meet at the call of the Chairman of the Board. The Board shall meet not less often than twice each year.

Deadline.

PUBLIC LAW 107-12—MAY 30, 2001

(C) VOTING AND RULES.—A majority of the members shall constitute a quorum to conduct business, but the Board may establish a lesser quorum for conducting hearings scheduled by the Board. The Board may establish by majority vote any other rules for the conduct of the Board's business, if such rules are not inconsistent with this Act or other applicable law.

(c) DUTIES.—The Board shall select candidates as recipients of the Medal of Valor from among those applications received by the National Medal of Valor Office. Not more often than once each year, the Board shall present to the Attorney General the name or names of those it recommends as Medal of Valor recipients. In a given year, the Board shall not be required to select any recipients but may not select more than 5 recipients. The Attorney General may in extraordinary cases increase the number of recipients in a given year. The Board shall set an annual timetable for fulfilling its duties under this Act.

(d) HEARINGS.—

(1) IN GENERAL.—The Board may hold such hearings, sit and act at such times and places, administer such oaths, take such testimony, and receive such evidence as the Board considers advisable to carry out its duties.

(2) WITNESS EXPENSES.—Witnesses requested to appear before the Board may be paid the same fees as are paid to witnesses under section 1821 of title 28, United States Code. The per diem and mileage allowances for witnesses shall be paid from funds appropriated to the Board.

(e) INFORMATION FROM FEDERAL AGENCIES.—The Board may secure directly from any Federal department or agency such information as the Board considers necessary to carry out its duties. Upon the request of the Board, the head of such department or agency may furnish such information to the Board.

(f) INFORMATION TO BE KEPT CONFIDENTIAL.—The Board shall not disclose any information which may compromise an ongoing law enforcement investigation or is otherwise required by law to be kept confidential.

42 USC 15203.

SEC. 4. BOARD PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—(1) Except as provided in paragraph (2), each member of the Board shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Board.

(2) All members of the Board who serve as officers or employees of the United States, a State, or a local government, shall serve without compensation in addition to that received for those services.

(b) TRAVEL EXPENSES.—The members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of service for the Board.

42 USC 15204.

SEC. 5. DEFINITIONS.

In this Act:

(1) PUBLIC SAFETY OFFICER.—The term “public safety officer” means a person serving a public agency, with or without compensation, as a firefighter, law enforcement officer, or emergency services officer, as determined by the Attorney General. For the purposes of this paragraph, the term “law enforcement officer” includes a person who is a corrections or court officer or a civil defense officer.

PUBLIC LAW 107-12—MAY 30, 2001

(2) STATE.—The term “State” means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

42 USC 15205.

There are authorized to be appropriated to the Attorney General such sums as may be necessary to carry out this Act.

SEC. 7. NATIONAL MEDAL OF VALOR OFFICE.Establishment.
42 USC 15206.

There is established within the Department of Justice a National Medal of Valor Office. The Office shall provide staff support to the Board to establish criteria and procedures for the submission of recommendations of nominees for the Medal of Valor and for the final design of the Medal of Valor.

SEC. 8. CONFORMING REPEAL.

Section 15 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2214) is amended—

- (1) by striking subsection (a) and inserting the following new subsection (a):
“(a) ESTABLISHMENT.—There is hereby established an honorary award for the recognition of outstanding and distinguished service by public safety officers to be known as the Director’s Award For Distinguished Public Safety Service (‘Director’s Award’).”;
- (2) in subsection (b)—
 - (A) by striking paragraph (1); and
 - (B) by striking “(2)”;
- (3) by striking subsections (c) and (d) and redesignating subsections (e), (f), and (g) as subsections (c), (d), and (e), respectively; and
- (4) in subsection (c), as so redesignated—
 - (A) by striking paragraph (1); and
 - (B) by striking “(2)”.

SEC. 9. CONSULTATION REQUIREMENT.

42 USC 15207.

The Board shall consult with the Institute of Heraldry within the Department of Defense regarding the design and artistry of the Medal of Valor. The Board may also consider suggestions received by the Department of Justice regarding the design of the medal, including those made by persons not employed by the Department.

Approved May 30, 2001.

LEGISLATIVE HISTORY—H.R. 802 (S. 39):

HOUSE REPORTS: No. 107-15 (Comm. on the Judiciary).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Mar. 22, considered and passed House.

May 14, considered and passed Senate.

JUSTICE ACTS

PUBLIC LAW 107-56—OCT. 26, 2001

Public Law 107-56
107th Congress

An Act

Oct. 26, 2001
[H.R. 3162]

To deter and punish terrorist acts in the United States and around the world,
to enhance law enforcement investigatory tools, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

Uniting and
Strengthening
America by
Providing
Appropriate
Tools Required to
Intercept and
Obstruct
Terrorism (USA
PATRIOT ACT)
Act of 2001.
18 USC 1 note.

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title and table of contents.
Sec. 2. Construction; severability.

TITLE I—ENHANCING DOMESTIC SECURITY AGAINST TERRORISM

- Sec. 101. Counterterrorism fund.
Sec. 102. Sense of Congress condemning discrimination against Arab and Muslim Americans.
Sec. 103. Increased funding for the technical support center at the Federal Bureau of Investigation.
Sec. 104. Requests for military assistance to enforce prohibition in certain emergencies.
Sec. 105. Expansion of National Electronic Crime Task Force Initiative.
Sec. 106. Presidential authority.

TITLE II—ENHANCED SURVEILLANCE PROCEDURES

- Sec. 201. Authority to intercept wire, oral, and electronic communications relating to terrorism.
Sec. 202. Authority to intercept wire, oral, and electronic communications relating to computer fraud and abuse offenses.
Sec. 203. Authority to share criminal investigative information.
Sec. 204. Clarification of intelligence exceptions from limitations on interception and disclosure of wire, oral, and electronic communications.
Sec. 205. Employment of translators by the Federal Bureau of Investigation.
Sec. 206. Roving surveillance authority under the Foreign Intelligence Surveillance Act of 1978.
Sec. 207. Duration of FISA surveillance of non-United States persons who are agents of a foreign power.
Sec. 208. Designation of judges.
Sec. 209. Seizure of voice-mail messages pursuant to warrants.
Sec. 210. Scope of subpoenas for records of electronic communications.
Sec. 211. Clarification of scope.
Sec. 212. Emergency disclosure of electronic communications to protect life and limb.
Sec. 213. Authority for delaying notice of the execution of a warrant.
Sec. 214. Pen register and trap and trace authority under FISA.
Sec. 215. Access to records and other items under the Foreign Intelligence Surveillance Act.
Sec. 216. Modification of authorities relating to use of pen registers and trap and trace devices.
Sec. 217. Interception of computer trespasser communications.
Sec. 218. Foreign intelligence information.
Sec. 219. Single-jurisdiction search warrants for terrorism.
Sec. 220. Nationwide service of search warrants for electronic evidence.
Sec. 221. Trade sanctions.
Sec. 222. Assistance to law enforcement agencies.
Sec. 223. Civil liability for certain unauthorized disclosures.
Sec. 224. Sunset.
Sec. 225. Immunity for compliance with FISA wiretap.

TITLE III—INTERNATIONAL MONEY LAUNDERING ABATEMENT AND ANTI-TERRORIST FINANCING ACT OF 2001

- Sec. 301. Short title.

PUBLIC LAW 107-56—OCT. 26, 2001

- Sec. 302. Findings and purposes.
Sec. 303. 4-year congressional review; expedited consideration.
- Subtitle A—International Counter Money Laundering and Related Measures
- Sec. 311. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern.
Sec. 312. Special due diligence for correspondent accounts and private banking accounts.
Sec. 313. Prohibition on United States correspondent accounts with foreign shell banks.
Sec. 314. Cooperative efforts to deter money laundering.
Sec. 315. Inclusion of foreign corruption offenses as money laundering crimes.
Sec. 316. Anti-terrorist forfeiture protection.
Sec. 317. Long-arm jurisdiction over foreign money launderers.
Sec. 318. Laundering money through a foreign bank.
Sec. 319. Forfeiture of funds in United States interbank accounts.
Sec. 320. Proceeds of foreign crimes.
Sec. 321. Financial institutions specified in subchapter II of chapter 53 of title 31, United States code.
Sec. 322. Corporation represented by a fugitive.
Sec. 323. Enforcement of foreign judgments.
Sec. 324. Report and recommendation.
Sec. 325. Concentration accounts at financial institutions.
Sec. 326. Verification of identification.
Sec. 327. Consideration of anti-money laundering record.
Sec. 328. International cooperation on identification of originators of wire transfers.
Sec. 329. Criminal penalties.
Sec. 330. International cooperation in investigations of money laundering, financial crimes, and the finances of terrorist groups.
- Subtitle B—Bank Secrecy Act Amendments and Related Improvements
- Sec. 351. Amendments relating to reporting of suspicious activities.
Sec. 352. Anti-money laundering programs.
Sec. 353. Penalties for violations of geographic targeting orders and certain record-keeping requirements, and lengthening effective period of geographic targeting orders.
Sec. 354. Anti-money laundering strategy.
Sec. 355. Authorization to include suspicions of illegal activity in written employment references.
Sec. 356. Reporting of suspicious activities by securities brokers and dealers; investment company study.
Sec. 357. Special report on administration of bank secrecy provisions.
Sec. 358. Bank secrecy provisions and activities of United States intelligence agencies to fight international terrorism.
Sec. 359. Reporting of suspicious activities by underground banking systems.
Sec. 360. Use of authority of United States Executive Directors.
Sec. 361. Financial crimes enforcement network.
Sec. 362. Establishment of highly secure network.
Sec. 363. Increase in civil and criminal penalties for money laundering.
Sec. 364. Uniform protection authority for Federal Reserve facilities.
Sec. 365. Reports relating to coins and currency received in nonfinancial trade or business.
Sec. 366. Efficient use of currency transaction report system.
- Subtitle C—Currency Crimes and Protection
- Sec. 371. Bulk cash smuggling into or out of the United States.
Sec. 372. Forfeiture in currency reporting cases.
Sec. 373. Illegal money transmitting businesses.
Sec. 374. Counterfeiting domestic currency and obligations.
Sec. 375. Counterfeiting foreign currency and obligations.
Sec. 376. Laundering the proceeds of terrorism.
Sec. 377. Extraterritorial jurisdiction.
- TITLE IV—PROTECTING THE BORDER
- Subtitle A—Protecting the Northern Border
- Sec. 401. Ensuring adequate personnel on the northern border.
Sec. 402. Northern border personnel.
Sec. 403. Access by the Department of State and the INS to certain identifying information in the criminal history records of visa applicants and applicants for admission to the United States.
Sec. 404. Limited authority to pay overtime.
Sec. 405. Report on the integrated automated fingerprint identification system for ports of entry and overseas consular posts.
- Subtitle B—Enhanced Immigration Provisions
- Sec. 411. Definitions relating to terrorism.
Sec. 412. Mandatory detention of suspected terrorists; habeas corpus; judicial review.
Sec. 413. Multilateral cooperation against terrorists.

PUBLIC LAW 107-56—OCT. 26, 2001

- Sec. 414. Visa integrity and security.
- Sec. 415. Participation of Office of Homeland Security on Entry-Exit Task Force.
- Sec. 416. Foreign student monitoring program.
- Sec. 417. Machine readable passports.
- Sec. 418. Prevention of consulate shopping.

Subtitle C—Preservation of Immigration Benefits for Victims of Terrorism

- Sec. 421. Special immigrant status.
- Sec. 422. Extension of filing or reentry deadlines.
- Sec. 423. Humanitarian relief for certain surviving spouses and children.
- Sec. 424. “Age-out” protection for children.
- Sec. 425. Temporary administrative relief.
- Sec. 426. Evidence of death, disability, or loss of employment.
- Sec. 427. No benefits to terrorists or family members of terrorists.
- Sec. 428. Definitions.

TITLE V—REMOVING OBSTACLES TO INVESTIGATING TERRORISM

- Sec. 501. Attorney General’s authority to pay rewards to combat terrorism.
- Sec. 502. Secretary of State’s authority to pay rewards.
- Sec. 503. DNA identification of terrorists and other violent offenders.
- Sec. 504. Coordination with law enforcement.
- Sec. 505. Miscellaneous national security authorities.
- Sec. 506. Extension of Secret Service jurisdiction.
- Sec. 507. Disclosure of educational records.
- Sec. 508. Disclosure of information from NCES surveys.

TITLE VI—PROVIDING FOR VICTIMS OF TERRORISM, PUBLIC SAFETY OFFICERS, AND THEIR FAMILIES

Subtitle A—Aid to Families of Public Safety Officers

- Sec. 611. Expedited payment for public safety officers involved in the prevention, investigation, rescue, or recovery efforts related to a terrorist attack.
- Sec. 612. Technical correction with respect to expedited payments for heroic public safety officers.
- Sec. 613. Public safety officers benefit program payment increase.
- Sec. 614. Office of Justice programs.

Subtitle B—Amendments to the Victims of Crime Act of 1984

- Sec. 621. Crime victims fund.
- Sec. 622. Crime victim compensation.
- Sec. 623. Crime victim assistance.
- Sec. 624. Victims of terrorism.

TITLE VII—INCREASED INFORMATION SHARING FOR CRITICAL INFRASTRUCTURE PROTECTION

- Sec. 701. Expansion of regional information sharing system to facilitate Federal-State-local law enforcement response related to terrorist attacks.

TITLE VIII—STRENGTHENING THE CRIMINAL LAWS AGAINST TERRORISM

- Sec. 801. Terrorist attacks and other acts of violence against mass transportation systems.
- Sec. 802. Definition of domestic terrorism.
- Sec. 803. Prohibition against harboring terrorists.
- Sec. 804. Jurisdiction over crimes committed at U.S. facilities abroad.
- Sec. 805. Material support for terrorism.
- Sec. 806. Assets of terrorist organizations.
- Sec. 807. Technical clarification relating to provision of material support to terrorism.
- Sec. 808. Definition of Federal crime of terrorism.
- Sec. 809. No statute of limitation for certain terrorism offenses.
- Sec. 810. Alternate maximum penalties for terrorism offenses.
- Sec. 811. Penalties for terrorist conspiracies.
- Sec. 812. Post-release supervision of terrorists.
- Sec. 813. Inclusion of acts of terrorism as racketeering activity.
- Sec. 814. Deterrence and prevention of cyberterrorism.
- Sec. 815. Additional defense to civil actions relating to preserving records in response to Government requests.
- Sec. 816. Development and support of cybersecurity forensic capabilities.
- Sec. 817. Expansion of the biological weapons statute.

TITLE IX—IMPROVED INTELLIGENCE

- Sec. 901. Responsibilities of Director of Central Intelligence regarding foreign intelligence collected under Foreign Intelligence Surveillance Act of 1978.
- Sec. 902. Inclusion of international terrorist activities within scope of foreign intelligence under National Security Act of 1947.
- Sec. 903. Sense of Congress on the establishment and maintenance of intelligence relationships to acquire information on terrorists and terrorist organizations.
- Sec. 904. Temporary authority to defer submittal to Congress of reports on intelligence and intelligence-related matters.

PUBLIC LAW 107-56—OCT. 26, 2001

- Sec. 905. Disclosure to Director of Central Intelligence of foreign intelligence-related information with respect to criminal investigations.
- Sec. 906. Foreign terrorist asset tracking center.
- Sec. 907. National Virtual Translation Center.
- Sec. 908. Training of government officials regarding identification and use of foreign intelligence.

TITLE X—MISCELLANEOUS

- Sec. 1001. Review of the department of justice.
- Sec. 1002. Sense of congress.
- Sec. 1003. Definition of “electronic surveillance”.
- Sec. 1004. Venue in money laundering cases.
- Sec. 1005. First responders assistance act.
- Sec. 1006. Inadmissibility of aliens engaged in money laundering.
- Sec. 1007. Authorization of funds for dea police training in south and central asia.
- Sec. 1008. Feasibility study on use of biometric identifier scanning system with access to the fbi integrated automated fingerprint identification system at overseas consular posts and points of entry to the United States.
- Sec. 1009. Study of access.
- Sec. 1010. Temporary authority to contract with local and State governments for performance of security functions at United States military installations.
- Sec. 1011. Crimes against charitable americans.
- Sec. 1012. Limitation on issuance of hazmat licenses.
- Sec. 1013. Expressing the sense of the senate concerning the provision of funding for bioterrorism preparedness and response.
- Sec. 1014. Grant program for State and local domestic preparedness support.
- Sec. 1015. Expansion and reauthorization of the crime identification technology act for antiterrorism grants to States and localities.
- Sec. 1016. Critical infrastructures protection.

SEC. 2. CONSTRUCTION; SEVERABILITY.

18 USC 1 note.

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

TITLE I—ENHANCING DOMESTIC SECURITY AGAINST TERRORISM

SEC. 101. COUNTERTERRORISM FUND.

28 USC 524 note.

(a) **ESTABLISHMENT; AVAILABILITY.**—There is hereby established in the Treasury of the United States a separate fund to be known as the “Counterterrorism Fund”, amounts in which shall remain available without fiscal year limitation—

(1) to reimburse any Department of Justice component for any costs incurred in connection with—

(A) reestablishing the operational capability of an office or facility that has been damaged or destroyed as the result of any domestic or international terrorism incident;

(B) providing support to counter, investigate, or prosecute domestic or international terrorism, including, without limitation, paying rewards in connection with these activities; and

(C) conducting terrorism threat assessments of Federal agencies and their facilities; and

(2) to reimburse any department or agency of the Federal Government for any costs incurred in connection with detaining in foreign countries individuals accused of acts of terrorism that violate the laws of the United States.

(b) **NO EFFECT ON PRIOR APPROPRIATIONS.**—Subsection (a) shall not be construed to affect the amount or availability of any appropriation to the Counterterrorism Fund made before the date of the enactment of this Act.

PUBLIC LAW 107-56—OCT. 26, 2001

SEC. 102. SENSE OF CONGRESS CONDEMNING DISCRIMINATION AGAINST ARAB AND MUSLIM AMERICANS.

(a) FINDINGS.—Congress makes the following findings:

(1) Arab Americans, Muslim Americans, and Americans from South Asia play a vital role in our Nation and are entitled to nothing less than the full rights of every American.

(2) The acts of violence that have been taken against Arab and Muslim Americans since the September 11, 2001, attacks against the United States should be and are condemned by all Americans who value freedom.

(3) The concept of individual responsibility for wrongdoing is sacrosanct in American society, and applies equally to all religious, racial, and ethnic groups.

(4) When American citizens commit acts of violence against those who are, or are perceived to be, of Arab or Muslim descent, they should be punished to the full extent of the law.

(5) Muslim Americans have become so fearful of harassment that many Muslim women are changing the way they dress to avoid becoming targets.

(6) Many Arab Americans and Muslim Americans have acted heroically during the attacks on the United States, including Mohammed Salman Hamdani, a 23-year-old New Yorker of Pakistani descent, who is believed to have gone to the World Trade Center to offer rescue assistance and is now missing.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the civil rights and civil liberties of all Americans, including Arab Americans, Muslim Americans, and Americans from South Asia, must be protected, and that every effort must be taken to preserve their safety;

(2) any acts of violence or discrimination against any Americans be condemned; and

(3) the Nation is called upon to recognize the patriotism of fellow citizens from all ethnic, racial, and religious backgrounds.

SEC. 103. INCREASED FUNDING FOR THE TECHNICAL SUPPORT CENTER AT THE FEDERAL BUREAU OF INVESTIGATION.

There are authorized to be appropriated for the Technical Support Center established in section 811 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104-132) to help meet the demands for activities to combat terrorism and support and enhance the technical support and tactical operations of the FBI, \$200,000,000 for each of the fiscal years 2002, 2003, and 2004.

SEC. 104. REQUESTS FOR MILITARY ASSISTANCE TO ENFORCE PROHIBITION IN CERTAIN EMERGENCIES.

Section 2332e of title 18, United States Code, is amended—

(1) by striking “2332c” and inserting “2332a”; and

(2) by striking “chemical”.

18 USC 3056
note.

SEC. 105. EXPANSION OF NATIONAL ELECTRONIC CRIME TASK FORCE INITIATIVE.

The Director of the United States Secret Service shall take appropriate actions to develop a national network of electronic crime task forces, based on the New York Electronic Crimes Task Force model, throughout the United States, for the purpose of preventing, detecting, and investigating various forms of electronic crimes, including potential terrorist attacks against critical infrastructure and financial payment systems.

SEC. 106. PRESIDENTIAL AUTHORITY.

Section 203 of the International Emergency Powers Act (50 U.S.C. 1702) is amended—

(1) in subsection (a)(1)—

PUBLIC LAW 107-56—OCT. 26, 2001

(A) at the end of subparagraph (A) (flush to that subparagraph), by striking “; and” and inserting a comma and the following:

“by any person, or with respect to any property, subject to the jurisdiction of the United States;”;

(B) in subparagraph (B)—

(i) by inserting “, block during the pendency of an investigation” after “investigate”; and

(ii) by striking “interest;” and inserting “interest by any person, or with respect to any property, subject to the jurisdiction of the United States; and”;

(C) by striking “by any person, or with respect to any property, subject to the jurisdiction of the United States;” and

(D) by inserting at the end the following:

“(C) when the United States is engaged in armed hostilities or has been attacked by a foreign country or foreign nationals, confiscate any property, subject to the jurisdiction of the United States, of any foreign person, foreign organization, or foreign country that he determines has planned, authorized, aided, or engaged in such hostilities or attacks against the United States; and all right, title, and interest in any property so confiscated shall vest, when, as, and upon the terms directed by the President, in such agency or person as the President may designate from time to time, and upon such terms and conditions as the President may prescribe, such interest or property shall be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States, and such designated agency or person may perform any and all acts incident to the accomplishment or furtherance of these purposes.”; and

(2) by inserting at the end the following:

“(c) CLASSIFIED INFORMATION.—In any judicial review of a determination made under this section, if the determination was based on classified information (as defined in section 1(a) of the Classified Information Procedures Act) such information may be submitted to the reviewing court ex parte and in camera. This subsection does not confer or imply any right to judicial review.”.

TITLE II—ENHANCED SURVEILLANCE PROCEDURES

SEC. 201. AUTHORITY TO INTERCEPT WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS RELATING TO TERRORISM.

Section 2516(1) of title 18, United States Code, is amended—

(1) by redesignating paragraph (p), as so redesignated by section 434(2) of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104-132; 110 Stat. 1274), as paragraph (r); and

(2) by inserting after paragraph (p), as so redesignated by section 201(3) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104-208; 110 Stat. 3009-565), the following new paragraph:

“(q) any criminal violation of section 229 (relating to chemical weapons); or sections 2332, 2332a, 2332b, 2332d, 2339A, or 2339B of this title (relating to terrorism); or”.

SEC. 202. AUTHORITY TO INTERCEPT WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS RELATING TO COMPUTER FRAUD AND ABUSE OFFENSES.

Section 2516(1)(c) of title 18, United States Code, is amended by striking “and section 1341 (relating to mail fraud),” and inserting

PUBLIC LAW 107-56—OCT. 26, 2001

“section 1341 (relating to mail fraud), a felony violation of section 1030 (relating to computer fraud and abuse).”

18 USC app.

SEC. 203. AUTHORITY TO SHARE CRIMINAL INVESTIGATIVE INFORMATION.

(a) AUTHORITY TO SHARE GRAND JURY INFORMATION.—

(1) IN GENERAL.—Rule 6(e)(3)(C) of the Federal Rules of Criminal Procedure is amended to read as follows:

“(C)(i) Disclosure otherwise prohibited by this rule of matters occurring before the grand jury may also be made—

“(I) when so directed by a court preliminarily to or in connection with a judicial proceeding;

“(II) when permitted by a court at the request of the defendant, upon a showing that grounds may exist for a motion to dismiss the indictment because of matters occurring before the grand jury;

“(III) when the disclosure is made by an attorney for the government to another Federal grand jury;

“(IV) when permitted by a court at the request of an attorney for the government, upon a showing that such matters may disclose a violation of State criminal law, to an appropriate official of a State or subdivision of a State for the purpose of enforcing such law; or

“(V) when the matters involve foreign intelligence or counterintelligence (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 401a)), or foreign intelligence information (as defined in clause (iv) of this subparagraph), to any Federal law enforcement, intelligence, protective, immigration, national defense, or national security official in order to assist the official receiving that information in the performance of his official duties.

“(ii) If the court orders disclosure of matters occurring before the grand jury, the disclosure shall be made in such manner, at such time, and under such conditions as the court may direct.

“(iii) Any Federal official to whom information is disclosed pursuant to clause (i)(V) of this subparagraph may use that information only as necessary in the conduct of that person’s official duties subject to any limitations on the unauthorized disclosure of such information. Within a reasonable time after such disclosure, an attorney for the government shall file under seal a notice with the court stating the fact that such information was disclosed and the departments, agencies, or entities to which the disclosure was made.

“(iv) In clause (i)(V) of this subparagraph, the term ‘foreign intelligence information’ means—

“(I) information, whether or not concerning a United States person, that relates to the ability of the United States to protect against—

“(aa) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

“(bb) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

“(cc) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of foreign power; or

“(II) information, whether or not concerning a United States person, with respect to a foreign power or foreign territory that relates to—

PUBLIC LAW 107-56—OCT. 26, 2001

“(aa) the national defense or the security of the United States; or

“(bb) the conduct of the foreign affairs of the United States.”.

(2) CONFORMING AMENDMENT.—Rule 6(e)(3)(D) of the Federal Rules of Criminal Procedure is amended by striking “(e)(3)(C)(i)” and inserting “(e)(3)(C)(i)(I)”.

(b) AUTHORITY TO SHARE ELECTRONIC, WIRE, AND ORAL INTERCEPTION INFORMATION.—

(1) LAW ENFORCEMENT.—Section 2517 of title 18, United States Code, is amended by inserting at the end the following:

“(6) Any investigative or law enforcement officer, or attorney for the Government, who by any means authorized by this chapter, has obtained knowledge of the contents of any wire, oral, or electronic communication, or evidence derived therefrom, may disclose such contents to any other Federal law enforcement, intelligence, protective, immigration, national defense, or national security official to the extent that such contents include foreign intelligence or counterintelligence (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 401a)), or foreign intelligence information (as defined in subsection (19) of section 2510 of this title), to assist the official who is to receive that information in the performance of his official duties. Any Federal official who receives information pursuant to this provision may use that information only as necessary in the conduct of that person’s official duties subject to any limitations on the unauthorized disclosure of such information.”.

(2) DEFINITION.—Section 2510 of title 18, United States Code, is amended by—

(A) in paragraph (17), by striking “and” after the semicolon;

(B) in paragraph (18), by striking the period and inserting “; and”; and

(C) by inserting at the end the following:

“(19) ‘foreign intelligence information’ means—

“(A) information, whether or not concerning a United States person, that relates to the ability of the United States to protect against—

“(i) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

“(ii) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

“(iii) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power; or

“(B) information, whether or not concerning a United States person, with respect to a foreign power or foreign territory that relates to—

“(i) the national defense or the security of the United States; or

“(ii) the conduct of the foreign affairs of the United States.”.

(c) PROCEDURES.—The Attorney General shall establish procedures for the disclosure of information pursuant to section 2517(6) and Rule 6(e)(3)(C)(i)(V) of the Federal Rules of Criminal Procedure that identifies a United States person, as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801)).

18 USC 2517 note.

(d) FOREIGN INTELLIGENCE INFORMATION.—

50 USC 403-5d.

(1) IN GENERAL.—Notwithstanding any other provision of law, it shall be lawful for foreign intelligence or counterintelligence (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 401a)) or foreign intelligence information obtained as part of a criminal investigation to be disclosed to any Federal law enforcement, intelligence, protective,

PUBLIC LAW 107-56—OCT. 26, 2001

immigration, national defense, or national security official in order to assist the official receiving that information in the performance of his official duties. Any Federal official who receives information pursuant to this provision may use that information only as necessary in the conduct of that person's official duties subject to any limitations on the unauthorized disclosure of such information.

(2) DEFINITION.—In this subsection, the term “foreign intelligence information” means—

(A) information, whether or not concerning a United States person, that relates to the ability of the United States to protect against—

(i) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

(ii) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

(iii) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power; or

(B) information, whether or not concerning a United States person, with respect to a foreign power or foreign territory that relates to—

(i) the national defense or the security of the United States; or

(ii) the conduct of the foreign affairs of the United States.

SEC. 204. CLARIFICATION OF INTELLIGENCE EXCEPTIONS FROM LIMITATIONS ON INTERCEPTION AND DISCLOSURE OF WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS.

Section 2511(2)(f) of title 18, United States Code, is amended—

(1) by striking “this chapter or chapter 121” and inserting “this chapter or chapter 121 or 206 of this title”; and

(2) by striking “wire and oral” and inserting “wire, oral, and electronic”.

28 USC 532 note.

SEC. 205. EMPLOYMENT OF TRANSLATORS BY THE FEDERAL BUREAU OF INVESTIGATION.

(a) AUTHORITY.—The Director of the Federal Bureau of Investigation is authorized to expedite the employment of personnel as translators to support counterterrorism investigations and operations without regard to applicable Federal personnel requirements and limitations.

(b) SECURITY REQUIREMENTS.—The Director of the Federal Bureau of Investigation shall establish such security requirements as are necessary for the personnel employed as translators under subsection (a).

(c) REPORT.—The Attorney General shall report to the Committees on the Judiciary of the House of Representatives and the Senate on—

(1) the number of translators employed by the FBI and other components of the Department of Justice;

(2) any legal or practical impediments to using translators employed by other Federal, State, or local agencies, on a full, part-time, or shared basis; and

(3) the needs of the FBI for specific translation services in certain languages, and recommendations for meeting those needs.

SEC. 206. ROVING SURVEILLANCE AUTHORITY UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

Section 105(c)(2)(B) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(c)(2)(B)) is amended by inserting “, or in circumstances where the Court finds that the actions of the target of the application may have the effect of thwarting

PUBLIC LAW 107-56—OCT. 26, 2001

the identification of a specified person, such other persons,” after “specified person”.

SEC. 207. DURATION OF FISA SURVEILLANCE OF NON-UNITED STATES PERSONS WHO ARE AGENTS OF A FOREIGN POWER.

(a) DURATION.—

(1) SURVEILLANCE.—Section 105(e)(1) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(e)(1)) is amended by—

(A) inserting “(A)” after “except that”; and

(B) inserting before the period the following: “, and

(B) an order under this Act for a surveillance targeted against an agent of a foreign power, as defined in section 101(b)(1)(A) may be for the period specified in the application or for 120 days, whichever is less”.

(2) PHYSICAL SEARCH.—Section 304(d)(1) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1824(d)(1)) is amended by—

(A) striking “forty-five” and inserting “90”;

(B) inserting “(A)” after “except that”; and

(C) inserting before the period the following: “, and (B) an order under this section for a physical search targeted against an agent of a foreign power as defined in section 101(b)(1)(A) may be for the period specified in the application or for 120 days, whichever is less”.

(b) EXTENSION.—

(1) IN GENERAL.—Section 105(d)(2) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(d)(2)) is amended by—

(A) inserting “(A)” after “except that”; and

(B) inserting before the period the following: “, and

(B) an extension of an order under this Act for a surveillance targeted against an agent of a foreign power as defined in section 101(b)(1)(A) may be for a period not to exceed 1 year”.

(2) DEFINED TERM.—Section 304(d)(2) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1824(d)(2)) is amended by inserting after “not a United States person,” the following: “or against an agent of a foreign power as defined in section 101(b)(1)(A).”.

SEC. 208. DESIGNATION OF JUDGES.

Section 103(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(a)) is amended by—

(1) striking “seven district court judges” and inserting “11 district court judges”; and

(2) inserting “of whom no fewer than 3 shall reside within 20 miles of the District of Columbia” after “circuits”.

SEC. 209. SEIZURE OF VOICE-MAIL MESSAGES PURSUANT TO WARRANTS.

Title 18, United States Code, is amended—

(1) in section 2510—

(A) in paragraph (1), by striking beginning with “and such” and all that follows through “communication”; and

(B) in paragraph (14), by inserting “wire or” after “transmission of”; and

(2) in subsections (a) and (b) of section 2703—

(A) by striking “CONTENTS OF ELECTRONIC” and inserting “CONTENTS OF WIRE OR ELECTRONIC” each place it appears;

(B) by striking “contents of an electronic” and inserting “contents of a wire or electronic” each place it appears; and

(C) by striking “any electronic” and inserting “any wire or electronic” each place it appears.

PUBLIC LAW 107-56—OCT. 26, 2001

SEC. 210. SCOPE OF SUBPOENAS FOR RECORDS OF ELECTRONIC COMMUNICATIONS.

Section 2703(c)(2) of title 18, United States Code, as redesignated by section 212, is amended—

(1) by striking “entity the name, address, local and long distance telephone toll billing records, telephone number or other subscriber number or identity, and length of service of a subscriber” and inserting the following: “entity the—

“(A) name;

“(B) address;

“(C) local and long distance telephone connection records, or records of session times and durations;

“(D) length of service (including start date) and types of service utilized;

“(E) telephone or instrument number or other subscriber number or identity, including any temporarily assigned network address; and

“(F) means and source of payment for such service (including any credit card or bank account number), of a subscriber”; and

(2) by striking “and the types of services the subscriber or customer utilized.”.

SEC. 211. CLARIFICATION OF SCOPE.

Section 631 of the Communications Act of 1934 (47 U.S.C. 551) is amended—

(1) in subsection (c)(2)—

(A) in subparagraph (B), by striking “or”;

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

(C) by inserting at the end the following:

“(D) to a government entity as authorized under chapters 119, 121, or 206 of title 18, United States Code, except that such disclosure shall not include records revealing cable subscriber selection of video programming from a cable operator.”; and

(2) in subsection (h), by striking “A governmental entity” and inserting “Except as provided in subsection (c)(2)(D), a governmental entity”.

SEC. 212. EMERGENCY DISCLOSURE OF ELECTRONIC COMMUNICATIONS TO PROTECT LIFE AND LIMB.

(a) DISCLOSURE OF CONTENTS.—

(1) IN GENERAL.—Section 2702 of title 18, United States Code, is amended—

(A) by striking the section heading and inserting the following:

“§ 2702. Voluntary disclosure of customer communications or records”;

(B) in subsection (a)—

(i) in paragraph (2)(A), by striking “and” at the end;

(ii) in paragraph (2)(B), by striking the period and inserting “; and”; and

(iii) by inserting after paragraph (2) the following:

“(3) a provider of remote computing service or electronic communication service to the public shall not knowingly divulge a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by paragraph (1) or (2)) to any governmental entity.”;

(C) in subsection (b), by striking “EXCEPTIONS.—A person or entity” and inserting “EXCEPTIONS FOR DISCLOSURE

PUBLIC LAW 107-56—OCT. 26, 2001

OF COMMUNICATIONS.— A provider described in subsection (a)”;

(D) in subsection (b)(6)—

(i) in subparagraph (A)(ii), by striking “or”;

(ii) in subparagraph (B), by striking the period and inserting “; or”; and

(iii) by adding after subparagraph (B) the follow-

ing:

“(C) if the provider reasonably believes that an emergency involving immediate danger of death or serious physical injury to any person requires disclosure of the information without delay.”; and

(E) by inserting after subsection (b) the following:

“(c) EXCEPTIONS FOR DISCLOSURE OF CUSTOMER RECORDS.— A provider described in subsection (a) may divulge a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by subsection (a)(1) or (a)(2))—

“(1) as otherwise authorized in section 2703;

“(2) with the lawful consent of the customer or subscriber;

“(3) as may be necessarily incident to the rendition of the service or to the protection of the rights or property of the provider of that service;

“(4) to a governmental entity, if the provider reasonably believes that an emergency involving immediate danger of death or serious physical injury to any person justifies disclosure of the information; or

“(5) to any person other than a governmental entity.”.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 121 of title 18, United States Code, is amended by striking the item relating to section 2702 and inserting the following:

“2702. Voluntary disclosure of customer communications or records.”.

(b) REQUIREMENTS FOR GOVERNMENT ACCESS.—

(1) IN GENERAL.—Section 2703 of title 18, United States Code, is amended—

(A) by striking the section heading and inserting the following:

“§ 2703. Required disclosure of customer communications or records”;

(B) in subsection (c) by redesignating paragraph (2) as paragraph (3);

(C) in subsection (c)(1)—

(i) by striking “(A) Except as provided in subparagraph (B), a provider of electronic communication service or remote computing service may” and inserting “A governmental entity may require a provider of electronic communication service or remote computing service to”;

(ii) by striking “covered by subsection (a) or (b) of this section) to any person other than a governmental entity.

“(B) A provider of electronic communication service or remote computing service shall disclose a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by subsection (a) or (b) of this section) to a governmental entity” and inserting “);

(iii) by redesignating subparagraph (C) as paragraph (2);

(iv) by redesignating clauses (i), (ii), (iii), and (iv) as subparagraphs (A), (B), (C), and (D), respectively;

PUBLIC LAW 107-56—OCT. 26, 2001

(v) in subparagraph (D) (as redesignated) by striking the period and inserting “; or”; and

(vi) by inserting after subparagraph (D) (as redesignated) the following:

“(E) seeks information under paragraph (2).”; and

(D) in paragraph (2) (as redesignated) by striking “subparagraph (B)” and insert “paragraph (1)”.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 121 of title 18, United States Code, is amended by striking the item relating to section 2703 and inserting the following:

“2703. Required disclosure of customer communications or records.”.

SEC. 213. AUTHORITY FOR DELAYING NOTICE OF THE EXECUTION OF A WARRANT.

Section 3103a of title 18, United States Code, is amended—

(1) by inserting “(a) IN GENERAL.—” before “In addition”; and

(2) by adding at the end the following:

“(b) DELAY.—With respect to the issuance of any warrant or court order under this section, or any other rule of law, to search for and seize any property or material that constitutes evidence of a criminal offense in violation of the laws of the United States, any notice required, or that may be required, to be given may be delayed if—

“(1) the court finds reasonable cause to believe that providing immediate notification of the execution of the warrant may have an adverse result (as defined in section 2705);

“(2) the warrant prohibits the seizure of any tangible property, any wire or electronic communication (as defined in section 2510), or, except as expressly provided in chapter 121, any stored wire or electronic information, except where the court finds reasonable necessity for the seizure; and

“(3) the warrant provides for the giving of such notice within a reasonable period of its execution, which period may thereafter be extended by the court for good cause shown.”.

SEC. 214. PEN REGISTER AND TRAP AND TRACE AUTHORITY UNDER FISA.

(a) APPLICATIONS AND ORDERS.—Section 402 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1842) is amended—

(1) in subsection (a)(1), by striking “for any investigation to gather foreign intelligence information or information concerning international terrorism” and inserting “for any investigation to obtain foreign intelligence information not concerning a United States person or to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution”;

(2) by amending subsection (c)(2) to read as follows:

“(2) a certification by the applicant that the information likely to be obtained is foreign intelligence information not concerning a United States person or is relevant to an ongoing investigation to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution.”;

(3) by striking subsection (c)(3); and

(4) by amending subsection (d)(2)(A) to read as follows:

“(A) shall specify—

“(i) the identity, if known, of the person who is the subject of the investigation;

PUBLIC LAW 107-56—OCT. 26, 2001

“(ii) the identity, if known, of the person to whom is leased or in whose name is listed the telephone line or other facility to which the pen register or trap and trace device is to be attached or applied;

“(iii) the attributes of the communications to which the order applies, such as the number or other identifier, and, if known, the location of the telephone line or other facility to which the pen register or trap and trace device is to be attached or applied and, in the case of a trap and trace device, the geographic limits of the trap and trace order.”.

(b) **AUTHORIZATION DURING EMERGENCIES.**—Section 403 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1843) is amended—

(1) in subsection (a), by striking “foreign intelligence information or information concerning international terrorism” and inserting “foreign intelligence information not concerning a United States person or information to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution”; and

(2) in subsection (b)(1), by striking “foreign intelligence information or information concerning international terrorism” and inserting “foreign intelligence information not concerning a United States person or information to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution”.

SEC. 215. ACCESS TO RECORDS AND OTHER ITEMS UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT.

Title V of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1861 et seq.) is amended by striking sections 501 through 503 and inserting the following:

“SEC. 501. ACCESS TO CERTAIN BUSINESS RECORDS FOR FOREIGN INTELLIGENCE AND INTERNATIONAL TERRORISM INVESTIGATIONS. 50 USC 1861.

“(a)(1) The Director of the Federal Bureau of Investigation or a designee of the Director (whose rank shall be no lower than Assistant Special Agent in Charge) may make an application for an order requiring the production of any tangible things (including books, records, papers, documents, and other items) for an investigation to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution.

“(2) An investigation conducted under this section shall—

“(A) be conducted under guidelines approved by the Attorney General under Executive Order 12333 (or a successor order); and

“(B) not be conducted of a United States person solely upon the basis of activities protected by the first amendment to the Constitution of the United States.

“(b) Each application under this section—

“(1) shall be made to—

“(A) a judge of the court established by section 103(a);

or

“(B) a United States Magistrate Judge under chapter 43 of title 28, United States Code, who is publicly designated by the Chief Justice of the United States to have the power to hear applications and grant orders for the

PUBLIC LAW 107-56—OCT. 26, 2001

production of tangible things under this section on behalf of a judge of that court; and

“(2) shall specify that the records concerned are sought for an authorized investigation conducted in accordance with subsection (a)(2) to obtain foreign intelligence information not concerning a United States person or to protect against international terrorism or clandestine intelligence activities.

“(c)(1) Upon an application made pursuant to this section, the judge shall enter an ex parte order as requested, or as modified, approving the release of records if the judge finds that the application meets the requirements of this section.

“(2) An order under this subsection shall not disclose that it is issued for purposes of an investigation described in subsection (a).

“(d) No person shall disclose to any other person (other than those persons necessary to produce the tangible things under this section) that the Federal Bureau of Investigation has sought or obtained tangible things under this section.

“(e) A person who, in good faith, produces tangible things under an order pursuant to this section shall not be liable to any other person for such production. Such production shall not be deemed to constitute a waiver of any privilege in any other proceeding or context.

50 USC 1862.

“SEC. 502. CONGRESSIONAL OVERSIGHT.

“(a) On a semiannual basis, the Attorney General shall fully inform the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate concerning all requests for the production of tangible things under section 402.

“(b) On a semiannual basis, the Attorney General shall provide to the Committees on the Judiciary of the House of Representatives and the Senate a report setting forth with respect to the preceding 6-month period—

“(1) the total number of applications made for orders approving requests for the production of tangible things under section 402; and

“(2) the total number of such orders either granted, modified, or denied.”.

SEC. 216. MODIFICATION OF AUTHORITIES RELATING TO USE OF PEN REGISTERS AND TRAP AND TRACE DEVICES.

(a) GENERAL LIMITATIONS.—Section 3121(c) of title 18, United States Code, is amended—

(1) by inserting “or trap and trace device” after “pen register”;

(2) by inserting “, routing, addressing,” after “dialing”; and

(3) by striking “call processing” and inserting “the processing and transmitting of wire or electronic communications so as not to include the contents of any wire or electronic communications”.

(b) ISSUANCE OF ORDERS.—

(1) IN GENERAL.—Section 3123(a) of title 18, United States Code, is amended to read as follows:

“(a) IN GENERAL.—

“(1) ATTORNEY FOR THE GOVERNMENT.—Upon an application made under section 3122(a)(1), the court shall enter an ex parte order authorizing the installation and use of a pen register or trap and trace device anywhere within the United States, if the court finds that the attorney for the Government has certified to the court that the information likely to be obtained by such installation and use is relevant to an ongoing criminal investigation. The order, upon service of that order, shall apply to any person or entity providing wire or electronic communication service in the United States whose assistance

PUBLIC LAW 107-56—OCT. 26, 2001

may facilitate the execution of the order. Whenever such an order is served on any person or entity not specifically named in the order, upon request of such person or entity, the attorney for the Government or law enforcement or investigative officer that is serving the order shall provide written or electronic certification that the order applies to the person or entity being served.

“(2) STATE INVESTIGATIVE OR LAW ENFORCEMENT OFFICER.— Upon an application made under section 3122(a)(2), the court shall enter an ex parte order authorizing the installation and use of a pen register or trap and trace device within the jurisdiction of the court, if the court finds that the State law enforcement or investigative officer has certified to the court that the information likely to be obtained by such installation and use is relevant to an ongoing criminal investigation.

“(3)(A) Where the law enforcement agency implementing an ex parte order under this subsection seeks to do so by installing and using its own pen register or trap and trace device on a packet-switched data network of a provider of electronic communication service to the public, the agency shall ensure that a record will be maintained which will identify—

“(i) any officer or officers who installed the device and any officer or officers who accessed the device to obtain information from the network;

“(ii) the date and time the device was installed, the date and time the device was uninstalled, and the date, time, and duration of each time the device is accessed to obtain information;

“(iii) the configuration of the device at the time of its installation and any subsequent modification thereof; and

“(iv) any information which has been collected by the device.

To the extent that the pen register or trap and trace device can be set automatically to record this information electronically, the record shall be maintained electronically throughout the installation and use of such device.

“(B) The record maintained under subparagraph (A) shall be provided ex parte and under seal to the court which entered the ex parte order authorizing the installation and use of the device within 30 days after termination of the order (including any extensions thereof).”

(2) CONTENTS OF ORDER.—Section 3123(b)(1) of title 18, United States Code, is amended—

(A) in subparagraph (A)—

(i) by inserting “or other facility” after “telephone line”; and

(ii) by inserting before the semicolon at the end “or applied”; and

(B) by striking subparagraph (C) and inserting the following:

“(C) the attributes of the communications to which the order applies, including the number or other identifier and, if known, the location of the telephone line or other facility to which the pen register or trap and trace device is to be attached or applied, and, in the case of an order authorizing installation and use of a trap and trace device under subsection (a)(2), the geographic limits of the order; and”.

(3) NONDISCLOSURE REQUIREMENTS.—Section 3123(d)(2) of title 18, United States Code, is amended—

(A) by inserting “or other facility” after “the line”; and

PUBLIC LAW 107-56—OCT. 26, 2001

(B) by striking “, or who has been ordered by the court” and inserting “or applied, or who is obligated by the order”.

(c) DEFINITIONS.—

(1) COURT OF COMPETENT JURISDICTION.—Section 3127(2) of title 18, United States Code, is amended by striking subparagraph (A) and inserting the following:

“(A) any district court of the United States (including a magistrate judge of such a court) or any United States court of appeals having jurisdiction over the offense being investigated; or”.

(2) PEN REGISTER.—Section 3127(3) of title 18, United States Code, is amended—

(A) by striking “electronic or other impulses” and all that follows through “is attached” and inserting “dialing, routing, addressing, or signaling information transmitted by an instrument or facility from which a wire or electronic communication is transmitted, provided, however, that such information shall not include the contents of any communication”; and

(B) by inserting “or process” after “device” each place it appears.

(3) TRAP AND TRACE DEVICE.—Section 3127(4) of title 18, United States Code, is amended—

(A) by striking “of an instrument” and all that follows through the semicolon and inserting “or other dialing, routing, addressing, and signaling information reasonably likely to identify the source of a wire or electronic communication, provided, however, that such information shall not include the contents of any communication;”; and

(B) by inserting “or process” after “a device”.

(4) CONFORMING AMENDMENT.—Section 3127(1) of title 18, United States Code, is amended—

(A) by striking “and”; and

(B) by inserting “, and ‘contents’” after “electronic communication service”.

(5) TECHNICAL AMENDMENT.—Section 3124(d) of title 18, United States Code, is amended by striking “the terms of”.

(6) CONFORMING AMENDMENT.—Section 3124(b) of title 18, United States Code, is amended by inserting “or other facility” after “the appropriate line”.

SEC. 217. INTERCEPTION OF COMPUTER TRESPASSER COMMUNICATIONS.

Chapter 119 of title 18, United States Code, is amended—

(1) in section 2510—

(A) in paragraph (18), by striking “and” at the end;

(B) in paragraph (19), by striking the period and inserting a semicolon; and

(C) by inserting after paragraph (19) the following:

“(20) ‘protected computer’ has the meaning set forth in section 1030; and

“(21) ‘computer trespasser’—

“(A) means a person who accesses a protected computer without authorization and thus has no reasonable expectation of privacy in any communication transmitted to, through, or from the protected computer; and

“(B) does not include a person known by the owner or operator of the protected computer to have an existing contractual relationship with the owner or operator of the protected computer for access to all or part of the protected computer.”; and

(2) in section 2511(2), by inserting at the end the following:

“(i) It shall not be unlawful under this chapter for a person acting under color of law to intercept the wire or electronic commu-

PUBLIC LAW 107-56—OCT. 26, 2001

nications of a computer trespasser transmitted to, through, or from the protected computer, if—

“(I) the owner or operator of the protected computer authorizes the interception of the computer trespasser’s communications on the protected computer;

“(II) the person acting under color of law is lawfully engaged in an investigation;

“(III) the person acting under color of law has reasonable grounds to believe that the contents of the computer trespasser’s communications will be relevant to the investigation; and

“(IV) such interception does not acquire communications other than those transmitted to or from the computer trespasser.”.

SEC. 218. FOREIGN INTELLIGENCE INFORMATION.

Sections 104(a)(7)(B) and section 303(a)(7)(B) (50 U.S.C. 1804(a)(7)(B) and 1823(a)(7)(B)) of the Foreign Intelligence Surveillance Act of 1978 are each amended by striking “the purpose” and inserting “a significant purpose”.

SEC. 219. SINGLE-JURISDICTION SEARCH WARRANTS FOR TERRORISM.

18 USC app.

Rule 41(a) of the Federal Rules of Criminal Procedure is amended by inserting after “executed” the following: “and (3) in an investigation of domestic terrorism or international terrorism (as defined in section 2331 of title 18, United States Code), by a Federal magistrate judge in any district in which activities related to the terrorism may have occurred, for a search of property or for a person within or outside the district”.

SEC. 220. NATIONWIDE SERVICE OF SEARCH WARRANTS FOR ELECTRONIC EVIDENCE.

(a) IN GENERAL.—Chapter 121 of title 18, United States Code, is amended—

(1) in section 2703, by striking “under the Federal Rules of Criminal Procedure” every place it appears and inserting “using the procedures described in the Federal Rules of Criminal Procedure by a court with jurisdiction over the offense under investigation”; and

(2) in section 2711—

(A) in paragraph (1), by striking “and”;

(B) in paragraph (2), by striking the period and inserting “; and”; and

(C) by inserting at the end the following:

“(3) the term ‘court of competent jurisdiction’ has the meaning assigned by section 3127, and includes any Federal court within that definition, without geographic limitation.”.

(b) CONFORMING AMENDMENT.—Section 2703(d) of title 18, United States Code, is amended by striking “described in section 3127(2)(A)”.

SEC. 221. TRADE SANCTIONS.

(a) IN GENERAL.—The Trade Sanctions Reform and Export Enhancement Act of 2000 (Public Law 106-387; 114 Stat. 1549A-67) is amended—

(1) by amending section 904(2)(C) to read as follows:

“(C) used to facilitate the design, development, or production of chemical or biological weapons, missiles, or weapons of mass destruction.”;

(2) in section 906(a)(1)—

(A) by inserting “, the Taliban or the territory of Afghanistan controlled by the Taliban,” after “Cuba”; and

(B) by inserting “, or in the territory of Afghanistan controlled by the Taliban,” after “within such country”; and

(3) in section 906(a)(2), by inserting “, or to any other entity in Syria or North Korea” after “Korea”.

PUBLIC LAW 107-56—OCT. 26, 2001

22 USC 7210.

(b) APPLICATION OF THE TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT ACT.—Nothing in the Trade Sanctions Reform and Export Enhancement Act of 2000 shall limit the application or scope of any law establishing criminal or civil penalties, including any Executive order or regulation promulgated pursuant to such laws (or similar or successor laws), for the unlawful export of any agricultural commodity, medicine, or medical device to—

(1) a foreign organization, group, or person designated pursuant to Executive Order No. 12947 of January 23, 1995, as amended;

(2) a Foreign Terrorist Organization pursuant to the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104-132);

(3) a foreign organization, group, or person designated pursuant to Executive Order No. 13224 (September 23, 2001);

(4) any narcotics trafficking entity designated pursuant to Executive Order No. 12978 (October 21, 1995) or the Foreign Narcotics Kingpin Designation Act (Public Law 106-120); or

(5) any foreign organization, group, or persons subject to any restriction for its involvement in weapons of mass destruction or missile proliferation.

18 USC 3124 note.

SEC. 222. ASSISTANCE TO LAW ENFORCEMENT AGENCIES.

Nothing in this Act shall impose any additional technical obligation or requirement on a provider of a wire or electronic communication service or other person to furnish facilities or technical assistance. A provider of a wire or electronic communication service, landlord, custodian, or other person who furnishes facilities or technical assistance pursuant to section 216 shall be reasonably compensated for such reasonable expenditures incurred in providing such facilities or assistance.

SEC. 223. CIVIL LIABILITY FOR CERTAIN UNAUTHORIZED DISCLOSURES.

(a) Section 2520 of title 18, United States Code, is amended—

(1) in subsection (a), after “entity”, by inserting “, other than the United States,”;

(2) by adding at the end the following:

“(f) ADMINISTRATIVE DISCIPLINE.—If a court or appropriate department or agency determines that the United States or any of its departments or agencies has violated any provision of this chapter, and the court or appropriate department or agency finds that the circumstances surrounding the violation raise serious questions about whether or not an officer or employee of the United States acted willfully or intentionally with respect to the violation, the department or agency shall, upon receipt of a true and correct copy of the decision and findings of the court or appropriate department or agency promptly initiate a proceeding to determine whether disciplinary action against the officer or employee is warranted. If the head of the department or agency involved determines that disciplinary action is not warranted, he or she shall notify the Inspector General with jurisdiction over the department or agency concerned and shall provide the Inspector General with the reasons for such determination.”; and

(3) by adding a new subsection (g), as follows:

“(g) IMPROPER DISCLOSURE IS VIOLATION.—Any willful disclosure or use by an investigative or law enforcement officer or governmental entity of information beyond the extent permitted by section 2517 is a violation of this chapter for purposes of section 2520(a).”.

(b) Section 2707 of title 18, United States Code, is amended—

(1) in subsection (a), after “entity”, by inserting “, other than the United States,”;

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

“(d) ADMINISTRATIVE DISCIPLINE.—If a court or appropriate department or agency determines that the United States or any

PUBLIC LAW 107-56—OCT. 26, 2001

of its departments or agencies has violated any provision of this chapter, and the court or appropriate department or agency finds that the circumstances surrounding the violation raise serious questions about whether or not an officer or employee of the United States acted willfully or intentionally with respect to the violation, the department or agency shall, upon receipt of a true and correct copy of the decision and findings of the court or appropriate department or agency promptly initiate a proceeding to determine whether disciplinary action against the officer or employee is warranted. If the head of the department or agency involved determines that disciplinary action is not warranted, he or she shall notify the Inspector General with jurisdiction over the department or agency concerned and shall provide the Inspector General with the reasons for such determination.”; and

(3) by adding a new subsection (g), as follows:

“(g) IMPROPER DISCLOSURE.—Any willful disclosure of a ‘record’, as that term is defined in section 552a(a) of title 5, United States Code, obtained by an investigative or law enforcement officer, or a governmental entity, pursuant to section 2703 of this title, or from a device installed pursuant to section 3123 or 3125 of this title, that is not a disclosure made in the proper performance of the official functions of the officer or governmental entity making the disclosure, is a violation of this chapter. This provision shall not apply to information previously lawfully disclosed (prior to the commencement of any civil or administrative proceeding under this chapter) to the public by a Federal, State, or local governmental entity or by the plaintiff in a civil action under this chapter.”.

(c)(1) Chapter 121 of title 18, United States Code, is amended by adding at the end the following:

“§ 2712. Civil actions against the United States

“(a) IN GENERAL.—Any person who is aggrieved by any willful violation of this chapter or of chapter 119 of this title or of sections 106(a), 305(a), or 405(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) may commence an action in United States District Court against the United States to recover money damages. In any such action, if a person who is aggrieved successfully establishes such a violation of this chapter or of chapter 119 of this title or of the above specific provisions of title 50, the Court may assess as damages—

“(1) actual damages, but not less than \$10,000, whichever amount is greater; and

“(2) litigation costs, reasonably incurred.

“(b) PROCEDURES.—(1) Any action against the United States under this section may be commenced only after a claim is presented to the appropriate department or agency under the procedures of the Federal Tort Claims Act, as set forth in title 28, United States Code.

“(2) Any action against the United States under this section shall be forever barred unless it is presented in writing to the appropriate Federal agency within 2 years after such claim accrues or unless action is begun within 6 months after the date of mailing, by certified or registered mail, of notice of final denial of the claim by the agency to which it was presented. The claim shall accrue on the date upon which the claimant first has a reasonable opportunity to discover the violation.

“(3) Any action under this section shall be tried to the court without a jury.

“(4) Notwithstanding any other provision of law, the procedures set forth in section 106(f), 305(g), or 405(f) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) shall be the exclusive means by which materials governed by those sections may be reviewed.

“(5) An amount equal to any award against the United States under this section shall be reimbursed by the department or agency

PUBLIC LAW 107-56—OCT. 26, 2001

concerned to the fund described in section 1304 of title 31, United States Code, out of any appropriation, fund, or other account (excluding any part of such appropriation, fund, or account that is available for the enforcement of any Federal law) that is available for the operating expenses of the department or agency concerned.

“(c) ADMINISTRATIVE DISCIPLINE.—If a court or appropriate department or agency determines that the United States or any of its departments or agencies has violated any provision of this chapter, and the court or appropriate department or agency finds that the circumstances surrounding the violation raise serious questions about whether or not an officer or employee of the United States acted willfully or intentionally with respect to the violation, the department or agency shall, upon receipt of a true and correct copy of the decision and findings of the court or appropriate department or agency promptly initiate a proceeding to determine whether disciplinary action against the officer or employee is warranted. If the head of the department or agency involved determines that disciplinary action is not warranted, he or she shall notify the Inspector General with jurisdiction over the department or agency concerned and shall provide the Inspector General with the reasons for such determination.

“(d) EXCLUSIVE REMEDY.—Any action against the United States under this subsection shall be the exclusive remedy against the United States for any claims within the purview of this section.

“(e) STAY OF PROCEEDINGS.—(1) Upon the motion of the United States, the court shall stay any action commenced under this section if the court determines that civil discovery will adversely affect the ability of the Government to conduct a related investigation or the prosecution of a related criminal case. Such a stay shall toll the limitations periods of paragraph (2) of subsection (b).

“(2) In this subsection, the terms ‘related criminal case’ and ‘related investigation’ mean an actual prosecution or investigation in progress at the time at which the request for the stay or any subsequent motion to lift the stay is made. In determining whether an investigation or a criminal case is related to an action commenced under this section, the court shall consider the degree of similarity between the parties, witnesses, facts, and circumstances involved in the 2 proceedings, without requiring that any one or more factors be identical.

“(3) In requesting a stay under paragraph (1), the Government may, in appropriate cases, submit evidence ex parte in order to avoid disclosing any matter that may adversely affect a related investigation or a related criminal case. If the Government makes such an ex parte submission, the plaintiff shall be given an opportunity to make a submission to the court, not ex parte, and the court may, in its discretion, request further information from either party.”.

(2) The table of sections at the beginning of chapter 121 is amended to read as follows:

“2712. Civil action against the United States.”.

SEC. 224. SUNSET.

(a) IN GENERAL.—Except as provided in subsection (b), this title and the amendments made by this title (other than sections 203(a), 203(c), 205, 208, 210, 211, 213, 216, 219, 221, and 222, and the amendments made by those sections) shall cease to have effect on December 31, 2005.

(b) EXCEPTION.—With respect to any particular foreign intelligence investigation that began before the date on which the provisions referred to in subsection (a) cease to have effect, or with respect to any particular offense or potential offense that began or occurred before the date on which such provisions cease to have effect, such provisions shall continue in effect.

PUBLIC LAW 107-56—OCT. 26, 2001

SEC. 225. IMMUNITY FOR COMPLIANCE WITH FISA WIRETAP.

Section 105 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805) is amended by inserting after subsection (g) the following:

“(h) No cause of action shall lie in any court against any provider of a wire or electronic communication service, landlord, custodian, or other person (including any officer, employee, agent, or other specified person thereof) that furnishes any information, facilities, or technical assistance in accordance with a court order or request for emergency assistance under this Act.”.

TITLE III—INTERNATIONAL MONEY LAUNDERING ABATEMENT AND ANTI-TERRORIST FINANCING ACT OF 2001

International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001.
31 USC 5301 note.

SEC. 301. SHORT TITLE.

This title may be cited as the “International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001”.

SEC. 302. FINDINGS AND PURPOSES.

31 USC 5311 note.

(a) FINDINGS.—The Congress finds that—

(1) money laundering, estimated by the International Monetary Fund to amount to between 2 and 5 percent of global gross domestic product, which is at least \$600,000,000,000 annually, provides the financial fuel that permits transnational criminal enterprises to conduct and expand their operations to the detriment of the safety and security of American citizens;

(2) money laundering, and the defects in financial transparency on which money launderers rely, are critical to the financing of global terrorism and the provision of funds for terrorist attacks;

(3) money launderers subvert legitimate financial mechanisms and banking relationships by using them as protective covering for the movement of criminal proceeds and the financing of crime and terrorism, and, by so doing, can threaten the safety of United States citizens and undermine the integrity of United States financial institutions and of the global financial and trading systems upon which prosperity and growth depend;

(4) certain jurisdictions outside of the United States that offer “offshore” banking and related facilities designed to provide anonymity, coupled with weak financial supervisory and enforcement regimes, provide essential tools to disguise ownership and movement of criminal funds, derived from, or used to commit, offenses ranging from narcotics trafficking, terrorism, arms smuggling, and trafficking in human beings, to financial frauds that prey on law-abiding citizens;

(5) transactions involving such offshore jurisdictions make it difficult for law enforcement officials and regulators to follow the trail of money earned by criminals, organized international criminal enterprises, and global terrorist organizations;

(6) correspondent banking facilities are one of the banking mechanisms susceptible in some circumstances to manipulation by foreign banks to permit the laundering of funds by hiding the identity of real parties in interest to financial transactions;

(7) private banking services can be susceptible to manipulation by money launderers, for example corrupt foreign government officials, particularly if those services include the creation of offshore accounts and facilities for large personal funds transfers to channel funds into accounts around the globe;

(8) United States anti-money laundering efforts are impeded by outmoded and inadequate statutory provisions that make investigations, prosecutions, and forfeitures more dif-

PUBLIC LAW 107-56—OCT. 26, 2001

ficult, particularly in cases in which money laundering involves foreign persons, foreign banks, or foreign countries;

(9) the ability to mount effective counter-measures to international money launderers requires national, as well as bilateral and multilateral action, using tools specially designed for that effort; and

(10) the Basle Committee on Banking Regulation and Supervisory Practices and the Financial Action Task Force on Money Laundering, of both of which the United States is a member, have each adopted international anti-money laundering principles and recommendations.

(b) PURPOSES.—The purposes of this title are—

(1) to increase the strength of United States measures to prevent, detect, and prosecute international money laundering and the financing of terrorism;

(2) to ensure that—

(A) banking transactions and financial relationships and the conduct of such transactions and relationships, do not contravene the purposes of subchapter II of chapter 53 of title 31, United States Code, section 21 of the Federal Deposit Insurance Act, or chapter 2 of title I of Public Law 91-508 (84 Stat. 1116), or facilitate the evasion of any such provision; and

(B) the purposes of such provisions of law continue to be fulfilled, and such provisions of law are effectively and efficiently administered;

(3) to strengthen the provisions put into place by the Money Laundering Control Act of 1986 (18 U.S.C. 981 note), especially with respect to crimes by non-United States nationals and foreign financial institutions;

(4) to provide a clear national mandate for subjecting to special scrutiny those foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions or types of accounts that pose particular, identifiable opportunities for criminal abuse;

(5) to provide the Secretary of the Treasury (in this title referred to as the “Secretary”) with broad discretion, subject to the safeguards provided by the Administrative Procedure Act under title 5, United States Code, to take measures tailored to the particular money laundering problems presented by specific foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions or types of accounts;

(6) to ensure that the employment of such measures by the Secretary permits appropriate opportunity for comment by affected financial institutions;

(7) to provide guidance to domestic financial institutions on particular foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions that are of primary money laundering concern to the United States Government;

(8) to ensure that the forfeiture of any assets in connection with the anti-terrorist efforts of the United States permits for adequate challenge consistent with providing due process rights;

(9) to clarify the terms of the safe harbor from civil liability for filing suspicious activity reports;

(10) to strengthen the authority of the Secretary to issue and administer geographic targeting orders, and to clarify that violations of such orders or any other requirement imposed under the authority contained in chapter 2 of title I of Public Law 91-508 and subchapters II and III of chapter 53 of title 31, United States Code, may result in criminal and civil penalties;

PUBLIC LAW 107-56—OCT. 26, 2001

(11) to ensure that all appropriate elements of the financial services industry are subject to appropriate requirements to report potential money laundering transactions to proper authorities, and that jurisdictional disputes do not hinder examination of compliance by financial institutions with relevant reporting requirements;

(12) to strengthen the ability of financial institutions to maintain the integrity of their employee population; and

(13) to strengthen measures to prevent the use of the United States financial system for personal gain by corrupt foreign officials and to facilitate the repatriation of any stolen assets to the citizens of countries to whom such assets belong.

SEC. 303. 4-YEAR CONGRESSIONAL REVIEW; EXPEDITED CONSIDERATION.

31 USC 5311
note.

(a) **IN GENERAL.**—Effective on and after the first day of fiscal year 2005, the provisions of this title and the amendments made by this title shall terminate if the Congress enacts a joint resolution, the text after the resolving clause of which is as follows: “That provisions of the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, and the amendments made thereby, shall no longer have the force of law.”

Effective date.

(b) **EXPEDITED CONSIDERATION.**—Any joint resolution submitted pursuant to this section should be considered by the Congress expeditiously. In particular, it shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Control Act of 1976.

Subtitle A—International Counter Money Laundering and Related Measures

SEC. 311. SPECIAL MEASURES FOR JURISDICTIONS, FINANCIAL INSTITUTIONS, OR INTERNATIONAL TRANSACTIONS OF PRIMARY MONEY LAUNDERING CONCERN.

(a) **IN GENERAL.**—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5318 the following new section:

“§ 5318A. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern

“(a) **INTERNATIONAL COUNTER-MONEY LAUNDERING REQUIREMENTS.**—

“(1) **IN GENERAL.**—The Secretary of the Treasury may require domestic financial institutions and domestic financial agencies to take 1 or more of the special measures described in subsection (b) if the Secretary finds that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern, in accordance with subsection (c).

“(2) **FORM OF REQUIREMENT.**—The special measures described in—

“(A) subsection (b) may be imposed in such sequence or combination as the Secretary shall determine;

“(B) paragraphs (1) through (4) of subsection (b) may be imposed by regulation, order, or otherwise as permitted by law; and

“(C) subsection (b)(5) may be imposed only by regulation.

PUBLIC LAW 107-56—OCT. 26, 2001

“(3) DURATION OF ORDERS; RULEMAKING.—Any order by which a special measure described in paragraphs (1) through (4) of subsection (b) is imposed (other than an order described in section 5326)—

“(A) shall be issued together with a notice of proposed rulemaking relating to the imposition of such special measure; and

“(B) may not remain in effect for more than 120 days, except pursuant to a rule promulgated on or before the end of the 120-day period beginning on the date of issuance of such order.

“(4) PROCESS FOR SELECTING SPECIAL MEASURES.—In selecting which special measure or measures to take under this subsection, the Secretary of the Treasury—

“(A) shall consult with the Chairman of the Board of Governors of the Federal Reserve System, any other appropriate Federal banking agency, as defined in section 3 of the Federal Deposit Insurance Act, the Secretary of State, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the National Credit Union Administration Board, and in the sole discretion of the Secretary, such other agencies and interested parties as the Secretary may find to be appropriate; and

“(B) shall consider—

“(i) whether similar action has been or is being taken by other nations or multilateral groups;

“(ii) whether the imposition of any particular special measure would create a significant competitive disadvantage, including any undue cost or burden associated with compliance, for financial institutions organized or licensed in the United States;

“(iii) the extent to which the action or the timing of the action would have a significant adverse systemic impact on the international payment, clearance, and settlement system, or on legitimate business activities involving the particular jurisdiction, institution, or class of transactions; and

“(iv) the effect of the action on United States national security and foreign policy.

“(5) NO LIMITATION ON OTHER AUTHORITY.—This section shall not be construed as superseding or otherwise restricting any other authority granted to the Secretary, or to any other agency, by this subchapter or otherwise.

“(b) SPECIAL MEASURES.—The special measures referred to in subsection (a), with respect to a jurisdiction outside of the United States, financial institution operating outside of the United States, class of transaction within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts are as follows:

“(1) RECORDKEEPING AND REPORTING OF CERTAIN FINANCIAL TRANSACTIONS.—

“(A) IN GENERAL.—The Secretary of the Treasury may require any domestic financial institution or domestic financial agency to maintain records, file reports, or both, concerning the aggregate amount of transactions, or concerning each transaction, with respect to a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, or class of transactions to be of primary money laundering concern.

“(B) FORM OF RECORDS AND REPORTS.—Such records and reports shall be made and retained at such time, in such manner, and for such period of time, as the Sec-

PUBLIC LAW 107-56—OCT. 26, 2001

retary shall determine, and shall include such information as the Secretary may determine, including—

“(i) the identity and address of the participants in a transaction or relationship, including the identity of the originator of any funds transfer;

“(ii) the legal capacity in which a participant in any transaction is acting;

“(iii) the identity of the beneficial owner of the funds involved in any transaction, in accordance with such procedures as the Secretary determines to be reasonable and practicable to obtain and retain the information; and

“(iv) a description of any transaction.

“(2) INFORMATION RELATING TO BENEFICIAL OWNERSHIP.—

In addition to any other requirement under any other provision of law, the Secretary may require any domestic financial institution or domestic financial agency to take such steps as the Secretary may determine to be reasonable and practicable to obtain and retain information concerning the beneficial ownership of any account opened or maintained in the United States by a foreign person (other than a foreign entity whose shares are subject to public reporting requirements or are listed and traded on a regulated exchange or trading market), or a representative of such a foreign person, that involves a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, or transaction or type of account to be of primary money laundering concern.

“(3) INFORMATION RELATING TO CERTAIN PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a payable-through account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a payable through account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

“(A) to identify each customer (and representative of such customer) of such financial institution who is permitted to use, or whose transactions are routed through, such payable-through account; and

“(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

“(4) INFORMATION RELATING TO CERTAIN CORRESPONDENT ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a correspondent account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a correspondent account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

PUBLIC LAW 107-56—OCT. 26, 2001

“(A) to identify each customer (and representative of such customer) of any such financial institution who is permitted to use, or whose transactions are routed through, such correspondent account; and

“(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

“(5) PROHIBITIONS OR CONDITIONS ON OPENING OR MAINTAINING CERTAIN CORRESPONDENT OR PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary, in consultation with the Secretary of State, the Attorney General, and the Chairman of the Board of Governors of the Federal Reserve System, may prohibit, or impose conditions upon, the opening or maintaining in the United States of a correspondent account or payable-through account by any domestic financial institution or domestic financial agency for or on behalf of a foreign banking institution, if such correspondent account or payable-through account involves any such jurisdiction or institution, or if any such transaction may be conducted through such correspondent account or payable-through account.

“(c) CONSULTATIONS AND INFORMATION TO BE CONSIDERED IN FINDING JURISDICTIONS, INSTITUTIONS, TYPES OF ACCOUNTS, OR TRANSACTIONS TO BE OF PRIMARY MONEY LAUNDERING CONCERN.—

“(1) IN GENERAL.—In making a finding that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern so as to authorize the Secretary of the Treasury to take 1 or more of the special measures described in subsection (b), the Secretary shall consult with the Secretary of State and the Attorney General.

“(2) ADDITIONAL CONSIDERATIONS.—In making a finding described in paragraph (1), the Secretary shall consider in addition such information as the Secretary determines to be relevant, including the following potentially relevant factors:

“(A) JURISDICTIONAL FACTORS.—In the case of a particular jurisdiction—

“(i) evidence that organized criminal groups, international terrorists, or both, have transacted business in that jurisdiction;

“(ii) the extent to which that jurisdiction or financial institutions operating in that jurisdiction offer bank secrecy or special regulatory advantages to non-residents or nondomiciliaries of that jurisdiction;

“(iii) the substance and quality of administration of the bank supervisory and counter-money laundering laws of that jurisdiction;

“(iv) the relationship between the volume of financial transactions occurring in that jurisdiction and the size of the economy of the jurisdiction;

“(v) the extent to which that jurisdiction is characterized as an offshore banking or secrecy haven by credible international organizations or multilateral expert groups;

“(vi) whether the United States has a mutual legal assistance treaty with that jurisdiction, and the experience of United States law enforcement officials and

PUBLIC LAW 107-56—OCT. 26, 2001

regulatory officials in obtaining information about transactions originating in or routed through or to such jurisdiction; and

“(vii) the extent to which that jurisdiction is characterized by high levels of official or institutional corruption.

“(B) INSTITUTIONAL FACTORS.—In the case of a decision to apply 1 or more of the special measures described in subsection (b) only to a financial institution or institutions, or to a transaction or class of transactions, or to a type of account, or to all 3, within or involving a particular jurisdiction—

“(i) the extent to which such financial institutions, transactions, or types of accounts are used to facilitate or promote money laundering in or through the jurisdiction;

“(ii) the extent to which such institutions, transactions, or types of accounts are used for legitimate business purposes in the jurisdiction; and

“(iii) the extent to which such action is sufficient to ensure, with respect to transactions involving the jurisdiction and institutions operating in the jurisdiction, that the purposes of this subchapter continue to be fulfilled, and to guard against international money laundering and other financial crimes.

“(d) NOTIFICATION OF SPECIAL MEASURES INVOKED BY THE SECRETARY.—Not later than 10 days after the date of any action taken by the Secretary of the Treasury under subsection (a)(1), the Secretary shall notify, in writing, the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of any such action.

Deadline.

“(e) DEFINITIONS.—Notwithstanding any other provision of this subchapter, for purposes of this section and subsections (i) and (j) of section 5318, the following definitions shall apply:

“(1) BANK DEFINITIONS.—The following definitions shall apply with respect to a bank:

“(A) ACCOUNT.—The term ‘account’—

“(i) means a formal banking or business relationship established to provide regular services, dealings, and other financial transactions; and

“(ii) includes a demand deposit, savings deposit, or other transaction or asset account and a credit account or other extension of credit.

“(B) CORRESPONDENT ACCOUNT.—The term ‘correspondent account’ means an account established to receive deposits from, make payments on behalf of a foreign financial institution, or handle other financial transactions related to such institution.

“(C) PAYABLE-THROUGH ACCOUNT.—The term ‘payable-through account’ means an account, including a transaction account (as defined in section 19(b)(1)(C) of the Federal Reserve Act), opened at a depository institution by a foreign financial institution by means of which the foreign financial institution permits its customers to engage, either directly or through a subaccount, in banking activities usual in connection with the business of banking in the United States.

“(2) DEFINITIONS APPLICABLE TO INSTITUTIONS OTHER THAN BANKS.—With respect to any financial institution other than a bank, the Secretary shall, after consultation with the appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act), define by regulation the term ‘account’, and shall include within the meaning of that term, to the extent, if any, that the Secretary deems appropriate,

PUBLIC LAW 107-56—OCT. 26, 2001

arrangements similar to payable-through and correspondent accounts.

“(3) REGULATORY DEFINITION OF BENEFICIAL OWNERSHIP.—The Secretary shall promulgate regulations defining beneficial ownership of an account for purposes of this section and subsections (i) and (j) of section 5318. Such regulations shall address issues related to an individual’s authority to fund, direct, or manage the account (including, without limitation, the power to direct payments into or out of the account), and an individual’s material interest in the income or corpus of the account, and shall ensure that the identification of individuals under this section does not extend to any individual whose beneficial interest in the income or corpus of the account is immaterial.

“(4) OTHER TERMS.—The Secretary may, by regulation, further define the terms in paragraphs (1), (2), and (3), and define other terms for the purposes of this section, as the Secretary deems appropriate.”

(b) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5318 the following new item:

“5318A. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern.”

SEC. 312. SPECIAL DUE DILIGENCE FOR CORRESPONDENT ACCOUNTS AND PRIVATE BANKING ACCOUNTS.

(a) IN GENERAL.—Section 5318 of title 31, United States Code, is amended by adding at the end the following:

“(i) DUE DILIGENCE FOR UNITED STATES PRIVATE BANKING AND CORRESPONDENT BANK ACCOUNTS INVOLVING FOREIGN PERSONS.—

“(1) IN GENERAL.—Each financial institution that establishes, maintains, administers, or manages a private banking account or a correspondent account in the United States for a non-United States person, including a foreign individual visiting the United States, or a representative of a non-United States person shall establish appropriate, specific, and, where necessary, enhanced, due diligence policies, procedures, and controls that are reasonably designed to detect and report instances of money laundering through those accounts.

“(2) ADDITIONAL STANDARDS FOR CERTAIN CORRESPONDENT ACCOUNTS.—

“(A) IN GENERAL.—Subparagraph (B) shall apply if a correspondent account is requested or maintained by, or on behalf of, a foreign bank operating—

“(i) under an offshore banking license; or

“(ii) under a banking license issued by a foreign country that has been designated—

“(I) as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member, with which designation the United States representative to the group or organization concurs; or

“(II) by the Secretary of the Treasury as warranting special measures due to money laundering concerns.

“(B) POLICIES, PROCEDURES, AND CONTROLS.—The enhanced due diligence policies, procedures, and controls required under paragraph (1) shall, at a minimum, ensure that the financial institution in the United States takes reasonable steps—

“(i) to ascertain for any such foreign bank, the shares of which are not publicly traded, the identity of each of the owners of the foreign bank, and the

PUBLIC LAW 107-56—OCT. 26, 2001

nature and extent of the ownership interest of each such owner;

“(ii) to conduct enhanced scrutiny of such account to guard against money laundering and report any suspicious transactions under subsection (g); and

“(iii) to ascertain whether such foreign bank provides correspondent accounts to other foreign banks and, if so, the identity of those foreign banks and related due diligence information, as appropriate under paragraph (1).

“(3) MINIMUM STANDARDS FOR PRIVATE BANKING ACCOUNTS.—If a private banking account is requested or maintained by, or on behalf of, a non-United States person, then the due diligence policies, procedures, and controls required under paragraph (1) shall, at a minimum, ensure that the financial institution takes reasonable steps—

“(A) to ascertain the identity of the nominal and beneficial owners of, and the source of funds deposited into, such account as needed to guard against money laundering and report any suspicious transactions under subsection (g); and

“(B) to conduct enhanced scrutiny of any such account that is requested or maintained by, or on behalf of, a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure that is reasonably designed to detect and report transactions that may involve the proceeds of foreign corruption.

“(4) DEFINITION.—For purposes of this subsection, the following definitions shall apply:

“(A) OFFSHORE BANKING LICENSE.—The term ‘offshore banking license’ means a license to conduct banking activities which, as a condition of the license, prohibits the licensed entity from conducting banking activities with the citizens of, or with the local currency of, the country which issued the license.

“(B) PRIVATE BANKING ACCOUNT.—The term ‘private banking account’ means an account (or any combination of accounts) that—

“(i) requires a minimum aggregate deposits of funds or other assets of not less than \$1,000,000;

“(ii) is established on behalf of 1 or more individuals who have a direct or beneficial ownership interest in the account; and

“(iii) is assigned to, or is administered or managed by, in whole or in part, an officer, employee, or agent of a financial institution acting as a liaison between the financial institution and the direct or beneficial owner of the account.”

(b) REGULATORY AUTHORITY AND EFFECTIVE DATE.—

(1) REGULATORY AUTHORITY.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act) of the affected financial institutions, shall further delineate, by regulation, the due diligence policies, procedures, and controls required under section 5318(i)(1) of title 31, United States Code, as added by this section.

(2) EFFECTIVE DATE.—Section 5318(i) of title 31, United States Code, as added by this section, shall take effect 270 days after the date of enactment of this Act, whether or not final regulations are issued under paragraph (1), and the failure to issue such regulations shall in no way affect the enforceability of this section or the amendments made by this section. Section 5318(i) of title 31, United States Code, as added by this section, shall apply with respect to accounts covered by

31 USC 5318
note.
Deadline.

PUBLIC LAW 107-56—OCT. 26, 2001

that section 5318(i), that are opened before, on, or after the date of enactment of this Act.

SEC. 313. PROHIBITION ON UNITED STATES CORRESPONDENT ACCOUNTS WITH FOREIGN SHELL BANKS.

(a) IN GENERAL.—Section 5318 of title 31, United States Code, as amended by this title, is amended by adding at the end the following:

“(j) PROHIBITION ON UNITED STATES CORRESPONDENT ACCOUNTS WITH FOREIGN SHELL BANKS.—

“(1) IN GENERAL.—A financial institution described in subparagraphs (A) through (G) of section 5312(a)(2) (in this subsection referred to as a ‘covered financial institution’) shall not establish, maintain, administer, or manage a correspondent account in the United States for, or on behalf of, a foreign bank that does not have a physical presence in any country.

“(2) PREVENTION OF INDIRECT SERVICE TO FOREIGN SHELL BANKS.—A covered financial institution shall take reasonable steps to ensure that any correspondent account established, maintained, administered, or managed by that covered financial institution in the United States for a foreign bank is not being used by that foreign bank to indirectly provide banking services to another foreign bank that does not have a physical presence in any country. The Secretary of the Treasury shall, by regulation, delineate the reasonable steps necessary to comply with this paragraph.

“(3) EXCEPTION.—Paragraphs (1) and (2) do not prohibit a covered financial institution from providing a correspondent account to a foreign bank, if the foreign bank—

“(A) is an affiliate of a depository institution, credit union, or foreign bank that maintains a physical presence in the United States or a foreign country, as applicable; and

“(B) is subject to supervision by a banking authority in the country regulating the affiliated depository institution, credit union, or foreign bank described in subparagraph (A), as applicable.

“(4) DEFINITIONS.—For purposes of this subsection—

“(A) the term ‘affiliate’ means a foreign bank that is controlled by or is under common control with a depository institution, credit union, or foreign bank; and

“(B) the term ‘physical presence’ means a place of business that—

“(i) is maintained by a foreign bank;

“(ii) is located at a fixed address (other than solely an electronic address) in a country in which the foreign bank is authorized to conduct banking activities, at which location the foreign bank—

“(I) employs 1 or more individuals on a full-time basis; and

“(II) maintains operating records related to its banking activities; and

“(iii) is subject to inspection by the banking authority which licensed the foreign bank to conduct banking activities.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect at the end of the 60-day period beginning on the date of enactment of this Act.

SEC. 314. COOPERATIVE EFFORTS TO DETER MONEY LAUNDERING.

(a) COOPERATION AMONG FINANCIAL INSTITUTIONS, REGULATORY AUTHORITIES, AND LAW ENFORCEMENT AUTHORITIES.—

(1) REGULATIONS.—The Secretary shall, within 120 days after the date of enactment of this Act, adopt regulations to encourage further cooperation among financial institutions,

31 USC 5318
note.

31 USC 5311
note.

Deadline.

PUBLIC LAW 107-56—OCT. 26, 2001

their regulatory authorities, and law enforcement authorities, with the specific purpose of encouraging regulatory authorities and law enforcement authorities to share with financial institutions information regarding individuals, entities, and organizations engaged in or reasonably suspected based on credible evidence of engaging in terrorist acts or money laundering activities.

(2) COOPERATION AND INFORMATION SHARING PROCEDURES.—The regulations adopted under paragraph (1) may include or create procedures for cooperation and information sharing focusing on—

(A) matters specifically related to the finances of terrorist groups, the means by which terrorist groups transfer funds around the world and within the United States, including through the use of charitable organizations, nonprofit organizations, and nongovernmental organizations, and the extent to which financial institutions in the United States are unwittingly involved in such finances and the extent to which such institutions are at risk as a result;

(B) the relationship, particularly the financial relationship, between international narcotics traffickers and foreign terrorist organizations, the extent to which their memberships overlap and engage in joint activities, and the extent to which they cooperate with each other in raising and transferring funds for their respective purposes; and

(C) means of facilitating the identification of accounts and transactions involving terrorist groups and facilitating the exchange of information concerning such accounts and transactions between financial institutions and law enforcement organizations.

(3) CONTENTS.—The regulations adopted pursuant to paragraph (1) may—

(A) require that each financial institution designate 1 or more persons to receive information concerning, and to monitor accounts of individuals, entities, and organizations identified, pursuant to paragraph (1); and

(B) further establish procedures for the protection of the shared information, consistent with the capacity, size, and nature of the institution to which the particular procedures apply.

(4) RULE OF CONSTRUCTION.—The receipt of information by a financial institution pursuant to this section shall not relieve or otherwise modify the obligations of the financial institution with respect to any other person or account.

(5) USE OF INFORMATION.—Information received by a financial institution pursuant to this section shall not be used for any purpose other than identifying and reporting on activities that may involve terrorist acts or money laundering activities.

(b) COOPERATION AMONG FINANCIAL INSTITUTIONS.—Upon notice provided to the Secretary, 2 or more financial institutions and any association of financial institutions may share information with one another regarding individuals, entities, organizations, and countries suspected of possible terrorist or money laundering activities. A financial institution or association that transmits, receives, or shares such information for the purposes of identifying and reporting activities that may involve terrorist acts or money laundering activities shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision thereof, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such disclosure or for any failure to provide notice of such disclosure to the person who is the subject of such disclosure, or any other person identified in the disclosure, except where such transmission, receipt, or sharing violates this section or regulations promulgated pursuant to this section.

PUBLIC LAW 107-56—OCT. 26, 2001

(c) **RULE OF CONSTRUCTION.**—Compliance with the provisions of this title requiring or allowing financial institutions and any association of financial institutions to disclose or share information regarding individuals, entities, and organizations engaged in or suspected of engaging in terrorist acts or money laundering activities shall not constitute a violation of the provisions of title V of the Gramm-Leach-Bliley Act (Public Law 106-102).

(d) **REPORTS TO THE FINANCIAL SERVICES INDUSTRY ON SUSPICIOUS FINANCIAL ACTIVITIES.**—At least semiannually, the Secretary shall—

(1) publish a report containing a detailed analysis identifying patterns of suspicious activity and other investigative insights derived from suspicious activity reports and investigations conducted by Federal, State, and local law enforcement agencies to the extent appropriate; and

(2) distribute such report to financial institutions (as defined in section 5312 of title 31, United States Code).

SEC. 315. INCLUSION OF FOREIGN CORRUPTION OFFENSES AS MONEY LAUNDERING CRIMES.

Section 1956(c)(7) of title 18, United States Code, is amended—

(1) in subparagraph (B)—

(A) in clause (ii), by striking “or destruction of property by means of explosive or fire” and inserting “destruction of property by means of explosive or fire, or a crime of violence (as defined in section 16)”;

(B) in clause (iii), by striking “1978” and inserting “1978”; and

(C) by adding at the end the following:

“(iv) bribery of a public official, or the misappropriation, theft, or embezzlement of public funds by or for the benefit of a public official;

“(v) smuggling or export control violations involving—

“(I) an item controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778); or

“(II) an item controlled under regulations under the Export Administration Regulations (15 C.F.R. Parts 730-774); or

“(vi) an offense with respect to which the United States would be obligated by a multilateral treaty, either to extradite the alleged offender or to submit the case for prosecution, if the offender were found within the territory of the United States;” and

(2) in subparagraph (D)—

(A) by inserting “section 541 (relating to goods falsely classified),” before “section 542”;

(B) by inserting “section 922(1) (relating to the unlawful importation of firearms), section 924(n) (relating to firearms trafficking),” before “section 956”;

(C) by inserting “section 1030 (relating to computer fraud and abuse),” before “1032”; and

(D) by inserting “any felony violation of the Foreign Agents Registration Act of 1938,” before “or any felony violation of the Foreign Corrupt Practices Act”.

SEC. 316. ANTI-TERRORIST FORFEITURE PROTECTION.

(a) **RIGHT TO CONTEST.**—An owner of property that is confiscated under any provision of law relating to the confiscation of assets of suspected international terrorists, may contest that confiscation by filing a claim in the manner set forth in the Federal Rules of Civil Procedure (Supplemental Rules for Certain Admiralty and Maritime Claims), and asserting as an affirmative defense that—

PUBLIC LAW 107-56—OCT. 26, 2001

(1) the property is not subject to confiscation under such provision of law; or

(2) the innocent owner provisions of section 983(d) of title 18, United States Code, apply to the case.

(b) EVIDENCE.—In considering a claim filed under this section, a court may admit evidence that is otherwise inadmissible under the Federal Rules of Evidence, if the court determines that the evidence is reliable, and that compliance with the Federal Rules of Evidence may jeopardize the national security interests of the United States. 18 USC 983 note.

(c) CLARIFICATIONS.—

18 USC 983 note.

(1) PROTECTION OF RIGHTS.—The exclusion of certain provisions of Federal law from the definition of the term “civil forfeiture statute” in section 983(i) of title 18, United States Code, shall not be construed to deny an owner of property the right to contest the confiscation of assets of suspected international terrorists under—

(A) subsection (a) of this section;

(B) the Constitution; or

(C) subchapter II of chapter 5 of title 5, United States Code (commonly known as the “Administrative Procedure Act”).

(2) SAVINGS CLAUSE.—Nothing in this section shall limit or otherwise affect any other remedies that may be available to an owner of property under section 983 of title 18, United States Code, or any other provision of law.

(d) TECHNICAL CORRECTION.—Section 983(i)(2)(D) of title 18, United States Code, is amended by inserting “or the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 et seq.)” before the semicolon.

SEC. 317. LONG-ARM JURISDICTION OVER FOREIGN MONEY LAUNDERERS.

Section 1956(b) of title 18, United States Code, is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and moving the margins 2 ems to the right;

(2) by inserting after “(b)” the following: “PENALTIES.—“(1) IN GENERAL.—”;

(3) by inserting “, or section 1957” after “or (a)(3)”; and

(4) by adding at the end the following:

“(2) JURISDICTION OVER FOREIGN PERSONS.—For purposes of adjudicating an action filed or enforcing a penalty ordered under this section, the district courts shall have jurisdiction over any foreign person, including any financial institution authorized under the laws of a foreign country, against whom the action is brought, if service of process upon the foreign person is made under the Federal Rules of Civil Procedure or the laws of the country in which the foreign person is found, and—

“(A) the foreign person commits an offense under subsection (a) involving a financial transaction that occurs in whole or in part in the United States;

“(B) the foreign person converts, to his or her own use, property in which the United States has an ownership interest by virtue of the entry of an order of forfeiture by a court of the United States; or

“(C) the foreign person is a financial institution that maintains a bank account at a financial institution in the United States.

“(3) COURT AUTHORITY OVER ASSETS.—A court described in paragraph (2) may issue a pretrial restraining order or take any other action necessary to ensure that any bank account or other property held by the defendant in the United States is available to satisfy a judgment under this section.

PUBLIC LAW 107-56—OCT. 26, 2001

“(4) FEDERAL RECEIVER.—

“(A) IN GENERAL.—A court described in paragraph (2) may appoint a Federal Receiver, in accordance with subparagraph (B) of this paragraph, to collect, marshal, and take custody, control, and possession of all assets of the defendant, wherever located, to satisfy a civil judgment under this subsection, a forfeiture judgment under section 981 or 982, or a criminal sentence under section 1957 or subsection (a) of this section, including an order of restitution to any victim of a specified unlawful activity.

“(B) APPOINTMENT AND AUTHORITY.—A Federal Receiver described in subparagraph (A)—

“(i) may be appointed upon application of a Federal prosecutor or a Federal or State regulator, by the court having jurisdiction over the defendant in the case;

“(ii) shall be an officer of the court, and the powers of the Federal Receiver shall include the powers set out in section 754 of title 28, United States Code; and

“(iii) shall have standing equivalent to that of a Federal prosecutor for the purpose of submitting requests to obtain information regarding the assets of the defendant—

“(I) from the Financial Crimes Enforcement Network of the Department of the Treasury; or

“(II) from a foreign country pursuant to a mutual legal assistance treaty, multilateral agreement, or other arrangement for international law enforcement assistance, provided that such requests are in accordance with the policies and procedures of the Attorney General.”.

SEC. 318. LAUNDERING MONEY THROUGH A FOREIGN BANK.

Section 1956(c) of title 18, United States Code, is amended by striking paragraph (6) and inserting the following:

“(6) the term ‘financial institution’ includes—

“(A) any financial institution, as defined in section 5312(a)(2) of title 31, United States Code, or the regulations promulgated thereunder; and

“(B) any foreign bank, as defined in section 1 of the International Banking Act of 1978 (12 U.S.C. 3101).”.

SEC. 319. FORFEITURE OF FUNDS IN UNITED STATES INTERBANK ACCOUNTS.

(a) FORFEITURE FROM UNITED STATES INTERBANK ACCOUNT.—Section 981 of title 18, United States Code, is amended by adding at the end the following:

“(k) INTERBANK ACCOUNTS.—

“(1) IN GENERAL.—

“(A) IN GENERAL.—For the purpose of a forfeiture under this section or under the Controlled Substances Act (21 U.S.C. 801 et seq.), if funds are deposited into an account at a foreign bank, and that foreign bank has an interbank account in the United States with a covered financial institution (as defined in section 5318(j)(1) of title 31), the funds shall be deemed to have been deposited into the interbank account in the United States, and any restraining order, seizure warrant, or arrest warrant in rem regarding the funds may be served on the covered financial institution, and funds in the interbank account, up to the value of the funds deposited into the account at the foreign bank, may be restrained, seized, or arrested.

“(B) AUTHORITY TO SUSPEND.—The Attorney General, in consultation with the Secretary of the Treasury, may suspend or terminate a forfeiture under this section if

PUBLIC LAW 107-56—OCT. 26, 2001

the Attorney General determines that a conflict of law exists between the laws of the jurisdiction in which the foreign bank is located and the laws of the United States with respect to liabilities arising from the restraint, seizure, or arrest of such funds, and that such suspension or termination would be in the interest of justice and would not harm the national interests of the United States.

“(2) NO REQUIREMENT FOR GOVERNMENT TO TRACE FUNDS.—If a forfeiture action is brought against funds that are restrained, seized, or arrested under paragraph (1), it shall not be necessary for the Government to establish that the funds are directly traceable to the funds that were deposited into the foreign bank, nor shall it be necessary for the Government to rely on the application of section 984.

“(3) CLAIMS BROUGHT BY OWNER OF THE FUNDS.—If a forfeiture action is instituted against funds restrained, seized, or arrested under paragraph (1), the owner of the funds deposited into the account at the foreign bank may contest the forfeiture by filing a claim under section 983.

“(4) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

“(A) INTERBANK ACCOUNT.—The term ‘interbank account’ has the same meaning as in section 984(c)(2)(B).

“(B) OWNER.—

“(i) IN GENERAL.—Except as provided in clause (ii), the term ‘owner’—

“(I) means the person who was the owner, as that term is defined in section 983(d)(6), of the funds that were deposited into the foreign bank at the time such funds were deposited; and

“(II) does not include either the foreign bank or any financial institution acting as an intermediary in the transfer of the funds into the interbank account.

“(ii) EXCEPTION.—The foreign bank may be considered the ‘owner’ of the funds (and no other person shall qualify as the owner of such funds) only if—

“(I) the basis for the forfeiture action is wrongdoing committed by the foreign bank; or

“(II) the foreign bank establishes, by a preponderance of the evidence, that prior to the restraint, seizure, or arrest of the funds, the foreign bank had discharged all or part of its obligation to the prior owner of the funds, in which case the foreign bank shall be deemed the owner of the funds to the extent of such discharged obligation.”.

(b) BANK RECORDS.—Section 5318 of title 31, United States Code, as amended by this title, is amended by adding at the end the following:

“(k) BANK RECORDS RELATED TO ANTI-MONEY LAUNDERING PROGRAMS.—

“(1) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

“(A) APPROPRIATE FEDERAL BANKING AGENCY.—The term ‘appropriate Federal banking agency’ has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

“(B) INCORPORATED TERM.—The term ‘correspondent account’ has the same meaning as in section 5318A(f)(1)(B).

“(2) 120-HOUR RULE.—Not later than 120 hours after receiving a request by an appropriate Federal banking agency for information related to anti-money laundering compliance by a covered financial institution or a customer of such institution, a covered financial institution shall provide to the appropriate Federal banking agency, or make available at a location speci-

Deadline.

PUBLIC LAW 107-56—OCT. 26, 2001

fied by the representative of the appropriate Federal banking agency, information and account documentation for any account opened, maintained, administered or managed in the United States by the covered financial institution.

“(3) FOREIGN BANK RECORDS.—

“(A) SUMMONS OR SUBPOENA OF RECORDS.—

“(i) IN GENERAL.—The Secretary of the Treasury or the Attorney General may issue a summons or subpoena to any foreign bank that maintains a correspondent account in the United States and request records related to such correspondent account, including records maintained outside of the United States relating to the deposit of funds into the foreign bank.

“(ii) SERVICE OF SUMMONS OR SUBPOENA.—A summons or subpoena referred to in clause (i) may be served on the foreign bank in the United States if the foreign bank has a representative in the United States, or in a foreign country pursuant to any mutual legal assistance treaty, multilateral agreement, or other request for international law enforcement assistance.

“(B) ACCEPTANCE OF SERVICE.—

“(i) MAINTAINING RECORDS IN THE UNITED STATES.—Any covered financial institution which maintains a correspondent account in the United States for a foreign bank shall maintain records in the United States identifying the owners of such foreign bank and the name and address of a person who resides in the United States and is authorized to accept service of legal process for records regarding the correspondent account.

Deadline.

“(ii) LAW ENFORCEMENT REQUEST.—Upon receipt of a written request from a Federal law enforcement officer for information required to be maintained under this paragraph, the covered financial institution shall provide the information to the requesting officer not later than 7 days after receipt of the request.

“(C) TERMINATION OF CORRESPONDENT RELATIONSHIP.—

“(i) TERMINATION UPON RECEIPT OF NOTICE.—A covered financial institution shall terminate any correspondent relationship with a foreign bank not later than 10 business days after receipt of written notice from the Secretary or the Attorney General (in each case, after consultation with the other) that the foreign bank has failed—

“(I) to comply with a summons or subpoena issued under subparagraph (A); or

“(II) to initiate proceedings in a United States court contesting such summons or subpoena.

“(ii) LIMITATION ON LIABILITY.—A covered financial institution shall not be liable to any person in any court or arbitration proceeding for terminating a correspondent relationship in accordance with this subsection.

“(iii) FAILURE TO TERMINATE RELATIONSHIP.—Failure to terminate a correspondent relationship in accordance with this subsection shall render the covered financial institution liable for a civil penalty of up to \$10,000 per day until the correspondent relationship is so terminated.”.

31 USC 5318
note.

(c) GRACE PERIOD.—Financial institutions shall have 60 days from the date of enactment of this Act to comply with the provisions of section 5318(k) of title 31, United States Code, as added by this section.

PUBLIC LAW 107-56—OCT. 26, 2001

(d) AUTHORITY TO ORDER CONVICTED CRIMINAL TO RETURN PROPERTY LOCATED ABROAD.—

(1) **FORFEITURE OF SUBSTITUTE PROPERTY.—**Section 413(p) of the Controlled Substances Act (21 U.S.C. 853) is amended to read as follows:

“(p) **FORFEITURE OF SUBSTITUTE PROPERTY.—**

“(1) **IN GENERAL.—**Paragraph (2) of this subsection shall apply, if any property described in subsection (a), as a result of any act or omission of the defendant—

“(A) cannot be located upon the exercise of due diligence;

“(B) has been transferred or sold to, or deposited with, a third party;

“(C) has been placed beyond the jurisdiction of the court;

“(D) has been substantially diminished in value; or

“(E) has been commingled with other property which cannot be divided without difficulty.

“(2) **SUBSTITUTE PROPERTY.—**In any case described in any of subparagraphs (A) through (E) of paragraph (1), the court shall order the forfeiture of any other property of the defendant, up to the value of any property described in subparagraphs (A) through (E) of paragraph (1), as applicable.

“(3) **RETURN OF PROPERTY TO JURISDICTION.—**In the case of property described in paragraph (1)(C), the court may, in addition to any other action authorized by this subsection, order the defendant to return the property to the jurisdiction of the court so that the property may be seized and forfeited.”.

(2) **PROTECTIVE ORDERS.—**Section 413(e) of the Controlled Substances Act (21 U.S.C. 853(e)) is amended by adding at the end the following:

“(4) **ORDER TO REPATRIATE AND DEPOSIT.—**

“(A) **IN GENERAL.—**Pursuant to its authority to enter a pretrial restraining order under this section, the court may order a defendant to repatriate any property that may be seized and forfeited, and to deposit that property pending trial in the registry of the court, or with the United States Marshals Service or the Secretary of the Treasury, in an interest-bearing account, if appropriate.

“(B) **FAILURE TO COMPLY.—**Failure to comply with an order under this subsection, or an order to repatriate property under subsection (p), shall be punishable as a civil or criminal contempt of court, and may also result in an enhancement of the sentence of the defendant under the obstruction of justice provision of the Federal Sentencing Guidelines.”.

SEC. 320. PROCEEDS OF FOREIGN CRIMES.

Section 981(a)(1)(B) of title 18, United States Code, is amended to read as follows:

“(B) Any property, real or personal, within the jurisdiction of the United States, constituting, derived from, or traceable to, any proceeds obtained directly or indirectly from an offense against a foreign nation, or any property used to facilitate such an offense, if the offense—

“(i) involves the manufacture, importation, sale, or distribution of a controlled substance (as that term is defined for purposes of the Controlled Substances Act), or any other conduct described in section 1956(c)(7)(B);

“(ii) would be punishable within the jurisdiction of the foreign nation by death or imprisonment for a term exceeding 1 year; and

“(iii) would be punishable under the laws of the United States by imprisonment for a term exceeding 1 year, if

PUBLIC LAW 107-56—OCT. 26, 2001

the act or activity constituting the offense had occurred within the jurisdiction of the United States.”.

SEC. 321. FINANCIAL INSTITUTIONS SPECIFIED IN SUBCHAPTER II OF CHAPTER 53 OF TITLE 31, UNITED STATES CODE.

(a) CREDIT UNIONS.—Subparagraph (E) of section 5312(2) of title 31, United States Code, is amended to read as follows:

“(E) any credit union;”.

(b) FUTURES COMMISSION MERCHANT; COMMODITY TRADING ADVISOR; COMMODITY POOL OPERATOR.—Section 5312 of title 31, United States Code, is amended by adding at the end the following new subsection:

“(c) ADDITIONAL DEFINITIONS.—For purposes of this subchapter, the following definitions shall apply:

“(1) CERTAIN INSTITUTIONS INCLUDED IN DEFINITION.—The term ‘financial institution’ (as defined in subsection (a)) includes the following:

“(A) Any futures commission merchant, commodity trading advisor, or commodity pool operator registered, or required to register, under the Commodity Exchange Act.”.

(c) CFTC INCLUDED.—For purposes of this Act and any amendment made by this Act to any other provision of law, the term “Federal functional regulator” includes the Commodity Futures Trading Commission.

31 USC 5318
note.

SEC. 322. CORPORATION REPRESENTED BY A FUGITIVE.

Section 2466 of title 18, United States Code, is amended by designating the present matter as subsection (a), and adding at the end the following:

“(b) Subsection (a) may be applied to a claim filed by a corporation if any majority shareholder, or individual filing the claim on behalf of the corporation is a person to whom subsection (a) applies.”.

SEC. 323. ENFORCEMENT OF FOREIGN JUDGMENTS.

Section 2467 of title 28, United States Code, is amended—

(1) in subsection (d), by adding the following after paragraph (2):

“(3) PRESERVATION OF PROPERTY.—

“(A) IN GENERAL.—To preserve the availability of property subject to a foreign forfeiture or confiscation judgment, the Government may apply for, and the court may issue, a restraining order pursuant to section 983(j) of title 18, at any time before or after an application is filed pursuant to subsection (c)(1) of this section.

“(B) EVIDENCE.—The court, in issuing a restraining order under subparagraph (A)—

“(i) may rely on information set forth in an affidavit describing the nature of the proceeding or investigation underway in the foreign country, and setting forth a reasonable basis to believe that the property to be restrained will be named in a judgment of forfeiture at the conclusion of such proceeding; or

“(ii) may register and enforce a restraining order that has been issued by a court of competent jurisdiction in the foreign country and certified by the Attorney General pursuant to subsection (b)(2).

“(C) LIMIT ON GROUNDS FOR OBJECTION.—No person may object to a restraining order under subparagraph (A) on any ground that is the subject of parallel litigation involving the same property that is pending in a foreign court.”;

(2) in subsection (b)(1)(C), by striking “establishing that the defendant received notice of the proceedings in sufficient time to enable the defendant” and inserting “establishing that the foreign nation took steps, in accordance with the principles

PUBLIC LAW 107-56—OCT. 26, 2001

of due process, to give notice of the proceedings to all persons with an interest in the property in sufficient time to enable such persons”;

(3) in subsection (d)(1)(D), by striking “the defendant in the proceedings in the foreign court did not receive notice” and inserting “the foreign nation did not take steps, in accordance with the principles of due process, to give notice of the proceedings to a person with an interest in the property”; and

(4) in subsection (a)(2)(A), by inserting “, any violation of foreign law that would constitute a violation or an offense for which property could be forfeited under Federal law if the offense were committed in the United States” after “United Nations Convention”.

SEC. 324. REPORT AND RECOMMENDATION.

Not later than 30 months after the date of enactment of this Act, the Secretary, in consultation with the Attorney General, the Federal banking agencies (as defined at section 3 of the Federal Deposit Insurance Act), the National Credit Union Administration Board, the Securities and Exchange Commission, and such other agencies as the Secretary may determine, at the discretion of the Secretary, shall evaluate the operations of the provisions of this subtitle and make recommendations to Congress as to any legislative action with respect to this subtitle as the Secretary may determine to be necessary or advisable.

31 USC 5311
note.
Deadline.

SEC. 325. CONCENTRATION ACCOUNTS AT FINANCIAL INSTITUTIONS.

Section 5318(h) of title 31, United States Code, as amended by section 202 of this title, is amended by adding at the end the following:

“(3) CONCENTRATION ACCOUNTS.—The Secretary may prescribe regulations under this subsection that govern maintenance of concentration accounts by financial institutions, in order to ensure that such accounts are not used to prevent association of the identity of an individual customer with the movement of funds of which the customer is the direct or beneficial owner, which regulations shall, at a minimum—

“(A) prohibit financial institutions from allowing clients to direct transactions that move their funds into, out of, or through the concentration accounts of the financial institution;

“(B) prohibit financial institutions and their employees from informing customers of the existence of, or the means of identifying, the concentration accounts of the institution; and

“(C) require each financial institution to establish written procedures governing the documentation of all transactions involving a concentration account, which procedures shall ensure that, any time a transaction involving a concentration account commingles funds belonging to 1 or more customers, the identity of, and specific amount belonging to, each customer is documented.”.

SEC. 326. VERIFICATION OF IDENTIFICATION.

(a) IN GENERAL.—Section 5318 of title 31, United States Code, as amended by this title, is amended by adding at the end the following:

“(1) IDENTIFICATION AND VERIFICATION OF ACCOUNTHOLDERS.—

“(1) IN GENERAL.—Subject to the requirements of this subsection, the Secretary of the Treasury shall prescribe regulations setting forth the minimum standards for financial institutions and their customers regarding the identity of the customer that shall apply in connection with the opening of an account at a financial institution.

Regulations.

PUBLIC LAW 107-56—OCT. 26, 2001

“(2) MINIMUM REQUIREMENTS.—The regulations shall, at a minimum, require financial institutions to implement, and customers (after being given adequate notice) to comply with, reasonable procedures for—

“(A) verifying the identity of any person seeking to open an account to the extent reasonable and practicable;

“(B) maintaining records of the information used to verify a person’s identity, including name, address, and other identifying information; and

“(C) consulting lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency to determine whether a person seeking to open an account appears on any such list.

“(3) FACTORS TO BE CONSIDERED.—In prescribing regulations under this subsection, the Secretary shall take into consideration the various types of accounts maintained by various types of financial institutions, the various methods of opening accounts, and the various types of identifying information available.

“(4) CERTAIN FINANCIAL INSTITUTIONS.—In the case of any financial institution the business of which is engaging in financial activities described in section 4(k) of the Bank Holding Company Act of 1956 (including financial activities subject to the jurisdiction of the Commodity Futures Trading Commission), the regulations prescribed by the Secretary under paragraph (1) shall be prescribed jointly with each Federal functional regulator (as defined in section 509 of the Gramm-Leach-Bliley Act, including the Commodity Futures Trading Commission) appropriate for such financial institution.

“(5) EXEMPTIONS.—The Secretary (and, in the case of any financial institution described in paragraph (4), any Federal agency described in such paragraph) may, by regulation or order, exempt any financial institution or type of account from the requirements of any regulation prescribed under this subsection in accordance with such standards and procedures as the Secretary may prescribe.

“(6) EFFECTIVE DATE.—Final regulations prescribed under this subsection shall take effect before the end of the 1-year period beginning on the date of enactment of the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001.”

Deadline.

(b) STUDY AND REPORT REQUIRED.—Within 6 months after the date of enactment of this Act, the Secretary, in consultation with the Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act) and other appropriate Government agencies, shall submit a report to the Congress containing recommendations for—

(1) determining the most timely and effective way to require foreign nationals to provide domestic financial institutions and agencies with appropriate and accurate information, comparable to that which is required of United States nationals, concerning the identity, address, and other related information about such foreign nationals necessary to enable such institutions and agencies to comply with the requirements of this section;

(2) requiring foreign nationals to apply for and obtain, before opening an account with a domestic financial institution, an identification number which would function similarly to a Social Security number or tax identification number; and

(3) establishing a system for domestic financial institutions and agencies to review information maintained by relevant Government agencies for purposes of verifying the identities of foreign nationals seeking to open accounts at those institutions and agencies.

PUBLIC LAW 107-56—OCT. 26, 2001

SEC. 327. CONSIDERATION OF ANTI-MONEY LAUNDERING RECORD.

(a) BANK HOLDING COMPANY ACT OF 1956.—

(1) IN GENERAL.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended by adding at the end the following new paragraph:

“(6) MONEY LAUNDERING.—In every case, the Board shall take into consideration the effectiveness of the company or companies in combatting money laundering activities, including in overseas branches.”.

(2) SCOPE OF APPLICATION.—The amendment made by paragraph (1) shall apply with respect to any application submitted to the Board of Governors of the Federal Reserve System under section 3 of the Bank Holding Company Act of 1956 after December 31, 2001, which has not been approved by the Board before the date of enactment of this Act.

12 USC 1842
note.

(b) MERGERS SUBJECT TO REVIEW UNDER FEDERAL DEPOSIT INSURANCE ACT.—

(1) IN GENERAL.—Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended—

(A) by redesignating paragraph (11) as paragraph (12);

and

(B) by inserting after paragraph (10), the following new paragraph:

“(11) MONEY LAUNDERING.—In every case, the responsible agency, shall take into consideration the effectiveness of any insured depository institution involved in the proposed merger transaction in combatting money laundering activities, including in overseas branches.”.

(2) SCOPE OF APPLICATION.—The amendment made by paragraph (1) shall apply with respect to any application submitted to the responsible agency under section 18(c) of the Federal Deposit Insurance Act after December 31, 2001, which has not been approved by all appropriate responsible agencies before the date of enactment of this Act.

12 USC 1828
note.

SEC. 328. INTERNATIONAL COOPERATION ON IDENTIFICATION OF ORIGINATORS OF WIRE TRANSFERS.

31 USC 5311
note.

The Secretary shall—

(1) in consultation with the Attorney General and the Secretary of State, take all reasonable steps to encourage foreign governments to require the inclusion of the name of the originator in wire transfer instructions sent to the United States and other countries, with the information to remain with the transfer from its origination until the point of disbursement; and

(2) report annually to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on—

(A) progress toward the goal enumerated in paragraph (1), as well as impediments to implementation and an estimated compliance rate; and

(B) impediments to instituting a regime in which all appropriate identification, as defined by the Secretary, about wire transfer recipients shall be included with wire transfers from their point of origination until disbursement.

SEC. 329. CRIMINAL PENALTIES.

31 USC 5311
note.

Any person who is an official or employee of any department, agency, bureau, office, commission, or other entity of the Federal Government, and any other person who is acting for or on behalf of any such entity, who, directly or indirectly, in connection with the administration of this title, corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity in return for—

(1) being influenced in the performance of any official act;

PUBLIC LAW 107-56—OCT. 26, 2001

(2) being influenced to commit or aid in the committing, or to collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States; or

(3) being induced to do or omit to do any act in violation of the official duty of such official or person, shall be fined in an amount not more than 3 times the monetary equivalent of the thing of value, or imprisoned for not more than 15 years, or both. A violation of this section shall be subject to chapter 227 of title 18, United States Code, and the provisions of the United States Sentencing Guidelines.

SEC. 330. INTERNATIONAL COOPERATION IN INVESTIGATIONS OF MONEY LAUNDERING, FINANCIAL CRIMES, AND THE FINANCES OF TERRORIST GROUPS.

(a) **NEGOTIATIONS.**—It is the sense of the Congress that the President should direct the Secretary of State, the Attorney General, or the Secretary of the Treasury, as appropriate, and in consultation with the Board of Governors of the Federal Reserve System, to seek to enter into negotiations with the appropriate financial supervisory agencies and other officials of any foreign country the financial institutions of which do business with United States financial institutions or which may be utilized by any foreign terrorist organization (as designated under section 219 of the Immigration and Nationality Act), any person who is a member or representative of any such organization, or any person engaged in money laundering or financial or other crimes.

(b) **PURPOSES OF NEGOTIATIONS.**—It is the sense of the Congress that, in carrying out any negotiations described in paragraph (1), the President should direct the Secretary of State, the Attorney General, or the Secretary of the Treasury, as appropriate, to seek to enter into and further cooperative efforts, voluntary information exchanges, the use of letters rogatory, mutual legal assistance treaties, and international agreements to—

(1) ensure that foreign banks and other financial institutions maintain adequate records of transaction and account information relating to any foreign terrorist organization (as designated under section 219 of the Immigration and Nationality Act), any person who is a member or representative of any such organization, or any person engaged in money laundering or financial or other crimes; and

(2) establish a mechanism whereby such records may be made available to United States law enforcement officials and domestic financial institution supervisors, when appropriate.

Subtitle B—Bank Secrecy Act Amendments and Related Improvements

SEC. 351. AMENDMENTS RELATING TO REPORTING OF SUSPICIOUS ACTIVITIES.

(a) **AMENDMENT RELATING TO CIVIL LIABILITY IMMUNITY FOR DISCLOSURES.**—Section 5318(g)(3) of title 31, United States Code, is amended to read as follows:

“(3) **LIABILITY FOR DISCLOSURES.**—

“(A) **IN GENERAL.**—Any financial institution that makes a voluntary disclosure of any possible violation of law or regulation to a government agency or makes a disclosure pursuant to this subsection or any other authority, and any director, officer, employee, or agent of such institution who makes, or requires another to make any such disclosure, shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision of any State, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such

PUBLIC LAW 107-56—OCT. 26, 2001

disclosure or for any failure to provide notice of such disclosure to the person who is the subject of such disclosure or any other person identified in the disclosure.

“(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as creating—

“(i) any inference that the term ‘person’, as used in such subparagraph, may be construed more broadly than its ordinary usage so as to include any government or agency of government; or

“(ii) any immunity against, or otherwise affecting, any civil or criminal action brought by any government or agency of government to enforce any constitution, law, or regulation of such government or agency.”.

(b) PROHIBITION ON NOTIFICATION OF DISCLOSURES.—Section 5318(g)(2) of title 31, United States Code, is amended to read as follows:

“(2) NOTIFICATION PROHIBITED.—

“(A) IN GENERAL.—If a financial institution or any director, officer, employee, or agent of any financial institution, voluntarily or pursuant to this section or any other authority, reports a suspicious transaction to a government agency—

“(i) the financial institution, director, officer, employee, or agent may not notify any person involved in the transaction that the transaction has been reported; and

“(ii) no officer or employee of the Federal Government or of any State, local, tribal, or territorial government within the United States, who has any knowledge that such report was made may disclose to any person involved in the transaction that the transaction has been reported, other than as necessary to fulfill the official duties of such officer or employee.

“(B) DISCLOSURES IN CERTAIN EMPLOYMENT REFERENCES.—

“(i) RULE OF CONSTRUCTION.—Notwithstanding the application of subparagraph (A) in any other context, subparagraph (A) shall not be construed as prohibiting any financial institution, or any director, officer, employee, or agent of such institution, from including information that was included in a report to which subparagraph (A) applies—

“(I) in a written employment reference that is provided in accordance with section 18(w) of the Federal Deposit Insurance Act in response to a request from another financial institution; or

“(II) in a written termination notice or employment reference that is provided in accordance with the rules of a self-regulatory organization registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission,

except that such written reference or notice may not disclose that such information was also included in any such report, or that such report was made.

“(ii) INFORMATION NOT REQUIRED.—Clause (i) shall not be construed, by itself, to create any affirmative duty to include any information described in clause (i) in any employment reference or termination notice referred to in clause (i).”.

SEC. 352. ANTI-MONEY LAUNDERING PROGRAMS.

(a) IN GENERAL.—Section 5318(h) of title 31, United States Code, is amended to read as follows:

“(h) ANTI-MONEY LAUNDERING PROGRAMS.—

PUBLIC LAW 107-56—OCT. 26, 2001

“(1) IN GENERAL.—In order to guard against money laundering through financial institutions, each financial institution shall establish anti-money laundering programs, including, at a minimum—

“(A) the development of internal policies, procedures, and controls;

“(B) the designation of a compliance officer;

“(C) an ongoing employee training program; and

“(D) an independent audit function to test programs.

“(2) REGULATIONS.—The Secretary of the Treasury, after consultation with the appropriate Federal functional regulator (as defined in section 509 of the Gramm-Leach-Bliley Act), may prescribe minimum standards for programs established under paragraph (1), and may exempt from the application of those standards any financial institution that is not subject to the provisions of the rules contained in part 103 of title 31, of the Code of Federal Regulations, or any successor rule thereto, for so long as such financial institution is not subject to the provisions of such rules.”

31 USC 5318
note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect at the end of the 180-day period beginning on the date of enactment of this Act.

31 USC 5318
note.

(c) DATE OF APPLICATION OF REGULATIONS; FACTORS TO BE TAKEN INTO ACCOUNT.—Before the end of the 180-day period beginning on the date of enactment of this Act, the Secretary shall prescribe regulations that consider the extent to which the requirements imposed under this section are commensurate with the size, location, and activities of the financial institutions to which such regulations apply.

SEC. 353. PENALTIES FOR VIOLATIONS OF GEOGRAPHIC TARGETING ORDERS AND CERTAIN RECORDKEEPING REQUIREMENTS, AND LENGTHENING EFFECTIVE PERIOD OF GEOGRAPHIC TARGETING ORDERS.

(a) CIVIL PENALTY FOR VIOLATION OF TARGETING ORDER.—Section 5321(a)(1) of title 31, United States Code, is amended—

(1) by inserting “or order issued” after “subchapter or a regulation prescribed”; and

(2) by inserting “, or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508,” after “sections 5314 and 5315”.

(b) CRIMINAL PENALTIES FOR VIOLATION OF TARGETING ORDER.—Section 5322 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting “or order issued” after “willfully violating this subchapter or a regulation prescribed”; and

(B) by inserting “, or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508,” after “under section 5315 or 5324”; and

(2) in subsection (b)—

(A) by inserting “or order issued” after “willfully violating this subchapter or a regulation prescribed”; and

(B) by inserting “or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508,” after “under section 5315 or 5324”.

(c) STRUCTURING TRANSACTIONS TO EVADE TARGETING ORDER OR CERTAIN RECORDKEEPING REQUIREMENTS.—Section 5324(a) of title 31, United States Code, is amended—

(1) by inserting a comma after “shall”;

(2) by striking “section—” and inserting “section, the reporting or recordkeeping requirements imposed by any order issued under section 5326, or the recordkeeping requirements imposed

PUBLIC LAW 107-56—OCT. 26, 2001

by any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508—

”,
 (3) in paragraph (1), by inserting “, to file a report or to maintain a record required by an order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508” after “regulation prescribed under any such section”; and

(4) in paragraph (2), by inserting “, to file a report or to maintain a record required by any order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508,” after “regulation prescribed under any such section”.

(d) **LENGTHENING EFFECTIVE PERIOD OF GEOGRAPHIC TARGETING ORDERS.**—Section 5326(d) of title 31, United States Code, is amended by striking “more than 60” and inserting “more than 180”.

SEC. 354. ANTI-MONEY LAUNDERING STRATEGY.

Section 5341(b) of title 31, United States Code, is amended by adding at the end the following:

“(12) **DATA REGARDING FUNDING OF TERRORISM.**—Data concerning money laundering efforts related to the funding of acts of international terrorism, and efforts directed at the prevention, detection, and prosecution of such funding.”.

SEC. 355. AUTHORIZATION TO INCLUDE SUSPICIONS OF ILLEGAL ACTIVITY IN WRITTEN EMPLOYMENT REFERENCES.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following:

“(w) **WRITTEN EMPLOYMENT REFERENCES MAY CONTAIN SUSPICIONS OF INVOLVEMENT IN ILLEGAL ACTIVITY.**—

“(1) **AUTHORITY TO DISCLOSE INFORMATION.**—Notwithstanding any other provision of law, any insured depository institution, and any director, officer, employee, or agent of such institution, may disclose in any written employment reference relating to a current or former institution-affiliated party of such institution which is provided to another insured depository institution in response to a request from such other institution, information concerning the possible involvement of such institution-affiliated party in potentially unlawful activity.

“(2) **INFORMATION NOT REQUIRED.**—Nothing in paragraph (1) shall be construed, by itself, to create any affirmative duty to include any information described in paragraph (1) in any employment reference referred to in paragraph (1).

“(3) **MALICIOUS INTENT.**—Notwithstanding any other provision of this subsection, voluntary disclosure made by an insured depository institution, and any director, officer, employee, or agent of such institution under this subsection concerning potentially unlawful activity that is made with malicious intent, shall not be shielded from liability from the person identified in the disclosure.

“(4) **DEFINITION.**—For purposes of this subsection, the term ‘insured depository institution’ includes any uninsured branch or agency of a foreign bank.”.

SEC. 356. REPORTING OF SUSPICIOUS ACTIVITIES BY SECURITIES BROKERS AND DEALERS; INVESTMENT COMPANY STUDY.

(a) **DEADLINE FOR SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS FOR REGISTERED BROKERS AND DEALERS.**—The Secretary, after consultation with the Securities and Exchange Commission and the Board of Governors of the Federal Reserve System, shall

31 USC 5318
 note.
 Regulations.
Federal Register,
 publication.

PUBLIC LAW 107-56—OCT. 26, 2001

publish proposed regulations in the Federal Register before January 1, 2002, requiring brokers and dealers registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 to submit suspicious activity reports under section 5318(g) of title 31, United States Code. Such regulations shall be published in final form not later than July 1, 2002.

31 USC 5318
note.

(b) **SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS FOR FUTURES COMMISSION MERCHANTS, COMMODITY TRADING ADVISORS, AND COMMODITY POOL OPERATORS.**—The Secretary, in consultation with the Commodity Futures Trading Commission, may prescribe regulations requiring futures commission merchants, commodity trading advisors, and commodity pool operators registered under the Commodity Exchange Act to submit suspicious activity reports under section 5318(g) of title 31, United States Code.

31 USC 5311
note.
Deadline.

(c) **REPORT ON INVESTMENT COMPANIES.**—

(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Secretary, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission shall jointly submit a report to the Congress on recommendations for effective regulations to apply the requirements of subchapter II of chapter 53 of title 31, United States Code, to investment companies pursuant to section 5312(a)(2)(I) of title 31, United States Code.

(2) **DEFINITION.**—For purposes of this subsection, the term “investment company”—

(A) has the same meaning as in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3); and

(B) includes any person that, but for the exceptions provided for in paragraph (1) or (7) of section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)), would be an investment company.

(3) **ADDITIONAL RECOMMENDATIONS.**—The report required by paragraph (1) may make different recommendations for different types of entities covered by this subsection.

(4) **BENEFICIAL OWNERSHIP OF PERSONAL HOLDING COMPANIES.**—The report described in paragraph (1) shall also include recommendations as to whether the Secretary should promulgate regulations to treat any corporation or business or other grantor trust whose assets are predominantly securities, bank certificates of deposit, or other securities or investment instruments (other than such as relate to operating subsidiaries of such corporation or trust) and that has 5 or fewer common shareholders or holders of beneficial or other equity interest, as a financial institution within the meaning of that phrase in section 5312(a)(2)(I) and whether to require such corporations or trusts to disclose their beneficial owners when opening accounts or initiating funds transfers at any domestic financial institution.

SEC. 357. SPECIAL REPORT ON ADMINISTRATION OF BANK SECRECY PROVISIONS.

Deadline.

(a) **REPORT REQUIRED.**—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit a report to the Congress relating to the role of the Internal Revenue Service in the administration of subchapter II of chapter 53 of title 31, United States Code (commonly known as the “Bank Secrecy Act”).

(b) **CONTENTS.**—The report required by subsection (a)—

(1) shall specifically address, and contain recommendations concerning—

(A) whether it is advisable to shift the processing of information reporting to the Department of the Treasury under the Bank Secrecy Act provisions to facilities other than those managed by the Internal Revenue Service; and

(B) whether it remains reasonable and efficient, in light of the objective of both anti-money-laundering pro-

PUBLIC LAW 107-56—OCT. 26, 2001

grams and Federal tax administration, for the Internal Revenue Service to retain authority and responsibility for audit and examination of the compliance of money services businesses and gaming institutions with those Bank Secrecy Act provisions; and

(2) shall, if the Secretary determines that the information processing responsibility or the audit and examination responsibility of the Internal Revenue Service, or both, with respect to those Bank Secrecy Act provisions should be transferred to other agencies, include the specific recommendations of the Secretary regarding the agency or agencies to which any such function should be transferred, complete with a budgetary and resources plan for expeditiously accomplishing the transfer.

SEC. 358. BANK SECRECY PROVISIONS AND ACTIVITIES OF UNITED STATES INTELLIGENCE AGENCIES TO FIGHT INTERNATIONAL TERRORISM.

(a) AMENDMENT RELATING TO THE PURPOSES OF CHAPTER 53 OF TITLE 31, UNITED STATES CODE.—Section 5311 of title 31, United States Code, is amended by inserting before the period at the end the following: “, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism”.

(b) AMENDMENT RELATING TO REPORTING OF SUSPICIOUS ACTIVITIES.—Section 5318(g)(4)(B) of title 31, United States Code, is amended by striking “or supervisory agency” and inserting “, supervisory agency, or United States intelligence agency for use in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism”.

(c) AMENDMENT RELATING TO AVAILABILITY OF REPORTS.—Section 5319 of title 31, United States Code, is amended to read as follows:

“§ 5319. Availability of reports

“The Secretary of the Treasury shall make information in a report filed under this subchapter available to an agency, including any State financial institutions supervisory agency, United States intelligence agency or self-regulatory organization registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission, upon request of the head of the agency or organization. The report shall be available for a purpose that is consistent with this subchapter. The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes or by United States intelligence agencies. However, a report and records of reports are exempt from disclosure under section 552 of title 5.”.

(d) AMENDMENT RELATING TO THE PURPOSES OF THE BANK SECRECY ACT PROVISIONS.—Section 21(a) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(a)) is amended to read as follows:

“(a) CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.—

“(1) FINDINGS.—Congress finds that—

“(A) adequate records maintained by insured depository institutions have a high degree of usefulness in criminal, tax, and regulatory investigations or proceedings, and that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counterintelligence activities, including analysis, to protect against domestic and international terrorism; and

“(B) microfilm or other reproductions and other records made by insured depository institutions of checks, as well as records kept by such institutions, of the identity of

PUBLIC LAW 107-56—OCT. 26, 2001

persons maintaining or authorized to act with respect to accounts therein, have been of particular value in proceedings described in subparagraph (A).

“(2) PURPOSE.—It is the purpose of this section to require the maintenance of appropriate types of records by insured depository institutions in the United States where such records have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, recognizes that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism.”.

(e) AMENDMENT RELATING TO THE PURPOSES OF THE BANK SECRECY ACT.—Section 123(a) of Public Law 91-508 (12 U.S.C. 1953(a)) is amended to read as follows:

“(a) REGULATIONS.—If the Secretary determines that the maintenance of appropriate records and procedures by any uninsured bank or uninsured institution, or any person engaging in the business of carrying on in the United States any of the functions referred to in subsection (b), has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, and that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism, he may by regulation require such bank, institution, or person.”.

(f) AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT.—The Right to Financial Privacy Act of 1978 is amended—

(1) in section 1112(a) (12 U.S.C. 3412(a)), by inserting “, or intelligence or counterintelligence activity, investigation or analysis related to international terrorism” after “legitimate law enforcement inquiry”;

(2) in section 1114(a)(1) (12 U.S.C. 3414(a)(1))—

(A) in subparagraph (A), by striking “or” at the end;

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

(C) by adding at the end the following:

“(C) a Government authority authorized to conduct investigations of, or intelligence or counterintelligence analyses related to, international terrorism for the purpose of conducting such investigations or analyses.”; and

(3) in section 1120(a)(2) (12 U.S.C. 3420(a)(2)), by inserting “, or for a purpose authorized by section 1112(a)” before the semicolon at the end.

(g) AMENDMENT TO THE FAIR CREDIT REPORTING ACT.—

(1) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended—

(A) by redesignating the second of the 2 sections designated as section 624 (15 U.S.C. 1681u) (relating to disclosure to FBI for counterintelligence purposes) as section 625; and

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

15 USC 1681v.

“§ 626. Disclosures to governmental agencies for counterterrorism purposes

“(a) DISCLOSURE.—Notwithstanding section 604 or any other provision of this title, a consumer reporting agency shall furnish a consumer report of a consumer and all other information in a consumer’s file to a government agency authorized to conduct investigations of, or intelligence or counterintelligence activities or analysis related to, international terrorism when presented with a written certification by such government agency that such

PUBLIC LAW 107-56—OCT. 26, 2001

information is necessary for the agency's conduct or such investigation, activity or analysis.

“(b) FORM OF CERTIFICATION.—The certification described in subsection (a) shall be signed by a supervisory official designated by the head of a Federal agency or an officer of a Federal agency whose appointment to office is required to be made by the President, by and with the advice and consent of the Senate.

“(c) CONFIDENTIALITY.—No consumer reporting agency, or officer, employee, or agent of such consumer reporting agency, shall disclose to any person, or specify in any consumer report, that a government agency has sought or obtained access to information under subsection (a).

“(d) RULE OF CONSTRUCTION.—Nothing in section 625 shall be construed to limit the authority of the Director of the Federal Bureau of Investigation under this section.

“(e) SAFE HARBOR.—Notwithstanding any other provision of this title, any consumer reporting agency or agent or employee thereof making disclosure of consumer reports or other information pursuant to this section in good-faith reliance upon a certification of a governmental agency pursuant to the provisions of this section shall not be liable to any person for such disclosure under this subchapter, the constitution of any State, or any law or regulation of any State or any political subdivision of any State.”

(2) CLERICAL AMENDMENTS.—The table of sections for the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended—

(A) by redesignating the second of the 2 items designated as section 624 as section 625; and

(B) by inserting after the item relating to section 625 (as so redesignated) the following new item:

“626. Disclosures to governmental agencies for counterterrorism purposes.”

(h) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to reports filed or records maintained on, before, or after the date of enactment of this Act.

12 USC 1829b
note.

SEC. 359. REPORTING OF SUSPICIOUS ACTIVITIES BY UNDERGROUND BANKING SYSTEMS.

(a) DEFINITION FOR SUBCHAPTER.—Section 5312(a)(2)(R) of title 31, United States Code, is amended to read as follows:

“(R) a licensed sender of money or any other person who engages as a business in the transmission of funds, including any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system;”

(b) MONEY TRANSMITTING BUSINESS.—Section 5330(d)(1)(A) of title 31, United States Code, is amended by inserting before the semicolon the following: “or any other person who engages as a business in the transmission of funds, including any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system;”

(c) APPLICABILITY OF RULES.—Section 5318 of title 31, United States Code, as amended by this title, is amended by adding at the end the following:

“(l) APPLICABILITY OF RULES.—Any rules promulgated pursuant to the authority contained in section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b) shall apply, in addition to any other financial institution to which such rules apply, to any person that engages as a business in the transmission of funds, including any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system.”

PUBLIC LAW 107-56—OCT. 26, 2001

Deadline.
31 USC 5311
note.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Treasury shall report to Congress on the need for any additional legislation relating to persons who engage as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system, counter money laundering and regulatory controls relating to underground money movement and banking systems, including whether the threshold for the filing of suspicious activity reports under section 5318(g) of title 31, United States Code should be lowered in the case of such systems.

22 USC 262p-4r.

SEC. 360. USE OF AUTHORITY OF UNITED STATES EXECUTIVE DIRECTORS.

(a) ACTION BY THE PRESIDENT.—If the President determines that a particular foreign country has taken or has committed to take actions that contribute to efforts of the United States to respond to, deter, or prevent acts of international terrorism, the Secretary may, consistent with other applicable provisions of law, instruct the United States Executive Director of each international financial institution to use the voice and vote of the Executive Director to support any loan or other utilization of the funds of respective institutions for such country, or any public or private entity within such country.

(b) USE OF VOICE AND VOTE.—The Secretary may instruct the United States Executive Director of each international financial institution to aggressively use the voice and vote of the Executive Director to require an auditing of disbursements at such institutions to ensure that no funds are paid to persons who commit, threaten to commit, or support terrorism.

(c) DEFINITION.—For purposes of this section, the term “international financial institution” means an institution described in section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)).

SEC. 361. FINANCIAL CRIMES ENFORCEMENT NETWORK.

(a) IN GENERAL.—Subchapter I of chapter 3 of title 31, United States Code, is amended—

(1) by redesignating section 310 as section 311; and

(2) by inserting after section 309 the following new section:

“§ 310. Financial Crimes Enforcement Network

“(a) IN GENERAL.—The Financial Crimes Enforcement Network established by order of the Secretary of the Treasury (Treasury Order Numbered 105-08, in this section referred to as ‘FinCEN’) on April 25, 1990, shall be a bureau in the Department of the Treasury.

“(b) DIRECTOR.—

“(1) APPOINTMENT.—The head of FinCEN shall be the Director, who shall be appointed by the Secretary of the Treasury.

“(2) DUTIES AND POWERS.—The duties and powers of the Director are as follows:

“(A) Advise and make recommendations on matters relating to financial intelligence, financial criminal activities, and other financial activities to the Under Secretary of the Treasury for Enforcement.

“(B) Maintain a government-wide data access service, with access, in accordance with applicable legal requirements, to the following:

“(i) Information collected by the Department of the Treasury, including report information filed under subchapter II of chapter 53 of this title (such as reports on cash transactions, foreign financial agency trans-

PUBLIC LAW 107-56—OCT. 26, 2001

actions and relationships, foreign currency transactions, exporting and importing monetary instruments, and suspicious activities), chapter 2 of title I of Public Law 91-508, and section 21 of the Federal Deposit Insurance Act.

“(ii) Information regarding national and international currency flows.

“(iii) Other records and data maintained by other Federal, State, local, and foreign agencies, including financial and other records developed in specific cases.

“(iv) Other privately and publicly available information.

“(C) Analyze and disseminate the available data in accordance with applicable legal requirements and policies and guidelines established by the Secretary of the Treasury and the Under Secretary of the Treasury for Enforcement to—

“(i) identify possible criminal activity to appropriate Federal, State, local, and foreign law enforcement agencies;

“(ii) support ongoing criminal financial investigations and prosecutions and related proceedings, including civil and criminal tax and forfeiture proceedings;

“(iii) identify possible instances of noncompliance with subchapter II of chapter 53 of this title, chapter 2 of title I of Public Law 91-508, and section 21 of the Federal Deposit Insurance Act to Federal agencies with statutory responsibility for enforcing compliance with such provisions and other appropriate Federal regulatory agencies;

“(iv) evaluate and recommend possible uses of special currency reporting requirements under section 5326;

“(v) determine emerging trends and methods in money laundering and other financial crimes;

“(vi) support the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism; and

“(vii) support government initiatives against money laundering.

“(D) Establish and maintain a financial crimes communications center to furnish law enforcement authorities with intelligence information related to emerging or ongoing investigations and undercover operations.

“(E) Furnish research, analytical, and informational services to financial institutions, appropriate Federal regulatory agencies with regard to financial institutions, and appropriate Federal, State, local, and foreign law enforcement authorities, in accordance with policies and guidelines established by the Secretary of the Treasury or the Under Secretary of the Treasury for Enforcement, in the interest of detection, prevention, and prosecution of terrorism, organized crime, money laundering, and other financial crimes.

“(F) Assist Federal, State, local, and foreign law enforcement and regulatory authorities in combatting the use of informal, nonbank networks and payment and barter system mechanisms that permit the transfer of funds or the equivalent of funds without records and without compliance with criminal and tax laws.

“(G) Provide computer and data support and data analysis to the Secretary of the Treasury for tracking and controlling foreign assets.

“(H) Coordinate with financial intelligence units in other countries on anti-terrorism and anti-money laundering initiatives, and similar efforts.

PUBLIC LAW 107-56—OCT. 26, 2001

“(I) Administer the requirements of subchapter II of chapter 53 of this title, chapter 2 of title I of Public Law 91-508, and section 21 of the Federal Deposit Insurance Act, to the extent delegated such authority by the Secretary of the Treasury.

“(J) Such other duties and powers as the Secretary of the Treasury may delegate or prescribe.

“(C) REQUIREMENTS RELATING TO MAINTENANCE AND USE OF DATA BANKS.—The Secretary of the Treasury shall establish and maintain operating procedures with respect to the government-wide data access service and the financial crimes communications center maintained by FinCEN which provide—

“(1) for the coordinated and efficient transmittal of information to, entry of information into, and withdrawal of information from, the data maintenance system maintained by the Network, including—

“(A) the submission of reports through the Internet or other secure network, whenever possible;

“(B) the cataloguing of information in a manner that facilitates rapid retrieval by law enforcement personnel of meaningful data; and

“(C) a procedure that provides for a prompt initial review of suspicious activity reports and other reports, or such other means as the Secretary may provide, to identify information that warrants immediate action; and

“(2) in accordance with section 552a of title 5 and the Right to Financial Privacy Act of 1978, appropriate standards and guidelines for determining—

“(A) who is to be given access to the information maintained by the Network;

“(B) what limits are to be imposed on the use of such information; and

“(C) how information about activities or relationships which involve or are closely associated with the exercise of constitutional rights is to be screened out of the data maintenance system.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for FinCEN such sums as may be necessary for fiscal years 2002, 2003, 2004, and 2005.”

(b) COMPLIANCE WITH REPORTING REQUIREMENTS.—The Secretary of the Treasury shall study methods for improving compliance with the reporting requirements established in section 5314 of title 31, United States Code, and shall submit a report on such study to the Congress by the end of the 6-month period beginning on the date of enactment of this Act and each 1-year period thereafter. The initial report shall include historical data on compliance with such reporting requirements.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter I of chapter 3 of title 31, United States Code, is amended—

(1) by redesignating the item relating to section 310 as section 311; and

(2) by inserting after the item relating to section 309 the following new item:

“310. Financial Crimes Enforcement Network.”

31 USC 5314
note.

31 USC 310 note.

SEC. 362. ESTABLISHMENT OF HIGHLY SECURE NETWORK.

(a) IN GENERAL.—The Secretary shall establish a highly secure network in the Financial Crimes Enforcement Network that—

(1) allows financial institutions to file reports required under subchapter II or III of chapter 53 of title 31, United States Code, chapter 2 of Public Law 91-508, or section 21 of the Federal Deposit Insurance Act through the secure network; and

PUBLIC LAW 107-56—OCT. 26, 2001

(2) provides financial institutions with alerts and other information regarding suspicious activities that warrant immediate and enhanced scrutiny.

(b) EXPEDITED DEVELOPMENT.—The Secretary shall take such action as may be necessary to ensure that the secure network required under subsection (a) is fully operational before the end of the 9-month period beginning on the date of enactment of this Act.

SEC. 363. INCREASE IN CIVIL AND CRIMINAL PENALTIES FOR MONEY LAUNDERING.

(a) CIVIL PENALTIES.—Section 5321(a) of title 31, United States Code, is amended by adding at the end the following:

“(7) PENALTIES FOR INTERNATIONAL COUNTER MONEY LAUNDERING VIOLATIONS.—The Secretary may impose a civil money penalty in an amount equal to not less than 2 times the amount of the transaction, but not more than \$1,000,000, on any financial institution or agency that violates any provision of subsection (i) or (j) of section 5318 or any special measures imposed under section 5318A.”.

(b) CRIMINAL PENALTIES.—Section 5322 of title 31, United States Code, is amended by adding at the end the following:

“(d) A financial institution or agency that violates any provision of subsection (i) or (j) of section 5318, or any special measures imposed under section 5318A, or any regulation prescribed under subsection (i) or (j) of section 5318 or section 5318A, shall be fined in an amount equal to not less than 2 times the amount of the transaction, but not more than \$1,000,000.”.

SEC. 364. UNIFORM PROTECTION AUTHORITY FOR FEDERAL RESERVE FACILITIES.

Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by adding at the end the following:

“(q) UNIFORM PROTECTION AUTHORITY FOR FEDERAL RESERVE FACILITIES.—

“(1) Notwithstanding any other provision of law, to authorize personnel to act as law enforcement officers to protect and safeguard the premises, grounds, property, personnel, including members of the Board, of the Board, or any Federal reserve bank, and operations conducted by or on behalf of the Board or a reserve bank.

“(2) The Board may, subject to the regulations prescribed under paragraph (5), delegate authority to a Federal reserve bank to authorize personnel to act as law enforcement officers to protect and safeguard the bank’s premises, grounds, property, personnel, and operations conducted by or on behalf of the bank.

“(3) Law enforcement officers designated or authorized by the Board or a reserve bank under paragraph (1) or (2) are authorized while on duty to carry firearms and make arrests without warrants for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States committed or being committed within the buildings and grounds of the Board or a reserve bank if they have reasonable grounds to believe that the person to be arrested has committed or is committing such a felony. Such officers shall have access to law enforcement information that may be necessary for the protection of the property or personnel of the Board or a reserve bank.

“(4) For purposes of this subsection, the term ‘law enforcement officers’ means personnel who have successfully completed law enforcement training and are authorized to carry firearms and make arrests pursuant to this subsection.

PUBLIC LAW 107-56—OCT. 26, 2001

“(5) The law enforcement authorities provided for in this subsection may be exercised only pursuant to regulations prescribed by the Board and approved by the Attorney General.”.

SEC. 365. REPORTS RELATING TO COINS AND CURRENCY RECEIVED IN NONFINANCIAL TRADE OR BUSINESS.

(a) **REPORTS REQUIRED.**—Subchapter II of chapter 53 of title 31, United States Code, is amended by adding at the end the following new section:

“§ 5331. Reports relating to coins and currency received in nonfinancial trade or business

“(a) **COIN AND CURRENCY RECEIPTS OF MORE THAN \$10,000.**—Any person—

“(1) who is engaged in a trade or business; and

“(2) who, in the course of such trade or business, receives more than \$10,000 in coins or currency in 1 transaction (or 2 or more related transactions),

shall file a report described in subsection (b) with respect to such transaction (or related transactions) with the Financial Crimes Enforcement Network at such time and in such manner as the Secretary may, by regulation, prescribe.

“(b) **FORM AND MANNER OF REPORTS.**—A report is described in this subsection if such report—

“(1) is in such form as the Secretary may prescribe;

“(2) contains—

“(A) the name and address, and such other identification information as the Secretary may require, of the person from whom the coins or currency was received;

“(B) the amount of coins or currency received;

“(C) the date and nature of the transaction; and

“(D) such other information, including the identification of the person filing the report, as the Secretary may prescribe.

“(c) **EXCEPTIONS.**—

“(1) **AMOUNTS RECEIVED BY FINANCIAL INSTITUTIONS.**—Subsection (a) shall not apply to amounts received in a transaction reported under section 5313 and regulations prescribed under such section.

“(2) **TRANSACTIONS OCCURRING OUTSIDE THE UNITED STATES.**—Except to the extent provided in regulations prescribed by the Secretary, subsection (a) shall not apply to any transaction if the entire transaction occurs outside the United States.

“(d) **CURRENCY INCLUDES FOREIGN CURRENCY AND CERTAIN MONETARY INSTRUMENTS.**—

“(1) **IN GENERAL.**—For purposes of this section, the term ‘currency’ includes—

“(A) foreign currency; and

“(B) to the extent provided in regulations prescribed by the Secretary, any monetary instrument (whether or not in bearer form) with a face amount of not more than \$10,000.

“(2) **SCOPE OF APPLICATION.**—Paragraph (1)(B) shall not apply to any check drawn on the account of the writer in a financial institution referred to in subparagraph (A), (B), (C), (D), (E), (F), (G), (J), (K), (R), or (S) of section 5312(a)(2).”.

(b) **PROHIBITION ON STRUCTURING TRANSACTIONS.**—

(1) **IN GENERAL.**—Section 5324 of title 31, United States Code, is amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) by inserting after subsection (a) the following new subsection:

PUBLIC LAW 107-56—OCT. 26, 2001

“(b) DOMESTIC COIN AND CURRENCY TRANSACTIONS INVOLVING NONFINANCIAL TRADES OR BUSINESSES.—No person shall, for the purpose of evading the report requirements of section 5333 or any regulation prescribed under such section—

“(1) cause or attempt to cause a nonfinancial trade or business to fail to file a report required under section 5333 or any regulation prescribed under such section;

“(2) cause or attempt to cause a nonfinancial trade or business to file a report required under section 5333 or any regulation prescribed under such section that contains a material omission or misstatement of fact; or

“(3) structure or assist in structuring, or attempt to structure or assist in structuring, any transaction with 1 or more nonfinancial trades or businesses.”

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) The heading for subsection (a) of section 5324 of title 31, United States Code, is amended by inserting “INVOLVING FINANCIAL INSTITUTIONS” after “TRANSACTIONS”.

(B) Section 5317(c) of title 31, United States Code, is amended by striking “5324(b)” and inserting “5324(c)”.

(c) DEFINITION OF NONFINANCIAL TRADE OR BUSINESS.—

(1) IN GENERAL.—Section 5312(a) of title 31, United States Code, is amended—

(A) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(B) by inserting after paragraph (3) the following new paragraph:

“(4) NONFINANCIAL TRADE OR BUSINESS.—The term ‘nonfinancial trade or business’ means any trade or business other than a financial institution that is subject to the reporting requirements of section 5313 and regulations prescribed under such section.”

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Section 5312(a)(3)(C) of title 31, United States Code, is amended by striking “section 5316,” and inserting “sections 5333 and 5316.”

(B) Subsections (a) through (f) of section 5318 of title 31, United States Code, and sections 5321, 5326, and 5328 of such title are each amended—

(i) by inserting “or nonfinancial trade or business” after “financial institution” each place such term appears; and

(ii) by inserting “or nonfinancial trades or businesses” after “financial institutions” each place such term appears.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5332 (as added by section 112 of this title) the following new item:

“5331. Reports relating to coins and currency received in nonfinancial trade or business.”

(f) REGULATIONS.—Regulations which the Secretary determines are necessary to implement this section shall be published in final form before the end of the 6-month period beginning on the date of enactment of this Act.

Publication.
31 USC 5331
note.

SEC. 366. EFFICIENT USE OF CURRENCY TRANSACTION REPORT SYSTEM.

31 USC 5313
note.

(a) FINDINGS.—The Congress finds the following:

(1) The Congress established the currency transaction reporting requirements in 1970 because the Congress found then that such reports have a high degree of usefulness in criminal, tax, and regulatory investigations and proceedings

PUBLIC LAW 107-56—OCT. 26, 2001

and the usefulness of such reports has only increased in the years since the requirements were established.

(2) In 1994, in response to reports and testimony that excess amounts of currency transaction reports were interfering with effective law enforcement, the Congress reformed the currency transaction report exemption requirements to provide—

(A) mandatory exemptions for certain reports that had little usefulness for law enforcement, such as cash transfers between depository institutions and cash deposits from government agencies; and

(B) discretionary authority for the Secretary of the Treasury to provide exemptions, subject to criteria and guidelines established by the Secretary, for financial institutions with regard to regular business customers that maintain accounts at an institution into which frequent cash deposits are made.

(3) Today there is evidence that some financial institutions are not utilizing the exemption system, or are filing reports even if there is an exemption in effect, with the result that the volume of currency transaction reports is once again interfering with effective law enforcement.

(b) STUDY AND REPORT.—

(1) STUDY REQUIRED.—The Secretary shall conduct a study of—

(A) the possible expansion of the statutory exemption system in effect under section 5313 of title 31, United States Code; and

(B) methods for improving financial institution utilization of the statutory exemption provisions as a way of reducing the submission of currency transaction reports that have little or no value for law enforcement purposes, including improvements in the systems in effect at financial institutions for regular review of the exemption procedures used at the institution and the training of personnel in its effective use.

(2) REPORT REQUIRED.—The Secretary of the Treasury shall submit a report to the Congress before the end of the 1-year period beginning on the date of enactment of this Act containing the findings and conclusions of the Secretary with regard to the study required under subsection (a), and such recommendations for legislative or administrative action as the Secretary determines to be appropriate.

Subtitle C—Currency Crimes and Protection

SEC. 371. BULK CASH SMUGGLING INTO OR OUT OF THE UNITED STATES.

31 USC 5332
note.

(a) FINDINGS.—The Congress finds the following:

(1) Effective enforcement of the currency reporting requirements of subchapter II of chapter 53 of title 31, United States Code, and the regulations prescribed under such subchapter, has forced drug dealers and other criminals engaged in cash-based businesses to avoid using traditional financial institutions.

(2) In their effort to avoid using traditional financial institutions, drug dealers and other criminals are forced to move large quantities of currency in bulk form to and through the airports, border crossings, and other ports of entry where the currency can be smuggled out of the United States and placed in a foreign financial institution or sold on the black market.

PUBLIC LAW 107-56—OCT. 26, 2001

(3) The transportation and smuggling of cash in bulk form may now be the most common form of money laundering, and the movement of large sums of cash is one of the most reliable warning signs of drug trafficking, terrorism, money laundering, racketeering, tax evasion and similar crimes.

(4) The intentional transportation into or out of the United States of large amounts of currency or monetary instruments, in a manner designed to circumvent the mandatory reporting provisions of subchapter II of chapter 53 of title 31, United States Code,, is the equivalent of, and creates the same harm as, the smuggling of goods.

(5) The arrest and prosecution of bulk cash smugglers are important parts of law enforcement's effort to stop the laundering of criminal proceeds, but the couriers who attempt to smuggle the cash out of the United States are typically low-level employees of large criminal organizations, and thus are easily replaced. Accordingly, only the confiscation of the smuggled bulk cash can effectively break the cycle of criminal activity of which the laundering of the bulk cash is a critical part.

(6) The current penalties for violations of the currency reporting requirements are insufficient to provide a deterrent to the laundering of criminal proceeds. In particular, in cases where the only criminal violation under current law is a reporting offense, the law does not adequately provide for the confiscation of smuggled currency. In contrast, if the smuggling of bulk cash were itself an offense, the cash could be confiscated as the corpus delicti of the smuggling offense.

(b) PURPOSES.—The purposes of this section are—

(1) to make the act of smuggling bulk cash itself a criminal offense;

(2) to authorize forfeiture of any cash or instruments of the smuggling offense; and

(3) to emphasize the seriousness of the act of bulk cash smuggling.

(c) ENACTMENT OF BULK CASH SMUGGLING OFFENSE.—Subchapter II of chapter 53 of title 31, United States Code, is amended by adding at the end the following:

“§ 5332. Bulk cash smuggling into or out of the United States

“(a) CRIMINAL OFFENSE.—

“(1) IN GENERAL.—Whoever, with the intent to evade a currency reporting requirement under section 5316, knowingly conceals more than \$10,000 in currency or other monetary instruments on the person of such individual or in any conveyance, article of luggage, merchandise, or other container, and transports or transfers or attempts to transport or transfer such currency or monetary instruments from a place within the United States to a place outside of the United States, or from a place outside the United States to a place within the United States, shall be guilty of a currency smuggling offense and subject to punishment pursuant to subsection (b).

“(2) CONCEALMENT ON PERSON.—For purposes of this section, the concealment of currency on the person of any individual includes concealment in any article of clothing worn by the individual or in any luggage, backpack, or other container worn or carried by such individual.

“(b) PENALTY.—

“(1) TERM OF IMPRISONMENT.—A person convicted of a currency smuggling offense under subsection (a), or a conspiracy to commit such offense, shall be imprisoned for not more than 5 years.

“(2) FORFEITURE.—In addition, the court, in imposing sentence under paragraph (1), shall order that the defendant forfeit to the United States, any property, real or personal, involved

31 USC 5332
note.

PUBLIC LAW 107-56—OCT. 26, 2001

in the offense, and any property traceable to such property, subject to subsection (d) of this section.

“(3) PROCEDURE.—The seizure, restraint, and forfeiture of property under this section shall be governed by section 413 of the Controlled Substances Act.

“(4) PERSONAL MONEY JUDGMENT.—If the property subject to forfeiture under paragraph (2) is unavailable, and the defendant has insufficient substitute property that may be forfeited pursuant to section 413(p) of the Controlled Substances Act, the court shall enter a personal money judgment against the defendant for the amount that would be subject to forfeiture.

“(c) CIVIL FORFEITURE.—

“(1) IN GENERAL.—Any property involved in a violation of subsection (a), or a conspiracy to commit such violation, and any property traceable to such violation or conspiracy, may be seized and, subject to subsection (d) of this section, forfeited to the United States.

“(2) PROCEDURE.—The seizure and forfeiture shall be governed by the procedures governing civil forfeitures in money laundering cases pursuant to section 981(a)(1)(A) of title 18, United States Code.

“(3) TREATMENT OF CERTAIN PROPERTY AS INVOLVED IN THE OFFENSE.—For purposes of this subsection and subsection (b), any currency or other monetary instrument that is concealed or intended to be concealed in violation of subsection (a) or a conspiracy to commit such violation, any article, container, or conveyance used, or intended to be used, to conceal or transport the currency or other monetary instrument, and any other property used, or intended to be used, to facilitate the offense, shall be considered property involved in the offense.”.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5331, as added by this Act, the following new item:

“5332. Bulk cash smuggling into or out of the United States.”.

SEC. 372. FORFEITURE IN CURRENCY REPORTING CASES.

(a) IN GENERAL.—Subsection (c) of section 5317 of title 31, United States Code, is amended to read as follows:

“(c) FORFEITURE.—

“(1) CRIMINAL FORFEITURE.—

“(A) IN GENERAL.—The court in imposing sentence for any violation of section 5313, 5316, or 5324 of this title, or any conspiracy to commit such violation, shall order the defendant to forfeit all property, real or personal, involved in the offense and any property traceable thereto.

“(B) PROCEDURE.—Forfeitures under this paragraph shall be governed by the procedures established in section 413 of the Controlled Substances Act.

“(2) CIVIL FORFEITURE.—Any property involved in a violation of section 5313, 5316, or 5324 of this title, or any conspiracy to commit any such violation, and any property traceable to any such violation or conspiracy, may be seized and forfeited to the United States in accordance with the procedures governing civil forfeitures in money laundering cases pursuant to section 981(a)(1)(A) of title 18, United States Code.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 981(a)(1)(A) of title 18, United States Code, is amended—

(A) by striking “of section 5313(a) or 5324(a) of title 31, or”; and

(B) by striking “However” and all that follows through the end of the subparagraph.

(2) Section 982(a)(1) of title 18, United States Code, is amended—

PUBLIC LAW 107-56—OCT. 26, 2001

(A) by striking “of section 5313(a), 5316, or 5324 of title 31, or”; and

(B) by striking “However” and all that follows through the end of the paragraph.

SEC. 373. ILLEGAL MONEY TRANSMITTING BUSINESSES.

(a) SCIENTER REQUIREMENT FOR SECTION 1960 VIOLATION.—Section 1960 of title 18, United States Code, is amended to read as follows:

“§ 1960. Prohibition of unlicensed money transmitting businesses

“(a) Whoever knowingly conducts, controls, manages, supervises, directs, or owns all or part of an unlicensed money transmitting business, shall be fined in accordance with this title or imprisoned not more than 5 years, or both.

“(b) As used in this section—

“(1) the term ‘unlicensed money transmitting business’ means a money transmitting business which affects interstate or foreign commerce in any manner or degree and—

“(A) is operated without an appropriate money transmitting license in a State where such operation is punishable as a misdemeanor or a felony under State law, whether or not the defendant knew that the operation was required to be licensed or that the operation was so punishable;

“(B) fails to comply with the money transmitting business registration requirements under section 5330 of title 31, United States Code, or regulations prescribed under such section; or

“(C) otherwise involves the transportation or transmission of funds that are known to the defendant to have been derived from a criminal offense or are intended to be used to be used to promote or support unlawful activity;

“(2) the term ‘money transmitting’ includes transferring funds on behalf of the public by any and all means including but not limited to transfers within this country or to locations abroad by wire, check, draft, facsimile, or courier; and

“(3) the term ‘State’ means any State of the United States, the District of Columbia, the Northern Mariana Islands, and any commonwealth, territory, or possession of the United States.”.

(b) SEIZURE OF ILLEGALLY TRANSMITTED FUNDS.—Section 981(a)(1)(A) of title 18, United States Code, is amended by striking “or 1957” and inserting “, 1957 or 1960”.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 95 of title 18, United States Code, is amended in the item relating to section 1960 by striking “illegal” and inserting “unlicensed”.

SEC. 374. COUNTERFEITING DOMESTIC CURRENCY AND OBLIGATIONS.

(a) COUNTERFEIT ACTS COMMITTED OUTSIDE THE UNITED STATES.—Section 470 of title 18, United States Code, is amended—

(1) in paragraph (2), by inserting “analog, digital, or electronic image,” after “plate, stone,”; and

(2) by striking “shall be fined under this title, imprisoned not more than 20 years, or both” and inserting “shall be punished as is provided for the like offense within the United States”.

(b) OBLIGATIONS OR SECURITIES OF THE UNITED STATES.—Section 471 of title 18, United States Code, is amended by striking “fifteen years” and inserting “20 years”.

(c) UTTERING COUNTERFEIT OBLIGATIONS OR SECURITIES.—Section 472 of title 18, United States Code, is amended by striking “fifteen years” and inserting “20 years”.

PUBLIC LAW 107-56—OCT. 26, 2001

(d) DEALING IN COUNTERFEIT OBLIGATIONS OR SECURITIES.—Section 473 of title 18, United States Code, is amended by striking “ten years” and inserting “20 years”.

(e) PLATES, STONES, OR ANALOG, DIGITAL, OR ELECTRONIC IMAGES FOR COUNTERFEITING OBLIGATIONS OR SECURITIES.—

(1) IN GENERAL.—Section 474(a) of title 18, United States Code, is amended by inserting after the second paragraph the following new paragraph:

“Whoever, with intent to defraud, makes, executes, acquires, scans, captures, records, receives, transmits, reproduces, sells, or has in such person’s control, custody, or possession, an analog, digital, or electronic image of any obligation or other security of the United States; or”.

(2) AMENDMENT TO DEFINITION.—Section 474(b) of title 18, United States Code, is amended by striking the first sentence and inserting the following new sentence: “For purposes of this section, the term ‘analog, digital, or electronic image’ includes any analog, digital, or electronic method used for the making, execution, acquisition, scanning, capturing, recording, retrieval, transmission, or reproduction of any obligation or security, unless such use is authorized by the Secretary of the Treasury.”.

(3) TECHNICAL AND CONFORMING AMENDMENT.—The heading for section 474 of title 18, United States Code, is amended by striking “or stones” and inserting “, stones, or analog, digital, or electronic images”.

(4) CLERICAL AMENDMENT.—The table of sections for chapter 25 of title 18, United States Code, is amended in the item relating to section 474 by striking “or stones” and inserting “, stones, or analog, digital, or electronic images”.

(f) TAKING IMPRESSIONS OF TOOLS USED FOR OBLIGATIONS OR SECURITIES.—Section 476 of title 18, United States Code, is amended—

(1) by inserting “analog, digital, or electronic image,” after “impression, stamp,”; and

(2) by striking “ten years” and inserting “25 years”.

(g) POSSESSING OR SELLING IMPRESSIONS OF TOOLS USED FOR OBLIGATIONS OR SECURITIES.—Section 477 of title 18, United States Code, is amended—

(1) in the first paragraph, by inserting “analog, digital, or electronic image,” after “imprint, stamp,”;

(2) in the second paragraph, by inserting “analog, digital, or electronic image,” after “imprint, stamp,”; and

(3) in the third paragraph, by striking “ten years” and inserting “25 years”.

(h) CONNECTING PARTS OF DIFFERENT NOTES.—Section 484 of title 18, United States Code, is amended by striking “five years” and inserting “10 years”.

(i) BONDS AND OBLIGATIONS OF CERTAIN LENDING AGENCIES.—The first and second paragraphs of section 493 of title 18, United States Code, are each amended by striking “five years” and inserting “10 years”.

SEC. 375. COUNTERFEITING FOREIGN CURRENCY AND OBLIGATIONS.

(a) FOREIGN OBLIGATIONS OR SECURITIES.—Section 478 of title 18, United States Code, is amended by striking “five years” and inserting “20 years”.

(b) UTTERING COUNTERFEIT FOREIGN OBLIGATIONS OR SECURITIES.—Section 479 of title 18, United States Code, is amended by striking “three years” and inserting “20 years”.

(c) POSSESSING COUNTERFEIT FOREIGN OBLIGATIONS OR SECURITIES.—Section 480 of title 18, United States Code, is amended by striking “one year” and inserting “20 years”.

PUBLIC LAW 107-56—OCT. 26, 2001

(d) PLATES, STONES, OR ANALOG, DIGITAL, OR ELECTRONIC IMAGES FOR COUNTERFEITING FOREIGN OBLIGATIONS OR SECURITIES.—

(1) IN GENERAL.—Section 481 of title 18, United States Code, is amended by inserting after the second paragraph the following new paragraph:

“Whoever, with intent to defraud, makes, executes, acquires, scans, captures, records, receives, transmits, reproduces, sells, or has in such person’s control, custody, or possession, an analog, digital, or electronic image of any bond, certificate, obligation, or other security of any foreign government, or of any treasury note, bill, or promise to pay, lawfully issued by such foreign government and intended to circulate as money; or”.

(2) INCREASED SENTENCE.—The last paragraph of section 481 of title 18, United States Code, is amended by striking “five years” and inserting “25 years”.

(3) TECHNICAL AND CONFORMING AMENDMENT.—The heading for section 481 of title 18, United States Code, is amended by striking “or stones” and inserting “, stones, or analog, digital, or electronic images”.

(4) CLERICAL AMENDMENT.—The table of sections for chapter 25 of title 18, United States Code, is amended in the item relating to section 481 by striking “or stones” and inserting “, stones, or analog, digital, or electronic images”.

(e) FOREIGN BANK NOTES.—Section 482 of title 18, United States Code, is amended by striking “two years” and inserting “20 years”.

(f) UTTERING COUNTERFEIT FOREIGN BANK NOTES.—Section 483 of title 18, United States Code, is amended by striking “one year” and inserting “20 years”.

SEC. 376. LAUNDERING THE PROCEEDS OF TERRORISM.

Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting “or 2339B” after “2339A”.

SEC. 377. EXTRATERRITORIAL JURISDICTION.

Section 1029 of title 18, United States Code, is amended by adding at the end the following:

“(h) Any person who, outside the jurisdiction of the United States, engages in any act that, if committed within the jurisdiction of the United States, would constitute an offense under subsection (a) or (b) of this section, shall be subject to the fines, penalties, imprisonment, and forfeiture provided in this title if—

“(1) the offense involves an access device issued, owned, managed, or controlled by a financial institution, account issuer, credit card system member, or other entity within the jurisdiction of the United States; and

“(2) the person transports, delivers, conveys, transfers to or through, or otherwise stores, secrets, or holds within the jurisdiction of the United States, any article used to assist in the commission of the offense or the proceeds of such offense or property derived therefrom.”.

TITLE IV—PROTECTING THE BORDER

Subtitle A—Protecting the Northern Border

SEC. 401. ENSURING ADEQUATE PERSONNEL ON THE NORTHERN BORDER.

The Attorney General is authorized to waive any FTE cap on personnel assigned to the Immigration and Naturalization Service on the Northern border.

PUBLIC LAW 107-56—OCT. 26, 2001

SEC. 402. NORTHERN BORDER PERSONNEL.

Appropriation
authorization.

There are authorized to be appropriated—

(1) such sums as may be necessary to triple the number of Border Patrol personnel (from the number authorized under current law), and the necessary personnel and facilities to support such personnel, in each State along the Northern Border;

(2) such sums as may be necessary to triple the number of Customs Service personnel (from the number authorized under current law), and the necessary personnel and facilities to support such personnel, at ports of entry in each State along the Northern Border;

(3) such sums as may be necessary to triple the number of INS inspectors (from the number authorized on the date of the enactment of this Act), and the necessary personnel and facilities to support such personnel, at ports of entry in each State along the Northern Border; and

(4) an additional \$50,000,000 each to the Immigration and Naturalization Service and the United States Customs Service for purposes of making improvements in technology for monitoring the Northern Border and acquiring additional equipment at the Northern Border.

SEC. 403. ACCESS BY THE DEPARTMENT OF STATE AND THE INS TO CERTAIN IDENTIFYING INFORMATION IN THE CRIMINAL HISTORY RECORDS OF VISA APPLICANTS AND APPLICANTS FOR ADMISSION TO THE UNITED STATES.

(a) AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT.—Section 105 of the Immigration and Nationality Act (8 U.S.C. 1105) is amended—

(1) in the section heading, by inserting “; DATA EXCHANGE” after “SECURITY OFFICERS”;

(2) by inserting “(a)” after “SEC. 105.”;

(3) in subsection (a), by inserting “and border” after “internal” the second place it appears; and

(4) by adding at the end the following:

“(b)(1) The Attorney General and the Director of the Federal Bureau of Investigation shall provide the Department of State and the Service access to the criminal history record information contained in the National Crime Information Center’s Interstate Identification Index (NCIC-III), Wanted Persons File, and to any other files maintained by the National Crime Information Center that may be mutually agreed upon by the Attorney General and the agency receiving the access, for the purpose of determining whether or not a visa applicant or applicant for admission has a criminal history record indexed in any such file.

“(2) Such access shall be provided by means of extracts of the records for placement in the automated visa lookout or other appropriate database, and shall be provided without any fee or charge.

“(3) The Federal Bureau of Investigation shall provide periodic updates of the extracts at intervals mutually agreed upon with the agency receiving the access. Upon receipt of such updated extracts, the receiving agency shall make corresponding updates to its database and destroy previously provided extracts.

“(4) Access to an extract does not entitle the Department of State to obtain the full content of the corresponding automated criminal history record. To obtain the full content of a criminal history record, the Department of State shall submit the applicant’s fingerprints and any appropriate fingerprint processing fee authorized by law to the Criminal Justice Information Services Division of the Federal Bureau of Investigation.

“(c) The provision of the extracts described in subsection (b) may be reconsidered by the Attorney General and the receiving

PUBLIC LAW 107-56—OCT. 26, 2001

agency upon the development and deployment of a more cost-effective and efficient means of sharing the information.

“(d) For purposes of administering this section, the Department of State shall, prior to receiving access to NCIC data but not later than 4 months after the date of enactment of this subsection, promulgate final regulations—

Deadline.
Regulations.

“(1) to implement procedures for the taking of fingerprints; and

“(2) to establish the conditions for the use of the information received from the Federal Bureau of Investigation, in order—

“(A) to limit the redissemination of such information;

“(B) to ensure that such information is used solely to determine whether or not to issue a visa to an alien or to admit an alien to the United States;

“(C) to ensure the security, confidentiality, and destruction of such information; and

“(D) to protect any privacy rights of individuals who are subjects of such information.”

(b) REPORTING REQUIREMENT.—Not later than 2 years after the date of enactment of this Act, the Attorney General and the Secretary of State jointly shall report to Congress on the implementation of the amendments made by this section.

Deadline.
8 USC 1105 note.

(c) TECHNOLOGY STANDARD TO CONFIRM IDENTITY.—

8 USC 1379.

(1) IN GENERAL.—The Attorney General and the Secretary of State jointly, through the National Institute of Standards and Technology (NIST), and in consultation with the Secretary of the Treasury and other Federal law enforcement and intelligence agencies the Attorney General or Secretary of State deems appropriate and in consultation with Congress, shall within 2 years after the date of the enactment of this section, develop and certify a technology standard that can be used to verify the identity of persons applying for a United States visa or such persons seeking to enter the United States pursuant to a visa for the purposes of conducting background checks, confirming identity, and ensuring that a person has not received a visa under a different name or such person seeking to enter the United States pursuant to a visa.

Deadline.

(2) INTEGRATED.—The technology standard developed pursuant to paragraph (1), shall be the technological basis for a cross-agency, cross-platform electronic system that is a cost-effective, efficient, fully integrated means to share law enforcement and intelligence information necessary to confirm the identity of such persons applying for a United States visa or such person seeking to enter the United States pursuant to a visa.

(3) ACCESSIBLE.—The electronic system described in paragraph (2), once implemented, shall be readily and easily accessible to—

(A) all consular officers responsible for the issuance of visas;

(B) all Federal inspection agents at all United States border inspection points; and

(C) all law enforcement and intelligence officers as determined by regulation to be responsible for investigation or identification of aliens admitted to the United States pursuant to a visa.

(4) REPORT.—Not later than 18 months after the date of the enactment of this Act, and every 2 years thereafter, the Attorney General and the Secretary of State shall jointly, in consultation with the Secretary of Treasury, report to Congress describing the development, implementation, efficacy, and privacy implications of the technology standard and electronic database system described in this subsection.

Deadline.

(5) FUNDING.—There is authorized to be appropriated to the Secretary of State, the Attorney General, and the Director

PUBLIC LAW 107-56—OCT. 26, 2001

of the National Institute of Standards and Technology such sums as may be necessary to carry out the provisions of this subsection.

8 USC 1105 note.

(d) **STATUTORY CONSTRUCTION.**—Nothing in this section, or in any other law, shall be construed to limit the authority of the Attorney General or the Director of the Federal Bureau of Investigation to provide access to the criminal history record information contained in the National Crime Information Center's (NCIC) Interstate Identification Index (NCIC-III), or to any other information maintained by the NCIC, to any Federal agency or officer authorized to enforce or administer the immigration laws of the United States, for the purpose of such enforcement or administration, upon terms that are consistent with the National Crime Prevention and Privacy Compact Act of 1998 (subtitle A of title II of Public Law 105-251; 42 U.S.C. 14611-16) and section 552a of title 5, United States Code.

SEC. 404. LIMITED AUTHORITY TO PAY OVERTIME.

The matter under the headings “Immigration And Naturalization Service: Salaries and Expenses, Enforcement And Border Affairs” and “Immigration And Naturalization Service: Salaries and Expenses, Citizenship And Benefits, Immigration And Program Direction” in the Department of Justice Appropriations Act, 2001 (as enacted into law by Appendix B (H.R. 5548) of Public Law 106-553 (114 Stat. 2762A-58 to 2762A-59)) is amended by striking the following each place it occurs: “*Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available to pay any employee overtime pay in an amount in excess of \$30,000 during the calendar year beginning January 1, 2001.”.

8 USC 1379 note.

SEC. 405. REPORT ON THE INTEGRATED AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM FOR PORTS OF ENTRY AND OVERSEAS CONSULAR POSTS.

(a) **IN GENERAL.**—The Attorney General, in consultation with the appropriate heads of other Federal agencies, including the Secretary of State, Secretary of the Treasury, and the Secretary of Transportation, shall report to Congress on the feasibility of enhancing the Integrated Automated Fingerprint Identification System (IAFIS) of the Federal Bureau of Investigation and other identification systems in order to better identify a person who holds a foreign passport or a visa and may be wanted in connection with a criminal investigation in the United States or abroad, before the issuance of a visa to that person or the entry or exit from the United States by that person.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated not less than \$2,000,000 to carry out this section.

Subtitle B—Enhanced Immigration Provisions

SEC. 411. DEFINITIONS RELATING TO TERRORISM.

(a) **GROUND OF INADMISSIBILITY.**—Section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)) is amended—

(1) in subparagraph (B)—

(A) in clause (i)—

(i) by amending subclause (IV) to read as follows:

“(IV) is a representative (as defined in clause

(v)) of—

“(aa) a foreign terrorist organization, as designated by the Secretary of State under section 219, or

“(bb) a political, social or other similar group whose public endorsement of acts of

PUBLIC LAW 107-56—OCT. 26, 2001

terrorist activity the Secretary of State has determined undermines United States efforts to reduce or eliminate terrorist activities,”;

(ii) in subclause (V), by inserting “or” after “section 219,”; and

(iii) by adding at the end the following new subclauses:

“(VI) has used the alien’s position of prominence within any country to endorse or espouse terrorist activity, or to persuade others to support terrorist activity or a terrorist organization, in a way that the Secretary of State has determined undermines United States efforts to reduce or eliminate terrorist activities, or

“(VII) is the spouse or child of an alien who is inadmissible under this section, if the activity causing the alien to be found inadmissible occurred within the last 5 years,”;

(B) by redesignating clauses (ii), (iii), and (iv) as clauses (iii), (iv), and (v), respectively;

(C) in clause (i)(II), by striking “clause (iii)” and inserting “clause (iv)”;

(D) by inserting after clause (i) the following:

“(ii) EXCEPTION.—Subclause (VII) of clause (i) does not apply to a spouse or child—

“(I) who did not know or should not reasonably have known of the activity causing the alien to be found inadmissible under this section; or

“(II) whom the consular officer or Attorney General has reasonable grounds to believe has renounced the activity causing the alien to be found inadmissible under this section.”;

(E) in clause (iii) (as redesignated by subparagraph (B))—

(i) by inserting “it had been” before “committed in the United States”; and

(ii) in subclause (V)(b), by striking “or firearm” and inserting “, firearm, or other weapon or dangerous device”;

(F) by amending clause (iv) (as redesignated by subparagraph (B)) to read as follows:

“(iv) ENGAGE IN TERRORIST ACTIVITY DEFINED.—As used in this chapter, the term ‘engage in terrorist activity’ means, in an individual capacity or as a member of an organization—

“(I) to commit or to incite to commit, under circumstances indicating an intention to cause death or serious bodily injury, a terrorist activity;

“(II) to prepare or plan a terrorist activity;

“(III) to gather information on potential targets for terrorist activity;

“(IV) to solicit funds or other things of value for—

“(aa) a terrorist activity;

“(bb) a terrorist organization described in clause (vi)(I) or (vi)(II); or

“(cc) a terrorist organization described in clause (vi)(III), unless the solicitor can demonstrate that he did not know, and should not reasonably have known, that the solicitation would further the organization’s terrorist activity;

“(V) to solicit any individual—

“(aa) to engage in conduct otherwise described in this clause;

PUBLIC LAW 107-56—OCT. 26, 2001

“(bb) for membership in a terrorist organization described in clause (vi)(I) or (vi)(II); or

“(cc) for membership in a terrorist organization described in clause (vi)(III), unless the solicitor can demonstrate that he did not know, and should not reasonably have known, that the solicitation would further the organization’s terrorist activity; or

“(VI) to commit an act that the actor knows, or reasonably should know, affords material support, including a safe house, transportation, communications, funds, transfer of funds or other material financial benefit, false documentation or identification, weapons (including chemical, biological, or radiological weapons), explosives, or training—

“(aa) for the commission of a terrorist activity;

“(bb) to any individual who the actor knows, or reasonably should know, has committed or plans to commit a terrorist activity;

“(cc) to a terrorist organization described in clause (vi)(I) or (vi)(II); or

“(dd) to a terrorist organization described in clause (vi)(III), unless the actor can demonstrate that he did not know, and should not reasonably have known, that the act would further the organization’s terrorist activity.

This clause shall not apply to any material support the alien afforded to an organization or individual that has committed terrorist activity, if the Secretary of State, after consultation with the Attorney General, or the Attorney General, after consultation with the Secretary of State, concludes in his sole unreviewable discretion, that this clause should not apply.”; and

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

“(vi) TERRORIST ORGANIZATION DEFINED.—As used in clause (i)(VI) and clause (iv), the term ‘terrorist organization’ means an organization—

“(I) designated under section 219;

“(II) otherwise designated, upon publication in the Federal Register, by the Secretary of State in consultation with or upon the request of the Attorney General, as a terrorist organization, after finding that the organization engages in the activities described in subclause (I), (II), or (III) of clause (iv), or that the organization provides material support to further terrorist activity; or

“(III) that is a group of two or more individuals, whether organized or not, which engages in the activities described in subclause (I), (II), or (III) of clause (iv).”; and

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

“(F) ASSOCIATION WITH TERRORIST ORGANIZATIONS.—Any alien who the Secretary of State, after consultation with the Attorney General, or the Attorney General, after consultation with the Secretary of State, determines has been associated with a terrorist organization and intends while in the United States to engage solely, principally, or incidentally in activities that could endanger the welfare, safety, or security of the United States is inadmissible.”.

(b) CONFORMING AMENDMENTS.—

PUBLIC LAW 107-56—OCT. 26, 2001

(1) Section 237(a)(4)(B) of the Immigration and Nationality Act (8 U.S.C. 1227(a)(4)(B)) is amended by striking “section 212(a)(3)(B)(iii)” and inserting “section 212(a)(3)(B)(iv)”.

(2) Section 208(b)(2)(A)(v) of the Immigration and Nationality Act (8 U.S.C. 1158(b)(2)(A)(v)) is amended by striking “or (IV)” and inserting “(IV), or (VI)”.

(c) RETROACTIVE APPLICATION OF AMENDMENTS.—

8 USC 1182 note.

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to—

(A) actions taken by an alien before, on, or after such date; and

(B) all aliens, without regard to the date of entry or attempted entry into the United States—

(i) in removal proceedings on or after such date (except for proceedings in which there has been a final administrative decision before such date); or

(ii) seeking admission to the United States on or after such date.

(2) SPECIAL RULE FOR ALIENS IN EXCLUSION OR DEPORTATION PROCEEDINGS.—Notwithstanding any other provision of law, sections 212(a)(3)(B) and 237(a)(4)(B) of the Immigration and Nationality Act, as amended by this Act, shall apply to all aliens in exclusion or deportation proceedings on or after the date of the enactment of this Act (except for proceedings in which there has been a final administrative decision before such date) as if such proceedings were removal proceedings.

(3) SPECIAL RULE FOR SECTION 219 ORGANIZATIONS AND ORGANIZATIONS DESIGNATED UNDER SECTION 212(a)(3)(B)(vi)(II).—

(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), no alien shall be considered inadmissible under section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)), or deportable under section 237(a)(4)(B) of such Act (8 U.S.C. 1227(a)(4)(B)), by reason of the amendments made by subsection (a), on the ground that the alien engaged in a terrorist activity described in subclause (IV)(bb), (V)(bb), or (VI)(cc) of section 212(a)(3)(B)(iv) of such Act (as so amended) with respect to a group at any time when the group was not a terrorist organization designated by the Secretary of State under section 219 of such Act (8 U.S.C. 1189) or otherwise designated under section 212(a)(3)(B)(vi)(II) of such Act (as so amended).

(B) STATUTORY CONSTRUCTION.—Subparagraph (A) shall not be construed to prevent an alien from being considered inadmissible or deportable for having engaged in a terrorist activity—

(i) described in subclause (IV)(bb), (V)(bb), or (VI)(cc) of section 212(a)(3)(B)(iv) of such Act (as so amended) with respect to a terrorist organization at any time when such organization was designated by the Secretary of State under section 219 of such Act or otherwise designated under section 212(a)(3)(B)(vi)(II) of such Act (as so amended); or

(ii) described in subclause (IV)(cc), (V)(cc), or (VI)(dd) of section 212(a)(3)(B)(iv) of such Act (as so amended) with respect to a terrorist organization described in section 212(a)(3)(B)(vi)(III) of such Act (as so amended).

(4) EXCEPTION.—The Secretary of State, in consultation with the Attorney General, may determine that the amendments made by this section shall not apply with respect to actions by an alien taken outside the United States before the date of the enactment of this Act upon the recommendation

PUBLIC LAW 107-56—OCT. 26, 2001

of a consular officer who has concluded that there is not reasonable ground to believe that the alien knew or reasonably should have known that the actions would further a terrorist activity.

(c) DESIGNATION OF FOREIGN TERRORIST ORGANIZATIONS.—Section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)) is amended—

(1) in paragraph (1)(B), by inserting “or terrorism (as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(d)(2)), or retains the capability and intent to engage in terrorist activity or terrorism” after “212(a)(3)(B)”;

(2) in paragraph (1)(C), by inserting “or terrorism” after “terrorist activity”;

(3) by amending paragraph (2)(A) to read as follows:

“(A) NOTICE.—

“(i) TO CONGRESSIONAL LEADERS.—Seven days before making a designation under this subsection, the Secretary shall, by classified communication, notify the Speaker and Minority Leader of the House of Representatives, the President pro tempore, Majority Leader, and Minority Leader of the Senate, and the members of the relevant committees of the House of Representatives and the Senate, in writing, of the intent to designate an organization under this subsection, together with the findings made under paragraph (1) with respect to that organization, and the factual basis therefor.

“(ii) PUBLICATION IN FEDERAL REGISTER.—The Secretary shall publish the designation in the Federal Register seven days after providing the notification under clause (i).”;

(4) in paragraph (2)(B)(i), by striking “subparagraph (A)” and inserting “subparagraph (A)(ii)”;

(5) in paragraph (2)(C), by striking “paragraph (2)” and inserting “paragraph (2)(A)(i)”;

(6) in paragraph (3)(B), by striking “subsection (c)” and inserting “subsection (b)”;

(7) in paragraph (4)(B), by inserting after the first sentence the following: “The Secretary also may redesignate such organization at the end of any 2-year redesignation period (but not sooner than 60 days prior to the termination of such period) for an additional 2-year period upon a finding that the relevant circumstances described in paragraph (1) still exist. Any redesignation shall be effective immediately following the end of the prior 2-year designation or redesignation period unless a different effective date is provided in such redesignation.”;

(8) in paragraph (6)(A)—

(A) by inserting “or a redesignation made under paragraph (4)(B)” after “paragraph (1)”;

(B) in clause (i)—

(i) by inserting “or redesignation” after “designation” the first place it appears; and

(ii) by striking “of the designation”; and

(C) in clause (ii), by striking “of the designation”;

(9) in paragraph (6)(B)—

(A) by striking “through (4)” and inserting “and (3)”;

and
(B) by inserting at the end the following new sentence: “Any revocation shall take effect on the date specified in the revocation or upon publication in the Federal Register if no effective date is specified.”;

(10) in paragraph (7), by inserting “, or the revocation of a redesignation under paragraph (6),” after “paragraph (5) or (6)”;

Classified
information.

PUBLIC LAW 107-56—OCT. 26, 2001

(11) in paragraph (8)—

(A) by striking “paragraph (1)(B)” and inserting “paragraph (2)(B), or if a redesignation under this subsection has become effective under paragraph (4)(B)”;

(B) by inserting “or an alien in a removal proceeding” after “criminal action”; and

(C) by inserting “or redesignation” before “as a defense”.

SEC. 412. MANDATORY DETENTION OF SUSPECTED TERRORISTS; HABEAS CORPUS; JUDICIAL REVIEW.

(a) **IN GENERAL.**—The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by inserting after section 236 the following:

“MANDATORY DETENTION OF SUSPECTED TERRORISTS; HABEAS CORPUS; JUDICIAL REVIEW

“SEC. 236A. (a) **DETENTION OF TERRORIST ALIENS.**—

8 USC 1226a.

“(1) **CUSTODY.**—The Attorney General shall take into custody any alien who is certified under paragraph (3).

“(2) **RELEASE.**—Except as provided in paragraphs (5) and (6), the Attorney General shall maintain custody of such an alien until the alien is removed from the United States. Except as provided in paragraph (6), such custody shall be maintained irrespective of any relief from removal for which the alien may be eligible, or any relief from removal granted the alien, until the Attorney General determines that the alien is no longer an alien who may be certified under paragraph (3). If the alien is finally determined not to be removable, detention pursuant to this subsection shall terminate.

“(3) **CERTIFICATION.**—The Attorney General may certify an alien under this paragraph if the Attorney General has reasonable grounds to believe that the alien—

“(A) is described in section 212(a)(3)(A)(i), 212(a)(3)(A)(iii), 212(a)(3)(B), 237(a)(4)(A)(i), 237(a)(4)(A)(iii), or 237(a)(4)(B); or

“(B) is engaged in any other activity that endangers the national security of the United States.

“(4) **NONDELEGATION.**—The Attorney General may delegate the authority provided under paragraph (3) only to the Deputy Attorney General. The Deputy Attorney General may not delegate such authority.

Deadline.

“(5) **COMMENCEMENT OF PROCEEDINGS.**—The Attorney General shall place an alien detained under paragraph (1) in removal proceedings, or shall charge the alien with a criminal offense, not later than 7 days after the commencement of such detention. If the requirement of the preceding sentence is not satisfied, the Attorney General shall release the alien.

“(6) **LIMITATION ON INDEFINITE DETENTION.**—An alien detained solely under paragraph (1) who has not been removed under section 241(a)(1)(A), and whose removal is unlikely in the reasonably foreseeable future, may be detained for additional periods of up to six months only if the release of the alien will threaten the national security of the United States or the safety of the community or any person.

“(7) **REVIEW OF CERTIFICATION.**—The Attorney General shall review the certification made under paragraph (3) every 6 months. If the Attorney General determines, in the Attorney General’s discretion, that the certification should be revoked, the alien may be released on such conditions as the Attorney General deems appropriate, unless such release is otherwise prohibited by law. The alien may request each 6 months in writing that the Attorney General reconsider the certification and may submit documents or other evidence in support of that request.

PUBLIC LAW 107-56—OCT. 26, 2001

“(b) HABEAS CORPUS AND JUDICIAL REVIEW.—

“(1) IN GENERAL.—Judicial review of any action or decision relating to this section (including judicial review of the merits of a determination made under subsection (a)(3) or (a)(6)) is available exclusively in habeas corpus proceedings consistent with this subsection. Except as provided in the preceding sentence, no court shall have jurisdiction to review, by habeas corpus petition or otherwise, any such action or decision.

“(2) APPLICATION.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, including section 2241(a) of title 28, United States Code, habeas corpus proceedings described in paragraph (1) may be initiated only by an application filed with—

“(i) the Supreme Court;

“(ii) any justice of the Supreme Court;

“(iii) any circuit judge of the United States Court of Appeals for the District of Columbia Circuit; or

“(iv) any district court otherwise having jurisdiction to entertain it.

“(B) APPLICATION TRANSFER.—Section 2241(b) of title 28, United States Code, shall apply to an application for a writ of habeas corpus described in subparagraph (A).

“(3) APPEALS.—Notwithstanding any other provision of law, including section 2253 of title 28, in habeas corpus proceedings described in paragraph (1) before a circuit or district judge, the final order shall be subject to review, on appeal, by the United States Court of Appeals for the District of Columbia Circuit. There shall be no right of appeal in such proceedings to any other circuit court of appeals.

“(4) RULE OF DECISION.—The law applied by the Supreme Court and the United States Court of Appeals for the District of Columbia Circuit shall be regarded as the rule of decision in habeas corpus proceedings described in paragraph (1).

“(c) STATUTORY CONSTRUCTION.—The provisions of this section shall not be applicable to any other provision of this Act.”

(b) CLERICAL AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 236 the following:

“Sec. 236A. Mandatory detention of suspected terrorist; habeas corpus; judicial review.”

(c) REPORTS.—Not later than 6 months after the date of the enactment of this Act, and every 6 months thereafter, the Attorney General shall submit a report to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate, with respect to the reporting period, on—

(1) the number of aliens certified under section 236A(a)(3) of the Immigration and Nationality Act, as added by subsection (a);

(2) the grounds for such certifications;

(3) the nationalities of the aliens so certified;

(4) the length of the detention for each alien so certified; and

(5) the number of aliens so certified who—

(A) were granted any form of relief from removal;

(B) were removed;

(C) the Attorney General has determined are no longer aliens who may be so certified; or

(D) were released from detention.

SEC. 413. MULTILATERAL COOPERATION AGAINST TERRORISTS.

Section 222(f) of the Immigration and Nationality Act (8 U.S.C. 1202(f)) is amended—

(1) by striking “except that in the discretion of” and inserting the following: “except that—

Deadline.
8 USC 1226a
note.

PUBLIC LAW 107-56—OCT. 26, 2001

“(1) in the discretion of”; and

(2) by adding at the end the following:

“(2) the Secretary of State, in the Secretary’s discretion and on the basis of reciprocity, may provide to a foreign government information in the Department of State’s computerized visa lookout database and, when necessary and appropriate, other records covered by this section related to information in the database—

“(A) with regard to individual aliens, at any time on a case-by-case basis for the purpose of preventing, investigating, or punishing acts that would constitute a crime in the United States, including, but not limited to, terrorism or trafficking in controlled substances, persons, or illicit weapons; or

“(B) with regard to any or all aliens in the database, pursuant to such conditions as the Secretary of State shall establish in an agreement with the foreign government in which that government agrees to use such information and records for the purposes described in subparagraph (A) or to deny visas to persons who would be inadmissible to the United States.”.

SEC. 414. VISA INTEGRITY AND SECURITY.

8 USC 1365a
note.

(a) SENSE OF CONGRESS REGARDING THE NEED TO EXPEDITE IMPLEMENTATION OF INTEGRATED ENTRY AND EXIT DATA SYSTEM.—

(1) SENSE OF CONGRESS.—In light of the terrorist attacks perpetrated against the United States on September 11, 2001, it is the sense of the Congress that—

(A) the Attorney General, in consultation with the Secretary of State, should fully implement the integrated entry and exit data system for airports, seaports, and land border ports of entry, as specified in section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1365a), with all deliberate speed and as expeditiously as practicable; and

(B) the Attorney General, in consultation with the Secretary of State, the Secretary of Commerce, the Secretary of the Treasury, and the Office of Homeland Security, should immediately begin establishing the Integrated Entry and Exit Data System Task Force, as described in section 3 of the Immigration and Naturalization Service Data Management Improvement Act of 2000 (Public Law 106-215).

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to fully implement the system described in paragraph (1)(A).

(b) DEVELOPMENT OF THE SYSTEM.—In the development of the integrated entry and exit data system under section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1365a), the Attorney General and the Secretary of State shall particularly focus on—

(1) the utilization of biometric technology; and

(2) the development of tamper-resistant documents readable at ports of entry.

(c) INTERFACE WITH LAW ENFORCEMENT DATABASES.—The entry and exit data system described in this section shall be able to interface with law enforcement databases for use by Federal law enforcement to identify and detain individuals who pose a threat to the national security of the United States.

(d) REPORT ON SCREENING INFORMATION.—Not later than 12 months after the date of enactment of this Act, the Office of Homeland Security shall submit a report to Congress on the information that is needed from any United States agency to effectively screen visa applicants and applicants for admission to the United States to identify those affiliated with terrorist organizations or those

Deadline.

PUBLIC LAW 107-56—OCT. 26, 2001

that pose any threat to the safety or security of the United States, including the type of information currently received by United States agencies and the regularity with which such information is transmitted to the Secretary of State and the Attorney General.

SEC. 415. PARTICIPATION OF OFFICE OF HOMELAND SECURITY ON ENTRY-EXIT TASK FORCE.

8 USC 1365a
note.

Section 3 of the Immigration and Naturalization Service Data Management Improvement Act of 2000 (Public Law 106-215) is amended by striking “and the Secretary of the Treasury,” and inserting “the Secretary of the Treasury, and the Office of Homeland Security”.

SEC. 416. FOREIGN STUDENT MONITORING PROGRAM.

8 USC 1372 note.

(a) **FULL IMPLEMENTATION AND EXPANSION OF FOREIGN STUDENT VISA MONITORING PROGRAM REQUIRED.**—The Attorney General, in consultation with the Secretary of State, shall fully implement and expand the program established by section 641(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372(a)).

8 USC 1372 note.

(b) **INTEGRATION WITH PORT OF ENTRY INFORMATION.**—For each alien with respect to whom information is collected under section 641 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372), the Attorney General, in consultation with the Secretary of State, shall include information on the date of entry and port of entry.

(c) **EXPANSION OF SYSTEM TO INCLUDE OTHER APPROVED EDUCATIONAL INSTITUTIONS.**—Section 641 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372) is amended—

(1) in subsection (a)(1), subsection (c)(4)(A), and subsection (d)(1) (in the text above subparagraph (A)), by inserting “, other approved educational institutions,” after “higher education” each place it appears;

(2) in subsections (c)(1)(C), (c)(1)(D), and (d)(1)(A), by inserting “, or other approved educational institution,” after “higher education” each place it appears;

(3) in subsections (d)(2), (e)(1), and (e)(2), by inserting “, other approved educational institution,” after “higher education” each place it appears; and

(4) in subsection (h), by adding at the end the following new paragraph:

“(3) **OTHER APPROVED EDUCATIONAL INSTITUTION.**—The term ‘other approved educational institution’ includes any air flight school, language training school, or vocational school, approved by the Attorney General, in consultation with the Secretary of Education and the Secretary of State, under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act.”

Effective date.
Termination
date.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Department of Justice \$36,800,000 for the period beginning on the date of enactment of this Act and ending on January 1, 2003, to fully implement and expand prior to January 1, 2003, the program established by section 641(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372(a)).

SEC. 417. MACHINE READABLE PASSPORTS.

Termination
date.
8 USC 1187 note.

(a) **AUDITS.**—The Secretary of State shall, each fiscal year until September 30, 2007—

(1) perform annual audits of the implementation of section 217(c)(2)(B) of the Immigration and Nationality Act (8 U.S.C. 1187(c)(2)(B));

(2) check for the implementation of precautionary measures to prevent the counterfeiting and theft of passports; and

PUBLIC LAW 107-56—OCT. 26, 2001

(3) ascertain that countries designated under the visa waiver program have established a program to develop tamper-resistant passports.

(b) PERIODIC REPORTS.—Beginning one year after the date of enactment of this Act, and every year thereafter until 2007, the Secretary of State shall submit a report to Congress setting forth the findings of the most recent audit conducted under subsection (a)(1).

Effective date.
Termination
date.
8 USC 1187 note.

(c) ADVANCING DEADLINE FOR SATISFACTION OF REQUIREMENT.—Section 217(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1187(a)(3)) is amended by striking “2007” and inserting “2003”.

(d) WAIVER.—Section 217(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1187(a)(3)) is amended—

(1) by striking “On or after” and inserting the following:

“(A) IN GENERAL.—Except as provided in subparagraph (B), on or after”; and

(2) by adding at the end the following:

“(B) LIMITED WAIVER AUTHORITY.—For the period beginning October 1, 2003, and ending September 30, 2007, the Secretary of State may waive the requirement of subparagraph (A) with respect to nationals of a program country (as designated under subsection (c)), if the Secretary of State finds that the program country—

Effective date.
Termination
date.

“(i) is making progress toward ensuring that passports meeting the requirement of subparagraph (A) are generally available to its nationals; and

“(ii) has taken appropriate measures to protect against misuse of passports the country has issued that do not meet the requirement of subparagraph (A).”.

SEC. 418. PREVENTION OF CONSULATE SHOPPING.

8 USC 1201 note.

(a) REVIEW.—The Secretary of State shall review how consular officers issue visas to determine if consular shopping is a problem.

(b) ACTIONS TO BE TAKEN.—If the Secretary of State determines under subsection (a) that consular shopping is a problem, the Secretary shall take steps to address the problem and shall submit a report to Congress describing what action was taken.

Subtitle C—Preservation of Immigration Benefits for Victims of Terrorism

SEC. 421. SPECIAL IMMIGRANT STATUS.

(a) IN GENERAL.—For purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), the Attorney General may provide an alien described in subsection (b) with the status of a special immigrant under section 101(a)(27) of such Act (8 U.S.C. 1101(a)(27)), if the alien—

(1) files with the Attorney General a petition under section 204 of such Act (8 U.S.C. 1154) for classification under section 203(b)(4) of such Act (8 U.S.C. 1153(b)(4)); and

(2) is otherwise eligible to receive an immigrant visa and is otherwise admissible to the United States for permanent residence, except in determining such admissibility, the grounds for inadmissibility specified in section 212(a)(4) of such Act (8 U.S.C. 1182(a)(4)) shall not apply.

(b) ALIENS DESCRIBED.—

(1) PRINCIPAL ALIENS.—An alien is described in this subsection if—

(A) the alien was the beneficiary of—

(i) a petition that was filed with the Attorney General on or before September 11, 2001—

PUBLIC LAW 107-56—OCT. 26, 2001

(I) under section 204 of the Immigration and Nationality Act (8 U.S.C. 1154) to classify the alien as a family-sponsored immigrant under section 203(a) of such Act (8 U.S.C. 1153(a)) or as an employment-based immigrant under section 203(b) of such Act (8 U.S.C. 1153(b)); or

(II) under section 214(d) (8 U.S.C. 1184(d)) of such Act to authorize the issuance of a non-immigrant visa to the alien under section 101(a)(15)(K) of such Act (8 U.S.C. 1101(a)(15)(K)); or

(ii) an application for labor certification under section 212(a)(5)(A) of such Act (8 U.S.C. 1182(a)(5)(A)) that was filed under regulations of the Secretary of Labor on or before such date; and

(B) such petition or application was revoked or terminated (or otherwise rendered null), either before or after its approval, due to a specified terrorist activity that directly resulted in—

(i) the death or disability of the petitioner, applicant, or alien beneficiary; or

(ii) loss of employment due to physical damage to, or destruction of, the business of the petitioner or applicant.

(2) SPOUSES AND CHILDREN.—

(A) IN GENERAL.—An alien is described in this subsection if—

(i) the alien was, on September 10, 2001, the spouse or child of a principal alien described in paragraph (1); and

(ii) the alien—

(I) is accompanying such principal alien; or

(II) is following to join such principal alien not later than September 11, 2003.

(B) CONSTRUCTION.—For purposes of construing the terms “accompanying” and “following to join” in subparagraph (A)(ii), any death of a principal alien that is described in paragraph (1)(B)(i) shall be disregarded.

(3) GRANDPARENTS OF ORPHANS.—An alien is described in this subsection if the alien is a grandparent of a child, both of whose parents died as a direct result of a specified terrorist activity, if either of such deceased parents was, on September 10, 2001, a citizen or national of the United States or an alien lawfully admitted for permanent residence in the United States.

(c) PRIORITY DATE.—Immigrant visas made available under this section shall be issued to aliens in the order in which a petition on behalf of each such alien is filed with the Attorney General under subsection (a)(1), except that if an alien was assigned a priority date with respect to a petition described in subsection (b)(1)(A)(i), the alien may maintain that priority date.

(d) NUMERICAL LIMITATIONS.—For purposes of the application of sections 201 through 203 of the Immigration and Nationality Act (8 U.S.C. 1151–1153) in any fiscal year, aliens eligible to be provided status under this section shall be treated as special immigrants described in section 101(a)(27) of such Act (8 U.S.C. 1101(a)(27)) who are not described in subparagraph (A), (B), (C), or (K) of such section.

SEC. 422. EXTENSION OF FILING OR REENTRY DEADLINES.

(a) AUTOMATIC EXTENSION OF NONIMMIGRANT STATUS.—

(1) IN GENERAL.—Notwithstanding section 214 of the Immigration and Nationality Act (8 U.S.C. 1184), in the case of an alien described in paragraph (2) who was lawfully present in the United States as a nonimmigrant on September 10,

PUBLIC LAW 107-56—OCT. 26, 2001

2001, the alien may remain lawfully in the United States in the same nonimmigrant status until the later of—

(A) the date such lawful nonimmigrant status otherwise would have terminated if this subsection had not been enacted; or

(B) 1 year after the death or onset of disability described in paragraph (2).

(2) ALIENS DESCRIBED.—

(A) PRINCIPAL ALIENS.—An alien is described in this paragraph if the alien was disabled as a direct result of a specified terrorist activity.

(B) SPOUSES AND CHILDREN.—An alien is described in this paragraph if the alien was, on September 10, 2001, the spouse or child of—

(i) a principal alien described in subparagraph (A);

or

(ii) an alien who died as a direct result of a specified terrorist activity.

(3) AUTHORIZED EMPLOYMENT.—During the period in which a principal alien or alien spouse is in lawful nonimmigrant status under paragraph (1), the alien shall be provided an “employment authorized” endorsement or other appropriate document signifying authorization of employment not later than 30 days after the alien requests such authorization.

(b) NEW DEADLINES FOR EXTENSION OR CHANGE OF NON-IMMIGRANT STATUS.—

(1) FILING DELAYS.—In the case of an alien who was lawfully present in the United States as a nonimmigrant on September 10, 2001, if the alien was prevented from filing a timely application for an extension or change of nonimmigrant status as a direct result of a specified terrorist activity, the alien’s application shall be considered timely filed if it is filed not later than 60 days after it otherwise would have been due.

(2) DEPARTURE DELAYS.—In the case of an alien who was lawfully present in the United States as a nonimmigrant on September 10, 2001, if the alien is unable timely to depart the United States as a direct result of a specified terrorist activity, the alien shall not be considered to have been unlawfully present in the United States during the period beginning on September 11, 2001, and ending on the date of the alien’s departure, if such departure occurs on or before November 11, 2001.

(3) SPECIAL RULE FOR ALIENS UNABLE TO RETURN FROM ABROAD.—

(A) PRINCIPAL ALIENS.—In the case of an alien who was in a lawful nonimmigrant status on September 10, 2001, but who was not present in the United States on such date, if the alien was prevented from returning to the United States in order to file a timely application for an extension of nonimmigrant status as a direct result of a specified terrorist activity—

(i) the alien’s application shall be considered timely filed if it is filed not later than 60 days after it otherwise would have been due; and

(ii) the alien’s lawful nonimmigrant status shall be considered to continue until the later of—

(I) the date such status otherwise would have terminated if this subparagraph had not been enacted; or

(II) the date that is 60 days after the date on which the application described in clause (i) otherwise would have been due.

(B) SPOUSES AND CHILDREN.—In the case of an alien who is the spouse or child of a principal alien described

PUBLIC LAW 107-56—OCT. 26, 2001

in subparagraph (A), if the spouse or child was in a lawful nonimmigrant status on September 10, 2001, the spouse or child may remain lawfully in the United States in the same nonimmigrant status until the later of—

(i) the date such lawful nonimmigrant status otherwise would have terminated if this subparagraph had not been enacted; or

(ii) the date that is 60 days after the date on which the application described in subparagraph (A) otherwise would have been due.

(4) CIRCUMSTANCES PREVENTING TIMELY ACTION.—

(A) FILING DELAYS.—For purposes of paragraph (1), circumstances preventing an alien from timely acting are—

(i) office closures;

(ii) mail or courier service cessations or delays; and

(iii) other closures, cessations, or delays affecting case processing or travel necessary to satisfy legal requirements.

(B) DEPARTURE AND RETURN DELAYS.—For purposes of paragraphs (2) and (3), circumstances preventing an alien from timely acting are—

(i) office closures;

(ii) airline flight cessations or delays; and

(iii) other closures, cessations, or delays affecting case processing or travel necessary to satisfy legal requirements.

(c) DIVERSITY IMMIGRANTS.—

(1) WAIVER OF FISCAL YEAR LIMITATION.—Notwithstanding section 203(e)(2) of the Immigration and Nationality Act (8 U.S.C. 1153(e)(2)), an immigrant visa number issued to an alien under section 203(c) of such Act for fiscal year 2001 may be used by the alien during the period beginning on October 1, 2001, and ending on April 1, 2002, if the alien establishes that the alien was prevented from using it during fiscal year 2001 as a direct result of a specified terrorist activity.

(2) WORLDWIDE LEVEL.—In the case of an alien entering the United States as a lawful permanent resident, or adjusting to that status, under paragraph (1) or (3), the alien shall be counted as a diversity immigrant for fiscal year 2001 for purposes of section 201(e) of the Immigration and Nationality Act (8 U.S.C. 1151(e)), unless the worldwide level under such section for such year has been exceeded, in which case the alien shall be counted as a diversity immigrant for fiscal year 2002.

(3) TREATMENT OF FAMILY MEMBERS OF CERTAIN ALIENS.—In the case of a principal alien issued an immigrant visa number under section 203(c) of the Immigration and Nationality Act (8 U.S.C. 1153(c)) for fiscal year 2001, if such principal alien died as a direct result of a specified terrorist activity, the aliens who were, on September 10, 2001, the spouse and children of such principal alien shall, until June 30, 2002, if not otherwise entitled to an immigrant status and the immediate issuance of a visa under subsection (a), (b), or (c) of section 203 of such Act, be entitled to the same status, and the same order of consideration, that would have been provided to such alien spouse or child under section 203(d) of such Act as if the principal alien were not deceased and as if the spouse or child's visa application had been adjudicated by September 30, 2001.

(4) CIRCUMSTANCES PREVENTING TIMELY ACTION.—For purposes of paragraph (1), circumstances preventing an alien from using an immigrant visa number during fiscal year 2001 are—

(A) office closures;

(B) mail or courier service cessations or delays;

PUBLIC LAW 107-56—OCT. 26, 2001

(C) airline flight cessations or delays; and

(D) other closures, cessations, or delays affecting case processing or travel necessary to satisfy legal requirements.

(d) EXTENSION OF EXPIRATION OF IMMIGRANT VISAS.—

(1) IN GENERAL.—Notwithstanding the limitations under section 221(c) of the Immigration and Nationality Act (8 U.S.C. 1201(c)), in the case of any immigrant visa issued to an alien that expires or expired before December 31, 2001, if the alien was unable to effect entry into the United States as a direct result of a specified terrorist activity, then the period of validity of the visa is extended until December 31, 2001, unless a longer period of validity is otherwise provided under this subtitle.

(2) CIRCUMSTANCES PREVENTING ENTRY.—For purposes of this subsection, circumstances preventing an alien from effecting entry into the United States are—

(A) office closures;

(B) airline flight cessations or delays; and

(C) other closures, cessations, or delays affecting case processing or travel necessary to satisfy legal requirements.

(e) GRANTS OF PAROLE EXTENDED.—

(1) IN GENERAL.—In the case of any parole granted by the Attorney General under section 212(d)(5) of the Immigration and Nationality Act (8 U.S.C. 1182(d)(5)) that expires on a date on or after September 11, 2001, if the alien beneficiary of the parole was unable to return to the United States prior to the expiration date as a direct result of a specified terrorist activity, the parole is deemed extended for an additional 90 days.

(2) CIRCUMSTANCES PREVENTING RETURN.—For purposes of this subsection, circumstances preventing an alien from timely returning to the United States are—

(A) office closures;

(B) airline flight cessations or delays; and

(C) other closures, cessations, or delays affecting case processing or travel necessary to satisfy legal requirements.

(f) VOLUNTARY DEPARTURE.—Notwithstanding section 240B of the Immigration and Nationality Act (8 U.S.C. 1229c), if a period for voluntary departure under such section expired during the period beginning on September 11, 2001, and ending on October 11, 2001, such voluntary departure period is deemed extended for an additional 30 days.

SEC. 423. HUMANITARIAN RELIEF FOR CERTAIN SURVIVING SPOUSES AND CHILDREN.

(a) TREATMENT AS IMMEDIATE RELATIVES.—

(1) SPOUSES.—Notwithstanding the second sentence of section 201(b)(2)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1151(b)(2)(A)(i)), in the case of an alien who was the spouse of a citizen of the United States at the time of the citizen's death and was not legally separated from the citizen at the time of the citizen's death, if the citizen died as a direct result of a specified terrorist activity, the alien (and each child of the alien) shall be considered, for purposes of section 201(b) of such Act, to remain an immediate relative after the date of the citizen's death, but only if the alien files a petition under section 204(a)(1)(A)(ii) of such Act within 2 years after such date and only until the date the alien remarries. For purposes of such section 204(a)(1)(A)(ii), an alien granted relief under the preceding sentence shall be considered an alien spouse described in the second sentence of section 201(b)(2)(A)(i) of such Act.

(2) CHILDREN.—

(A) IN GENERAL.—In the case of an alien who was the child of a citizen of the United States at the time

PUBLIC LAW 107-56—OCT. 26, 2001

of the citizen's death, if the citizen died as a direct result of a specified terrorist activity, the alien shall be considered, for purposes of section 201(b) of the Immigration and Nationality Act (8 U.S.C. 1151(b)), to remain an immediate relative after the date of the citizen's death (regardless of changes in age or marital status thereafter), but only if the alien files a petition under subparagraph (B) within 2 years after such date.

(B) PETITIONS.—An alien described in subparagraph (A) may file a petition with the Attorney General for classification of the alien under section 201(b)(2)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1151(b)(2)(A)(i)). For purposes of such Act, such a petition shall be considered a petition filed under section 204(a)(1)(A) of such Act (8 U.S.C. 1154(a)(1)(A)).

(b) SPOUSES, CHILDREN, UNMARRIED SONS AND DAUGHTERS OF LAWFUL PERMANENT RESIDENT ALIENS.—

(1) IN GENERAL.—Any spouse, child, or unmarried son or daughter of an alien described in paragraph (3) who is included in a petition for classification as a family-sponsored immigrant under section 203(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(2)) that was filed by such alien before September 11, 2001, shall be considered (if the spouse, child, son, or daughter has not been admitted or approved for lawful permanent residence by such date) a valid petitioner for preference status under such section with the same priority date as that assigned prior to the death described in paragraph (3)(A). No new petition shall be required to be filed. Such spouse, child, son, or daughter may be eligible for deferred action and work authorization.

(2) SELF-PETITIONS.—Any spouse, child, or unmarried son or daughter of an alien described in paragraph (3) who is not a beneficiary of a petition for classification as a family-sponsored immigrant under section 203(a)(2) of the Immigration and Nationality Act may file a petition for such classification with the Attorney General, if the spouse, child, son, or daughter was present in the United States on September 11, 2001. Such spouse, child, son, or daughter may be eligible for deferred action and work authorization.

(3) ALIENS DESCRIBED.—An alien is described in this paragraph if the alien—

(A) died as a direct result of a specified terrorist activity; and

(B) on the day of such death, was lawfully admitted for permanent residence in the United States.

(c) APPLICATIONS FOR ADJUSTMENT OF STATUS BY SURVIVING SPOUSES AND CHILDREN OF EMPLOYMENT-BASED IMMIGRANTS.—

(1) IN GENERAL.—Any alien who was, on September 10, 2001, the spouse or child of an alien described in paragraph (2), and who applied for adjustment of status prior to the death described in paragraph (2)(A), may have such application adjudicated as if such death had not occurred.

(2) ALIENS DESCRIBED.—An alien is described in this paragraph if the alien—

(A) died as a direct result of a specified terrorist activity; and

(B) on the day before such death, was—

(i) an alien lawfully admitted for permanent residence in the United States by reason of having been allotted a visa under section 203(b) of the Immigration and Nationality Act (8 U.S.C. 1153(b)); or

(ii) an applicant for adjustment of status to that of an alien described in clause (i), and admissible to the United States for permanent residence.

PUBLIC LAW 107-56—OCT. 26, 2001

(d) **WAIVER OF PUBLIC CHARGE GROUNDS.**—In determining the admissibility of any alien accorded an immigration benefit under this section, the grounds for inadmissibility specified in section 212(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(4)) shall not apply.

SEC. 424. “AGE-OUT” PROTECTION FOR CHILDREN.

For purposes of the administration of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), in the case of an alien—

(1) whose 21st birthday occurs in September 2001, and who is the beneficiary of a petition or application filed under such Act on or before September 11, 2001, the alien shall be considered to be a child for 90 days after the alien’s 21st birthday for purposes of adjudicating such petition or application; and

(2) whose 21st birthday occurs after September 2001, and who is the beneficiary of a petition or application filed under such Act on or before September 11, 2001, the alien shall be considered to be a child for 45 days after the alien’s 21st birthday for purposes of adjudicating such petition or application.

SEC. 425. TEMPORARY ADMINISTRATIVE RELIEF.

The Attorney General, for humanitarian purposes or to ensure family unity, may provide temporary administrative relief to any alien who—

(1) was lawfully present in the United States on September 10, 2001;

(2) was on such date the spouse, parent, or child of an individual who died or was disabled as a direct result of a specified terrorist activity; and

(3) is not otherwise entitled to relief under any other provision of this subtitle.

SEC. 426. EVIDENCE OF DEATH, DISABILITY, OR LOSS OF EMPLOYMENT.

(a) **IN GENERAL.**—The Attorney General shall establish appropriate standards for evidence demonstrating, for purposes of this subtitle, that any of the following occurred as a direct result of a specified terrorist activity:

(1) Death.

(2) Disability.

(3) Loss of employment due to physical damage to, or destruction of, a business.

(b) **WAIVER OF REGULATIONS.**—The Attorney General shall carry out subsection (a) as expeditiously as possible. The Attorney General is not required to promulgate regulations prior to implementing this subtitle.

SEC. 427. NO BENEFITS TO TERRORISTS OR FAMILY MEMBERS OF TERRORISTS.

Notwithstanding any other provision of this subtitle, nothing in this subtitle shall be construed to provide any benefit or relief to—

(1) any individual culpable for a specified terrorist activity;

or

(2) any family member of any individual described in paragraph (1).

SEC. 428. DEFINITIONS.

(a) **APPLICATION OF IMMIGRATION AND NATIONALITY ACT PROVISIONS.**—Except as otherwise specifically provided in this subtitle, the definitions used in the Immigration and Nationality Act (excluding the definitions applicable exclusively to title III of such Act) shall apply in the administration of this subtitle.

PUBLIC LAW 107-56—OCT. 26, 2001

(b) SPECIFIED TERRORIST ACTIVITY.—For purposes of this subtitle, the term “specified terrorist activity” means any terrorist activity conducted against the Government or the people of the United States on September 11, 2001.

TITLE V—REMOVING OBSTACLES TO INVESTIGATING TERRORISM

18 USC 3071
note.

SEC. 501. ATTORNEY GENERAL'S AUTHORITY TO PAY REWARDS TO COMBAT TERRORISM.

(a) PAYMENT OF REWARDS TO COMBAT TERRORISM.—Funds available to the Attorney General may be used for the payment of rewards pursuant to public advertisements for assistance to the Department of Justice to combat terrorism and defend the Nation against terrorist acts, in accordance with procedures and regulations established or issued by the Attorney General.

(b) CONDITIONS.—In making rewards under this section—

(1) no such reward of \$250,000 or more may be made or offered without the personal approval of either the Attorney General or the President;

Notice.
Deadline.

(2) the Attorney General shall give written notice to the Chairmen and ranking minority members of the Committees on Appropriations and the Judiciary of the Senate and of the House of Representatives not later than 30 days after the approval of a reward under paragraph (1);

(3) any executive agency or military department (as defined, respectively, in sections 105 and 102 of title 5, United States Code) may provide the Attorney General with funds for the payment of rewards;

(4) neither the failure of the Attorney General to authorize a payment nor the amount authorized shall be subject to judicial review; and

(5) no such reward shall be subject to any per- or aggregate reward spending limitation established by law, unless that law expressly refers to this section, and no reward paid pursuant to any such offer shall count toward any such aggregate reward spending limitation.

SEC. 502. SECRETARY OF STATE'S AUTHORITY TO PAY REWARDS.

Section 36 of the State Department Basic Authorities Act of 1956 (Public Law 885, August 1, 1956; 22 U.S.C. 2708) is amended—

(1) in subsection (b)—

(A) in paragraph (4), by striking “or” at the end;

(B) in paragraph (5), by striking the period at the end and inserting “, including by dismantling an organization in whole or significant part; or”; and

(C) by adding at the end the following:

“(6) the identification or location of an individual who holds a key leadership position in a terrorist organization.”;

(2) in subsection (d), by striking paragraphs (2) and (3) and redesignating paragraph (4) as paragraph (2); and

(3) in subsection (e)(1), by inserting “, except as personally authorized by the Secretary of State if he determines that offer or payment of an award of a larger amount is necessary to combat terrorism or defend the Nation against terrorist acts.” after “\$5,000,000”.

SEC. 503. DNA IDENTIFICATION OF TERRORISTS AND OTHER VIOLENT OFFENDERS.

Section 3(d)(2) of the DNA Analysis Backlog Elimination Act of 2000 (42 U.S.C. 14135a(d)(2)) is amended to read as follows:

“(2) In addition to the offenses described in paragraph (1), the following offenses shall be treated for purposes of this

PUBLIC LAW 107-56—OCT. 26, 2001

section as qualifying Federal offenses, as determined by the Attorney General:

“(A) Any offense listed in section 2332b(g)(5)(B) of title 18, United States Code.

“(B) Any crime of violence (as defined in section 16 of title 18, United States Code).

“(C) Any attempt or conspiracy to commit any of the above offenses.”.

SEC. 504. COORDINATION WITH LAW ENFORCEMENT.

(a) **INFORMATION ACQUIRED FROM AN ELECTRONIC SURVEILLANCE.**—Section 106 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1806), is amended by adding at the end the following:

“(k)(1) Federal officers who conduct electronic surveillance to acquire foreign intelligence information under this title may consult with Federal law enforcement officers to coordinate efforts to investigate or protect against—

“(A) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

“(B) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

“(C) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power.

“(2) Coordination authorized under paragraph (1) shall not preclude the certification required by section 104(a)(7)(B) or the entry of an order under section 105.”.

(b) **INFORMATION ACQUIRED FROM A PHYSICAL SEARCH.**—Section 305 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1825) is amended by adding at the end the following:

“(k)(1) Federal officers who conduct physical searches to acquire foreign intelligence information under this title may consult with Federal law enforcement officers to coordinate efforts to investigate or protect against—

“(A) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

“(B) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

“(C) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power.

“(2) Coordination authorized under paragraph (1) shall not preclude the certification required by section 303(a)(7) or the entry of an order under section 304.”.

SEC. 505. MISCELLANEOUS NATIONAL SECURITY AUTHORITIES.

(a) **TELEPHONE TOLL AND TRANSACTIONAL RECORDS.**—Section 2709(b) of title 18, United States Code, is amended—

(1) in the matter preceding paragraph (1), by inserting “at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director” after “Assistant Director”;

(2) in paragraph (1)—

(A) by striking “in a position not lower than Deputy Assistant Director”; and

(B) by striking “made that” and all that follows and inserting the following: “made that the name, address, length of service, and toll billing records sought are relevant to an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely on the basis of activities protected by the first amendment to the Constitution of the United States; and”; and

PUBLIC LAW 107-56—OCT. 26, 2001

(3) in paragraph (2)—

(A) by striking “in a position not lower than Deputy Assistant Director”; and

(B) by striking “made that” and all that follows and inserting the following: “made that the information sought is relevant to an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.”.

(b) FINANCIAL RECORDS.—Section 1114(a)(5)(A) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3414(a)(5)(A)) is amended—

(1) by inserting “in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director” after “designee”; and

(2) by striking “sought” and all that follows and inserting “sought for foreign counter intelligence purposes to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.”.

(c) CONSUMER REPORTS.—Section 624 of the Fair Credit Reporting Act (15 U.S.C. 1681u) is amended—

(1) in subsection (a)—

(A) by inserting “in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge of a Bureau field office designated by the Director” after “designee” the first place it appears; and

(B) by striking “in writing that” and all that follows through the end and inserting the following: “in writing, that such information is sought for the conduct of an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.”;

(2) in subsection (b)—

(A) by inserting “in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge of a Bureau field office designated by the Director” after “designee” the first place it appears; and

(B) by striking “in writing that” and all that follows through the end and inserting the following: “in writing that such information is sought for the conduct of an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.”; and

(3) in subsection (c)—

(A) by inserting “in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director” after “designee of the Director”; and

(B) by striking “in camera that” and all that follows through “States.” and inserting the following: “in camera that the consumer report is sought for the conduct of an

PUBLIC LAW 107-56—OCT. 26, 2001

authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.”.

SEC. 506. EXTENSION OF SECRET SERVICE JURISDICTION.

(a) CONCURRENT JURISDICTION UNDER 18 U.S.C. 1030.—Section 1030(d) of title 18, United States Code, is amended to read as follows:

“(d)(1) The United States Secret Service shall, in addition to any other agency having such authority, have the authority to investigate offenses under this section.

“(2) The Federal Bureau of Investigation shall have primary authority to investigate offenses under subsection (a)(1) for any cases involving espionage, foreign counterintelligence, information protected against unauthorized disclosure for reasons of national defense or foreign relations, or Restricted Data (as that term is defined in section 11y of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)), except for offenses affecting the duties of the United States Secret Service pursuant to section 3056(a) of this title.

“(3) Such authority shall be exercised in accordance with an agreement which shall be entered into by the Secretary of the Treasury and the Attorney General.”.

(b) REAUTHORIZATION OF JURISDICTION UNDER 18 U.S.C. 1344.—Section 3056(b)(3) of title 18, United States Code, is amended by striking “credit and debit card frauds, and false identification documents or devices” and inserting “access device frauds, false identification documents or devices, and any fraud or other criminal or unlawful activity in or against any federally insured financial institution”.

SEC. 507. DISCLOSURE OF EDUCATIONAL RECORDS.

Section 444 of the General Education Provisions Act (20 U.S.C. 1232g), is amended by adding after subsection (i) a new subsection (j) to read as follows:

“(j) INVESTIGATION AND PROSECUTION OF TERRORISM.—

“(1) IN GENERAL.—Notwithstanding subsections (a) through (i) or any provision of State law, the Attorney General (or any Federal officer or employee, in a position not lower than an Assistant Attorney General, designated by the Attorney General) may submit a written application to a court of competent jurisdiction for an ex parte order requiring an educational agency or institution to permit the Attorney General (or his designee) to—

“(A) collect education records in the possession of the educational agency or institution that are relevant to an authorized investigation or prosecution of an offense listed in section 2332b(g)(5)(B) of title 18 United States Code, or an act of domestic or international terrorism as defined in section 2331 of that title; and

“(B) for official purposes related to the investigation or prosecution of an offense described in paragraph (1)(A), retain, disseminate, and use (including as evidence at trial or in other administrative or judicial proceedings) such records, consistent with such guidelines as the Attorney General, after consultation with the Secretary, shall issue to protect confidentiality.

“(2) APPLICATION AND APPROVAL.—

“(A) IN GENERAL.—An application under paragraph (1) shall certify that there are specific and articulable facts giving reason to believe that the education records are likely to contain information described in paragraph (1)(A).

PUBLIC LAW 107-56—OCT. 26, 2001

Courts.

“(B) The court shall issue an order described in paragraph (1) if the court finds that the application for the order includes the certification described in subparagraph (A).

“(3) PROTECTION OF EDUCATIONAL AGENCY OR INSTITUTION.—An educational agency or institution that, in good faith, produces education records in accordance with an order issued under this subsection shall not be liable to any person for that production.

“(4) RECORD-KEEPING.—Subsection (b)(4) does not apply to education records subject to a court order under this subsection.”.

SEC. 508. DISCLOSURE OF INFORMATION FROM NCES SURVEYS.

Section 408 of the National Education Statistics Act of 1994 (20 U.S.C. 9007), is amended by adding after subsection (b) a new subsection (c) to read as follows:

“(c) INVESTIGATION AND PROSECUTION OF TERRORISM.—

“(1) IN GENERAL.—Notwithstanding subsections (a) and (b), the Attorney General (or any Federal officer or employee, in a position not lower than an Assistant Attorney General, designated by the Attorney General) may submit a written application to a court of competent jurisdiction for an ex parte order requiring the Secretary to permit the Attorney General (or his designee) to—

“(A) collect reports, records, and information (including individually identifiable information) in the possession of the center that are relevant to an authorized investigation or prosecution of an offense listed in section 2332b(g)(5)(B) of title 18, United States Code, or an act of domestic or international terrorism as defined in section 2331 of that title; and

“(B) for official purposes related to the investigation or prosecution of an offense described in paragraph (1)(A), retain, disseminate, and use (including as evidence at trial or in other administrative or judicial proceedings) such information, consistent with such guidelines as the Attorney General, after consultation with the Secretary, shall issue to protect confidentiality.

“(2) APPLICATION AND APPROVAL.—

Certification.

“(A) IN GENERAL.—An application under paragraph (1) shall certify that there are specific and articulable facts giving reason to believe that the information sought is described in paragraph (1)(A).

Courts.

“(B) The court shall issue an order described in paragraph (1) if the court finds that the application for the order includes the certification described in subparagraph (A).

“(3) PROTECTION.—An officer or employee of the Department who, in good faith, produces information in accordance with an order issued under this subsection does not violate subsection (b)(2) and shall not be liable to any person for that production.”.

PUBLIC LAW 107-56—OCT. 26, 2001

TITLE VI—PROVIDING FOR VICTIMS OF TERRORISM, PUBLIC SAFETY OFFI- CERS, AND THEIR FAMILIES

Subtitle A—Aid to Families of Public Safety Officers

SEC. 611. EXPEDITED PAYMENT FOR PUBLIC SAFETY OFFICERS INVOLVED IN THE PREVENTION, INVESTIGATION, RESCUE, OR RECOVERY EFFORTS RELATED TO A TERRORIST ATTACK. 42 USC 3796c-1.

(a) **IN GENERAL.**—Notwithstanding the limitations of subsection (b) of section 1201 or the provisions of subsections (c), (d), and (e) of such section or section 1202 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796, 3796a), upon certification (containing identification of all eligible payees of benefits pursuant to section 1201 of such Act) by a public agency that a public safety officer employed by such agency was killed or suffered a catastrophic injury producing permanent and total disability as a direct and proximate result of a personal injury sustained in the line of duty as described in section 1201 of such Act in connection with prevention, investigation, rescue, or recovery efforts related to a terrorist attack, the Director of the Bureau of Justice Assistance shall authorize payment to qualified beneficiaries, said payment to be made not later than 30 days after receipt of such certification, benefits described under subpart 1 of part L of such Act (42 U.S.C. 3796 et seq.).

(b) **DEFINITIONS.**—For purposes of this section, the terms “catastrophic injury”, “public agency”, and “public safety officer” have the same meanings given such terms in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b).

SEC. 612. TECHNICAL CORRECTION WITH RESPECT TO EXPEDITED PAYMENTS FOR HEROIC PUBLIC SAFETY OFFICERS.

Section 1 of Public Law 107-37 (an Act to provide for the expedited payment of certain benefits for a public safety officer who was killed or suffered a catastrophic injury as a direct and proximate result of a personal injury sustained in the line of duty in connection with the terrorist attacks of September 11, 2001) is amended by—

Ante, p. 219.

(1) inserting before “by a” the following: “(containing identification of all eligible payees of benefits pursuant to section 1201)”;

(2) inserting “producing permanent and total disability” after “suffered a catastrophic injury”; and

(3) striking “1201(a)” and inserting “1201”.

SEC. 613. PUBLIC SAFETY OFFICERS BENEFIT PROGRAM PAYMENT INCREASE.

(a) **PAYMENTS.**—Section 1201(a) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended by striking “\$100,000” and inserting “\$250,000”.

(b) **APPLICABILITY.**—The amendment made by subsection (a) shall apply to any death or disability occurring on or after January 1, 2001.

42 USC 3796
note.

SEC. 614. OFFICE OF JUSTICE PROGRAMS.

Section 112 of title I of section 101(b) of division A of Public Law 105-277 and section 108(a) of appendix A of Public Law 106-113 (113 Stat. 1501A-20) are amended—

42 USC 3751
note.

PUBLIC LAW 107-56—OCT. 26, 2001

(1) after “that Office”, each place it occurs, by inserting “(including, notwithstanding any contrary provision of law (unless the same should expressly refer to this section), any organization that administers any program established in title 1 of Public Law 90-351)”; and

(2) by inserting “functions, including any” after “all”.

Subtitle B—Amendments to the Victims of Crime Act of 1984

SEC. 621. CRIME VICTIMS FUND.

(a) DEPOSIT OF GIFTS IN THE FUND.—Section 1402(b) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(b)) is amended—

(1) in paragraph (3), by striking “and” at the end;

(2) in paragraph (4), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(5) any gifts, bequests, or donations to the Fund from private entities or individuals.”

(b) FORMULA FOR FUND DISTRIBUTIONS.—Section 1402(c) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(c)) is amended to read as follows:

“(c) FUND DISTRIBUTION; RETENTION OF SUMS IN FUND; AVAILABILITY FOR EXPENDITURE WITHOUT FISCAL YEAR LIMITATION.—

“(1) Subject to the availability of money in the Fund, in each fiscal year, beginning with fiscal year 2003, the Director shall distribute not less than 90 percent nor more than 110 percent of the amount distributed from the Fund in the previous fiscal year, except the Director may distribute up to 120 percent of the amount distributed in the previous fiscal year in any fiscal year that the total amount available in the Fund is more than 2 times the amount distributed in the previous fiscal year.

“(2) In each fiscal year, the Director shall distribute amounts from the Fund in accordance with subsection (d). All sums not distributed during a fiscal year shall remain in reserve in the Fund to be distributed during a subsequent fiscal year. Notwithstanding any other provision of law, all sums deposited in the Fund that are not distributed shall remain in reserve in the Fund for obligation in future fiscal years, without fiscal year limitation.”

(c) ALLOCATION OF FUNDS FOR COSTS AND GRANTS.—Section 1402(d)(4) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)(4)) is amended—

(1) by striking “deposited in” and inserting “to be distributed from”;

(2) in subparagraph (A), by striking “48.5” and inserting “47.5”;

(3) in subparagraph (B), by striking “48.5” and inserting “47.5”; and

(4) in subparagraph (C), by striking “3” and inserting “5”.

(d) ANTITERRORISM EMERGENCY RESERVE.—Section 1402(d)(5) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)(5)) is amended to read as follows:

“(5)(A) In addition to the amounts distributed under paragraphs (2), (3), and (4), the Director may set aside up to \$50,000,000 from the amounts transferred to the Fund in response to the airplane hijackings and terrorist acts that occurred on September 11, 2001, as an antiterrorism emergency reserve. The Director may replenish any amounts expended from such reserve in subsequent fiscal years by setting aside up to 5 percent of the amounts remaining in the Fund in

PUBLIC LAW 107-56—OCT. 26, 2001

any fiscal year after distributing amounts under paragraphs (2), (3) and (4). Such reserve shall not exceed \$50,000,000.

“(B) The antiterrorism emergency reserve referred to in subparagraph (A) may be used for supplemental grants under section 1404B and to provide compensation to victims of international terrorism under section 1404C.

“(C) Amounts in the antiterrorism emergency reserve established pursuant to subparagraph (A) may be carried over from fiscal year to fiscal year. Notwithstanding subsection (c) and section 619 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2001 (and any similar limitation on Fund obligations in any future Act, unless the same should expressly refer to this section), any such amounts carried over shall not be subject to any limitation on obligations from amounts deposited to or available in the Fund.”

(e) VICTIMS OF SEPTEMBER 11, 2001.—Amounts transferred to the Crime Victims Fund for use in responding to the airplane hijackings and terrorist acts (including any related search, rescue, relief, assistance, or other similar activities) that occurred on September 11, 2001, shall not be subject to any limitation on obligations from amounts deposited to or available in the Fund, notwithstanding—

42 USC 10601
note.

(1) section 619 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2001, and any similar limitation on Fund obligations in such Act for Fiscal Year 2002; and

(2) subsections (c) and (d) of section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601).

SEC. 622. CRIME VICTIM COMPENSATION.

(a) ALLOCATION OF FUNDS FOR COMPENSATION AND ASSISTANCE.—Paragraphs (1) and (2) of section 1403(a) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(a)) are amended by inserting “in fiscal year 2002 and of 60 percent in subsequent fiscal years” after “40 percent”.

(b) LOCATION OF COMPENSABLE CRIME.—Section 1403(b)(6)(B) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(b)(6)(B)) is amended by striking “are outside the United States (if the compensable crime is terrorism, as defined in section 2331 of title 18), or”.

(c) RELATIONSHIP OF CRIME VICTIM COMPENSATION TO MEANS-TESTED FEDERAL BENEFIT PROGRAMS.—Section 1403 of the Victims of Crime Act of 1984 (42 U.S.C. 10602) is amended by striking subsection (c) and inserting the following:

“(c) EXCLUSION FROM INCOME, RESOURCES, AND ASSETS FOR PURPOSES OF MEANS TESTS.—Notwithstanding any other law (other than title IV of Public Law 107-42), for the purpose of any maximum allowed income, resource, or asset eligibility requirement in any Federal, State, or local government program using Federal funds that provides medical or other assistance (or payment or reimbursement of the cost of such assistance), any amount of crime victim compensation that the applicant receives through a crime victim compensation program under this section shall not be included in the income, resources, or assets of the applicant, nor shall that amount reduce the amount of the assistance available to the applicant from Federal, State, or local government programs using Federal funds, unless the total amount of assistance that the applicant receives from all such programs is sufficient to fully compensate the applicant for losses suffered as a result of the crime.”

(d) DEFINITIONS OF “COMPENSABLE CRIME” AND “STATE”.—Section 1403(d) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(d)) is amended—

PUBLIC LAW 107-56—OCT. 26, 2001

(1) in paragraph (3), by striking “crimes involving terrorism,”; and

(2) in paragraph (4), by inserting “the United States Virgin Islands,” after “the Commonwealth of Puerto Rico,”.

(e) RELATIONSHIP OF ELIGIBLE CRIME VICTIM COMPENSATION PROGRAMS TO THE SEPTEMBER 11TH VICTIM COMPENSATION FUND.—

(1) IN GENERAL.—Section 1403(e) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(e)) is amended by inserting “including the program established under title IV of Public Law 107-42,” after “Federal program,”.

(2) COMPENSATION.—With respect to any compensation payable under title IV of Public Law 107-42, the failure of a crime victim compensation program, after the effective date of final regulations issued pursuant to section 407 of Public Law 107-42, to provide compensation otherwise required pursuant to section 1403 of the Victims of Crime Act of 1984 (42 U.S.C. 10602) shall not render that program ineligible for future grants under the Victims of Crime Act of 1984.

49 USC 40101
note.

SEC. 623. CRIME VICTIM ASSISTANCE.

(a) ASSISTANCE FOR VICTIMS IN THE DISTRICT OF COLUMBIA, PUERTO RICO, AND OTHER TERRITORIES AND POSSESSIONS.—Section 1404(a) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(a)) is amended by adding at the end the following:

“(6) An agency of the Federal Government performing local law enforcement functions in and on behalf of the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, or any other territory or possession of the United States may qualify as an eligible crime victim assistance program for the purpose of grants under this subsection, or for the purpose of grants under subsection (c)(1).”.

(b) PROHIBITION ON DISCRIMINATION AGAINST CERTAIN VICTIMS.—Section 1404(b)(1) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(b)(1)) is amended—

(1) in subparagraph (D), by striking “and” at the end;

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

(3) by adding at the end the following:

“(F) does not discriminate against victims because they disagree with the way the State is prosecuting the criminal case.”.

(c) GRANTS FOR PROGRAM EVALUATION AND COMPLIANCE EFFORTS.—Section 1404(c)(1)(A) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(1)(A)) is amended by inserting “, program evaluation, compliance efforts,” after “demonstration projects”.

(d) ALLOCATION OF DISCRETIONARY GRANTS.—Section 1404(c)(2) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(2)) is amended—

(1) in subparagraph (A), by striking “not more than” and inserting “not less than”; and

(2) in subparagraph (B), by striking “not less than” and inserting “not more than”.

(e) FELLOWSHIPS AND CLINICAL INTERNSHIPS.—Section 1404(c)(3) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(3)) is amended—

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

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

(3) by adding at the end the following:

“(E) use funds made available to the Director under this subsection—

“(i) for fellowships and clinical internships; and

“(ii) to carry out programs of training and special workshops for the presentation and dissemination of

PUBLIC LAW 107-56—OCT. 26, 2001

information resulting from demonstrations, surveys, and special projects.”.

SEC. 624. VICTIMS OF TERRORISM.

(a) COMPENSATION AND ASSISTANCE TO VICTIMS OF DOMESTIC TERRORISM.—Section 1404B(b) of the Victims of Crime Act of 1984 (42 U.S.C. 10603b(b)) is amended to read as follows:

“(b) VICTIMS OF TERRORISM WITHIN THE UNITED STATES.—The Director may make supplemental grants as provided in section 1402(d)(5) to States for eligible crime victim compensation and assistance programs, and to victim service organizations, public agencies (including Federal, State, or local governments) and non-governmental organizations that provide assistance to victims of crime, which shall be used to provide emergency relief, including crisis response efforts, assistance, compensation, training and technical assistance, and ongoing assistance, including during any investigation or prosecution, to victims of terrorist acts or mass violence occurring within the United States.”.

(b) ASSISTANCE TO VICTIMS OF INTERNATIONAL TERRORISM.—Section 1404B(a)(1) of the Victims of Crime Act of 1984 (42 U.S.C. 10603b(a)(1)) is amended by striking “who are not persons eligible for compensation under title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986”.

(c) COMPENSATION TO VICTIMS OF INTERNATIONAL TERRORISM.—Section 1404C(b) of the Victims of Crime of 1984 (42 U.S.C. 10603c(b)) is amended by adding at the end the following: “The amount of compensation awarded to a victim under this subsection shall be reduced by any amount that the victim received in connection with the same act of international terrorism under title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986.”.

TITLE VII—INCREASED INFORMATION SHARING FOR CRITICAL INFRA-STRUCTURE PROTECTION

SEC. 701. EXPANSION OF REGIONAL INFORMATION SHARING SYSTEM TO FACILITATE FEDERAL-STATE-LOCAL LAW ENFORCEMENT RESPONSE RELATED TO TERRORIST ATTACKS.

Section 1301 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796h) is amended—

(1) in subsection (a), by inserting “and terrorist conspiracies and activities” after “activities”;

(2) in subsection (b)—

(A) in paragraph (3), by striking “and” after the semicolon;

(B) by redesignating paragraph (4) as paragraph (5);

and

(C) by inserting after paragraph (3) the following:

“(4) establishing and operating secure information sharing systems to enhance the investigation and prosecution abilities of participating enforcement agencies in addressing multi-jurisdictional terrorist conspiracies and activities; and (5)”;

(3) by inserting at the end the following:

“(d) AUTHORIZATION OF APPROPRIATION TO THE BUREAU OF JUSTICE ASSISTANCE.—There are authorized to be appropriated to the Bureau of Justice Assistance to carry out this section \$50,000,000 for fiscal year 2002 and \$100,000,000 for fiscal year 2003.”.

PUBLIC LAW 107-56—OCT. 26, 2001

TITLE VIII—STRENGTHENING THE CRIMINAL LAWS AGAINST TERRORISM

SEC. 801. TERRORIST ATTACKS AND OTHER ACTS OF VIOLENCE AGAINST MASS TRANSPORTATION SYSTEMS.

Chapter 97 of title 18, United States Code, is amended by adding at the end the following:

“§ 1993. Terrorist attacks and other acts of violence against mass transportation systems

“(a) GENERAL PROHIBITIONS.—Whoever willfully—

“(1) wrecks, derails, sets fire to, or disables a mass transportation vehicle or ferry;

“(2) places or causes to be placed any biological agent or toxin for use as a weapon, destructive substance, or destructive device in, upon, or near a mass transportation vehicle or ferry, without previously obtaining the permission of the mass transportation provider, and with intent to endanger the safety of any passenger or employee of the mass transportation provider, or with a reckless disregard for the safety of human life;

“(3) sets fire to, or places any biological agent or toxin for use as a weapon, destructive substance, or destructive device in, upon, or near any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, a mass transportation vehicle or ferry, without previously obtaining the permission of the mass transportation provider, and knowing or having reason to know such activity would likely derail, disable, or wreck a mass transportation vehicle or ferry used, operated, or employed by the mass transportation provider;

“(4) removes appurtenances from, damages, or otherwise impairs the operation of a mass transportation signal system, including a train control system, centralized dispatching system, or rail grade crossing warning signal without authorization from the mass transportation provider;

“(5) interferes with, disables, or incapacitates any dispatcher, driver, captain, or person while they are employed in dispatching, operating, or maintaining a mass transportation vehicle or ferry, with intent to endanger the safety of any passenger or employee of the mass transportation provider, or with a reckless disregard for the safety of human life;

“(6) commits an act, including the use of a dangerous weapon, with the intent to cause death or serious bodily injury to an employee or passenger of a mass transportation provider or any other person while any of the foregoing are on the property of a mass transportation provider;

“(7) conveys or causes to be conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by this subsection; or

“(8) attempts, threatens, or conspires to do any of the aforesaid acts,

shall be fined under this title or imprisoned not more than twenty years, or both, if such act is committed, or in the case of a threat or conspiracy such act would be committed, on, against, or affecting a mass transportation provider engaged in or affecting interstate or foreign commerce, or if in the course of committing such act, that person travels or communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act.

“(b) AGGRAVATED OFFENSE.—Whoever commits an offense under subsection (a) in a circumstance in which—

PUBLIC LAW 107-56—OCT. 26, 2001

“(1) the mass transportation vehicle or ferry was carrying a passenger at the time of the offense; or

“(2) the offense has resulted in the death of any person, shall be guilty of an aggravated form of the offense and shall be fined under this title or imprisoned for a term of years or for life, or both.

“(c) DEFINITIONS.—In this section—

“(1) the term ‘biological agent’ has the meaning given to that term in section 178(1) of this title;

“(2) the term ‘dangerous weapon’ has the meaning given to that term in section 930 of this title;

“(3) the term ‘destructive device’ has the meaning given to that term in section 921(a)(4) of this title;

“(4) the term ‘destructive substance’ has the meaning given to that term in section 31 of this title;

“(5) the term ‘mass transportation’ has the meaning given to that term in section 5302(a)(7) of title 49, United States Code, except that the term shall include schoolbus, charter, and sightseeing transportation;

“(6) the term ‘serious bodily injury’ has the meaning given to that term in section 1365 of this title;

“(7) the term ‘State’ has the meaning given to that term in section 2266 of this title; and

“(8) the term ‘toxin’ has the meaning given to that term in section 178(2) of this title.”

(f) CONFORMING AMENDMENT.—The analysis of chapter 97 of title 18, United States Code, is amended by adding at the end: “1993. Terrorist attacks and other acts of violence against mass transportation systems.”

SEC. 802. DEFINITION OF DOMESTIC TERRORISM.

(a) DOMESTIC TERRORISM DEFINED.—Section 2331 of title 18, United States Code, is amended—

(1) in paragraph (1)(B)(iii), by striking “by assassination or kidnapping” and inserting “by mass destruction, assassination, or kidnapping”;

(2) in paragraph (3), by striking “and”;

(3) in paragraph (4), by striking the period at the end and inserting “; and”; and

(4) by adding at the end the following:

“(5) the term ‘domestic terrorism’ means activities that—

“(A) involve acts dangerous to human life that are a violation of the criminal laws of the United States or of any State;

“(B) appear to be intended—

“(i) to intimidate or coerce a civilian population;

“(ii) to influence the policy of a government by intimidation or coercion; or

“(iii) to affect the conduct of a government by mass destruction, assassination, or kidnapping; and

“(C) occur primarily within the territorial jurisdiction of the United States.”

(b) CONFORMING AMENDMENT.—Section 3077(1) of title 18, United States Code, is amended to read as follows:

“(1) ‘act of terrorism’ means an act of domestic or international terrorism as defined in section 2331;”

SEC. 803. PROHIBITION AGAINST HARBORING TERRORISTS.

(a) IN GENERAL.—Chapter 113B of title 18, United States Code, is amended by adding after section 2338 the following new section:

“§ 2339. Harboring or concealing terrorists

“(a) Whoever harbors or conceals any person who he knows, or has reasonable grounds to believe, has committed, or is about to commit, an offense under section 32 (relating to destruction

PUBLIC LAW 107-56—OCT. 26, 2001

of aircraft or aircraft facilities), section 175 (relating to biological weapons), section 229 (relating to chemical weapons), section 831 (relating to nuclear materials), paragraph (2) or (3) of section 844(f) (relating to arson and bombing of government property risking or causing injury or death), section 1366(a) (relating to the destruction of an energy facility), section 2280 (relating to violence against maritime navigation), section 2332a (relating to weapons of mass destruction), or section 2332b (relating to acts of terrorism transcending national boundaries) of this title, section 236(a) (relating to sabotage of nuclear facilities or fuel) of the Atomic Energy Act of 1954 (42 U.S.C. 2284(a)), or section 46502 (relating to aircraft piracy) of title 49, shall be fined under this title or imprisoned not more than ten years, or both.”

“(b) A violation of this section may be prosecuted in any Federal judicial district in which the underlying offense was committed, or in any other Federal judicial district as provided by law.”

(b) TECHNICAL AMENDMENT.—The chapter analysis for chapter 113B of title 18, United States Code, is amended by inserting after the item for section 2338 the following:

“2339. Harboring or concealing terrorists.”

SEC. 804. JURISDICTION OVER CRIMES COMMITTED AT U.S. FACILITIES ABROAD.

Section 7 of title 18, United States Code, is amended by adding at the end the following:

“(9) With respect to offenses committed by or against a national of the United States as that term is used in section 101 of the Immigration and Nationality Act—

“(A) the premises of United States diplomatic, consular, military or other United States Government missions or entities in foreign States, including the buildings, parts of buildings, and land appurtenant or ancillary thereto or used for purposes of those missions or entities, irrespective of ownership; and

“(B) residences in foreign States and the land appurtenant or ancillary thereto, irrespective of ownership, used for purposes of those missions or entities or used by United States personnel assigned to those missions or entities.

Nothing in this paragraph shall be deemed to supersede any treaty or international agreement with which this paragraph conflicts. This paragraph does not apply with respect to an offense committed by a person described in section 3261(a) of this title.”

SEC. 805. MATERIAL SUPPORT FOR TERRORISM.

(a) IN GENERAL.—Section 2339A of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking “, within the United States,”;

(B) by inserting “229,” after “175,”;

(C) by inserting “1993,” after “1992,”;

(D) by inserting “, section 236 of the Atomic Energy Act of 1954 (42 U.S.C. 2284),” after “of this title”;

(E) by inserting “or 60123(b)” after “46502”; and

(F) by inserting at the end the following: “A violation of this section may be prosecuted in any Federal judicial district in which the underlying offense was committed, or in any other Federal judicial district as provided by law.”; and

(2) in subsection (b)—

(A) by striking “or other financial securities” and inserting “or monetary instruments or financial securities”; and

(B) by inserting “expert advice or assistance,” after “training,”.

PUBLIC LAW 107-56—OCT. 26, 2001

(b) TECHNICAL AMENDMENT.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting “or 2339B” after “2339A”.

SEC. 806. ASSETS OF TERRORIST ORGANIZATIONS.

Section 981(a)(1) of title 18, United States Code, is amended by inserting at the end the following:

“(G) All assets, foreign or domestic—

“(i) of any individual, entity, or organization engaged in planning or perpetrating any act of domestic or international terrorism (as defined in section 2331) against the United States, citizens or residents of the United States, or their property, and all assets, foreign or domestic, affording any person a source of influence over any such entity or organization;

“(ii) acquired or maintained by any person with the intent and for the purpose of supporting, planning, conducting, or concealing an act of domestic or international terrorism (as defined in section 2331) against the United States, citizens or residents of the United States, or their property; or

“(iii) derived from, involved in, or used or intended to be used to commit any act of domestic or international terrorism (as defined in section 2331) against the United States, citizens or residents of the United States, or their property.”

SEC. 807. TECHNICAL CLARIFICATION RELATING TO PROVISION OF MATERIAL SUPPORT TO TERRORISM. 22 USC 7211.

No provision of the Trade Sanctions Reform and Export Enhancement Act of 2000 (title IX of Public Law 106-387) shall be construed to limit or otherwise affect section 2339A or 2339B of title 18, United States Code.

SEC. 808. DEFINITION OF FEDERAL CRIME OF TERRORISM.

Section 2332b of title 18, United States Code, is amended—

(1) in subsection (f), by inserting “and any violation of section 351(e), 844(e), 844(f)(1), 956(b), 1361, 1366(b), 1366(c), 1751(e), 2152, or 2156 of this title,” before “and the Secretary”; and

(2) in subsection (g)(5)(B), by striking clauses (i) through (iii) and inserting the following:

“(i) section 32 (relating to destruction of aircraft or aircraft facilities), 37 (relating to violence at international airports), 81 (relating to arson within special maritime and territorial jurisdiction), 175 or 175b (relating to biological weapons), 229 (relating to chemical weapons), subsection (a), (b), (c), or (d) of section 351 (relating to congressional, cabinet, and Supreme Court assassination and kidnaping), 831 (relating to nuclear materials), 842(m) or (n) (relating to plastic explosives), 844(f)(2) or (3) (relating to arson and bombing of Government property risking or causing death), 844(i) (relating to arson and bombing of property used in interstate commerce), 930(c) (relating to killing or attempted killing during an attack on a Federal facility with a dangerous weapon), 956(a)(1) (relating to conspiracy to murder, kidnap, or maim persons abroad), 1030(a)(1) (relating to protection of computers), 1030(a)(5)(A)(i) resulting in damage as defined in 1030(a)(5)(B)(ii) through (v) (relating to protection of computers), 1114 (relating to killing or attempted killing of officers and employees of the United States), 1116 (relating to murder or manslaughter of foreign officials, official guests, or internationally protected persons), 1203 (relating to hostage taking), 1362 (relat-

PUBLIC LAW 107-56—OCT. 26, 2001

ing to destruction of communication lines, stations, or systems), 1363 (relating to injury to buildings or property within special maritime and territorial jurisdiction of the United States), 1366(a) (relating to destruction of an energy facility), 1751(a), (b), (c), or (d) (relating to Presidential and Presidential staff assassination and kidnaping), 1992 (relating to wrecking trains), 1993 (relating to terrorist attacks and other acts of violence against mass transportation systems), 2155 (relating to destruction of national defense materials, premises, or utilities), 2280 (relating to violence against maritime navigation), 2281 (relating to violence against maritime fixed platforms), 2332 (relating to certain homicides and other violence against United States nationals occurring outside of the United States), 2332a (relating to use of weapons of mass destruction), 2332b (relating to acts of terrorism transcending national boundaries), 2339 (relating to harboring terrorists), 2339A (relating to providing material support to terrorists), 2339B (relating to providing material support to terrorist organizations), or 2340A (relating to torture) of this title;

“(ii) section 236 (relating to sabotage of nuclear facilities or fuel) of the Atomic Energy Act of 1954 (42 U.S.C. 2284); or

“(iii) section 46502 (relating to aircraft piracy), the second sentence of section 46504 (relating to assault on a flight crew with a dangerous weapon), section 46505(b)(3) or (c) (relating to explosive or incendiary devices, or endangerment of human life by means of weapons, on aircraft), section 46506 if homicide or attempted homicide is involved (relating to application of certain criminal laws to acts on aircraft), or section 60123(b) (relating to destruction of interstate gas or hazardous liquid pipeline facility) of title 49.”

SEC. 809. NO STATUTE OF LIMITATION FOR CERTAIN TERRORISM OFFENSES.

(a) IN GENERAL.—Section 3286 of title 18, United States Code, is amended to read as follows:

“§ 3286. Extension of statute of limitation for certain terrorism offenses

“(a) EIGHT-YEAR LIMITATION.—Notwithstanding section 3282, no person shall be prosecuted, tried, or punished for any noncapital offense involving a violation of any provision listed in section 2332b(g)(5)(B), or a violation of section 112, 351(e), 1361, or 1751(e) of this title, or section 46504, 46505, or 46506 of title 49, unless the indictment is found or the information is instituted within 8 years after the offense was committed. Notwithstanding the preceding sentence, offenses listed in section 3295 are subject to the statute of limitations set forth in that section.

“(b) NO LIMITATION.—Notwithstanding any other law, an indictment may be found or an information instituted at any time without limitation for any offense listed in section 2332b(g)(5)(B), if the commission of such offense resulted in, or created a foreseeable risk of, death or serious bodily injury to another person.”

(b) APPLICATION.—The amendments made by this section shall apply to the prosecution of any offense committed before, on, or after the date of the enactment of this section.

SEC. 810. ALTERNATE MAXIMUM PENALTIES FOR TERRORISM OFFENSES.

(a) ARSON.—Section 81 of title 18, United States Code, is amended in the second undesignated paragraph by striking “not

PUBLIC LAW 107-56—OCT. 26, 2001

more than twenty years” and inserting “for any term of years or for life”.

(b) DESTRUCTION OF AN ENERGY FACILITY.—Section 1366 of title 18, United States Code, is amended—

(1) in subsection (a), by striking “ten” and inserting “20”;

and

(2) by adding at the end the following:

“(d) Whoever is convicted of a violation of subsection (a) or (b) that has resulted in the death of any person shall be subject to imprisonment for any term of years or life.”.

(c) MATERIAL SUPPORT TO TERRORISTS.—Section 2339A(a) of title 18, United States Code, is amended—

(1) by striking “10” and inserting “15”; and

(2) by striking the period and inserting “, and, if the death of any person results, shall be imprisoned for any term of years or for life.”.

(d) MATERIAL SUPPORT TO DESIGNATED FOREIGN TERRORIST ORGANIZATIONS.—Section 2339B(a)(1) of title 18, United States Code, is amended—

(1) by striking “10” and inserting “15”; and

(2) by striking the period after “or both” and inserting “, and, if the death of any person results, shall be imprisoned for any term of years or for life.”.

(e) DESTRUCTION OF NATIONAL-DEFENSE MATERIALS.—Section 2155(a) of title 18, United States Code, is amended—

(1) by striking “ten” and inserting “20”; and

(2) by striking the period at the end and inserting “, and, if death results to any person, shall be imprisoned for any term of years or for life.”.

(f) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—Section 236 of the Atomic Energy Act of 1954 (42 U.S.C. 2284), is amended—

(1) by striking “ten” each place it appears and inserting “20”;

(2) in subsection (a), by striking the period at the end and inserting “, and, if death results to any person, shall be imprisoned for any term of years or for life.”; and

(3) in subsection (b), by striking the period at the end and inserting “, and, if death results to any person, shall be imprisoned for any term of years or for life.”.

(g) SPECIAL AIRCRAFT JURISDICTION OF THE UNITED STATES.—Section 46505(c) of title 49, United States Code, is amended—

(1) by striking “15” and inserting “20”; and

(2) by striking the period at the end and inserting “, and, if death results to any person, shall be imprisoned for any term of years or for life.”.

(h) DAMAGING OR DESTROYING AN INTERSTATE GAS OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section 60123(b) of title 49, United States Code, is amended—

(1) by striking “15” and inserting “20”; and

(2) by striking the period at the end and inserting “, and, if death results to any person, shall be imprisoned for any term of years or for life.”.

SEC. 811. PENALTIES FOR TERRORIST CONSPIRACIES.

(a) ARSON.—Section 81 of title 18, United States Code, is amended in the first undesignated paragraph—

(1) by striking “, or attempts to set fire to or burn”; and

(2) by inserting “or attempts or conspires to do such an act,” before “shall be imprisoned”.

(b) KILLINGS IN FEDERAL FACILITIES.—Section 930(c) of title 18, United States Code, is amended—

(1) by striking “or attempts to kill”;

(2) by inserting “or attempts or conspires to do such an act,” before “shall be punished”; and

(3) by striking “and 1113” and inserting “1113, and 1117”.

PUBLIC LAW 107-56—OCT. 26, 2001

(c) COMMUNICATIONS LINES, STATIONS, OR SYSTEMS.—Section 1362 of title 18, United States Code, is amended in the first undesignated paragraph—

(1) by striking “or attempts willfully or maliciously to injure or destroy”; and

(2) by inserting “or attempts or conspires to do such an act,” before “shall be fined”.

(d) BUILDINGS OR PROPERTY WITHIN SPECIAL MARITIME AND TERRITORIAL JURISDICTION.—Section 1363 of title 18, United States Code, is amended—

(1) by striking “or attempts to destroy or injure”; and

(2) by inserting “or attempts or conspires to do such an act,” before “shall be fined” the first place it appears.

(e) WRECKING TRAINS.—Section 1992 of title 18, United States Code, is amended by adding at the end the following:

“(c) A person who conspires to commit any offense defined in this section shall be subject to the same penalties (other than the penalty of death) as the penalties prescribed for the offense, the commission of which was the object of the conspiracy.”.

(f) MATERIAL SUPPORT TO TERRORISTS.—Section 2339A of title 18, United States Code, is amended by inserting “or attempts or conspires to do such an act,” before “shall be fined”.

(g) TORTURE.—Section 2340A of title 18, United States Code, is amended by adding at the end the following:

“(c) CONSPIRACY.—A person who conspires to commit an offense under this section shall be subject to the same penalties (other than the penalty of death) as the penalties prescribed for the offense, the commission of which was the object of the conspiracy.”.

(h) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—Section 236 of the Atomic Energy Act of 1954 (42 U.S.C. 2284), is amended—

(1) in subsection (a)—

(A) by striking “, or who intentionally and willfully attempts to destroy or cause physical damage to”; and

(B) in paragraph (4), by striking the period at the end and inserting a comma; and

(C) by inserting “or attempts or conspires to do such an act,” before “shall be fined”; and

(2) in subsection (b)—

(A) by striking “or attempts to cause”; and

(B) by inserting “or attempts or conspires to do such an act,” before “shall be fined”.

(i) INTERFERENCE WITH FLIGHT CREW MEMBERS AND ATTENDANTS.—Section 46504 of title 49, United States Code, is amended by inserting “or attempts or conspires to do such an act,” before “shall be fined”.

(j) SPECIAL AIRCRAFT JURISDICTION OF THE UNITED STATES.—Section 46505 of title 49, United States Code, is amended by adding at the end the following:

“(e) CONSPIRACY.—If two or more persons conspire to violate subsection (b) or (c), and one or more of such persons do any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished as provided in such subsection.”.

(k) DAMAGING OR DESTROYING AN INTERSTATE GAS OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section 60123(b) of title 49, United States Code, is amended—

(1) by striking “, or attempting to damage or destroy”; and

(2) by inserting “, or attempting or conspiring to do such an act,” before “shall be fined”.

SEC. 812. POST-RELEASE SUPERVISION OF TERRORISTS.

Section 3583 of title 18, United States Code, is amended by adding at the end the following:

“(j) SUPERVISED RELEASE TERMS FOR TERRORISM PREDICATES.—Notwithstanding subsection (b), the authorized term of supervised

PUBLIC LAW 107-56—OCT. 26, 2001

release for any offense listed in section 2332b(g)(5)(B), the commission of which resulted in, or created a foreseeable risk of, death or serious bodily injury to another person, is any term of years or life.”.

SEC. 813. INCLUSION OF ACTS OF TERRORISM AS RACKETEERING ACTIVITY.

Section 1961(1) of title 18, United States Code, is amended—
 (1) by striking “or (F)” and inserting “(F)”; and
 (2) by inserting before the semicolon at the end the following: “, or (G) any act that is indictable under any provision listed in section 2332b(g)(5)(B)”.

SEC. 814. DETERRENCE AND PREVENTION OF CYBERTERRORISM.

(a) **CLARIFICATION OF PROTECTION OF PROTECTED COMPUTERS.**—Section 1030(a)(5) of title 18, United States Code, is amended—

- (1) by inserting “(i)” after “(A)”;
- (2) by redesignating subparagraphs (B) and (C) as clauses (ii) and (iii), respectively;
- (3) by adding “and” at the end of clause (iii), as so redesignated; and
- (4) by adding at the end the following:
 - “(B) by conduct described in clause (i), (ii), or (iii) of subparagraph (A), caused (or, in the case of an attempted offense, would, if completed, have caused)—

- “(i) loss to 1 or more persons during any 1-year period (and, for purposes of an investigation, prosecution, or other proceeding brought by the United States only, loss resulting from a related course of conduct affecting 1 or more other protected computers) aggregating at least \$5,000 in value;

- “(ii) the modification or impairment, or potential modification or impairment, of the medical examination, diagnosis, treatment, or care of 1 or more individuals;

- “(iii) physical injury to any person;

- “(iv) a threat to public health or safety; or

- “(v) damage affecting a computer system used by or for a government entity in furtherance of the administration of justice, national defense, or national security;”.

(b) **PROTECTION FROM EXTORTION.**—Section 1030(a)(7) of title 18, United States Code, is amended by striking “, firm, association, educational institution, financial institution, government entity, or other legal entity,”.

(c) **PENALTIES.**—Section 1030(c) of title 18, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A) —

- (i) by inserting “except as provided in subparagraph (B),” before “a fine”;

- (ii) by striking “(a)(5)(C)” and inserting “(a)(5)(A)(iii)”;

- (iii) by striking “and” at the end;

(B) in subparagraph (B), by inserting “or an attempt to commit an offense punishable under this subparagraph,” after “subsection (a)(2),” in the matter preceding clause (i); and

(C) in subparagraph (C), by striking “and” at the end;

(2) in paragraph (3)—

(A) by striking “, (a)(5)(A), (a)(5)(B),” both places it appears; and

(B) by striking “(a)(5)(C)” and inserting “(a)(5)(A)(iii)”;

and

PUBLIC LAW 107-56—OCT. 26, 2001

(3) by adding at the end the following:

“(4)(A) a fine under this title, imprisonment for not more than 10 years, or both, in the case of an offense under subsection (a)(5)(A)(i), or an attempt to commit an offense punishable under that subsection;

“(B) a fine under this title, imprisonment for not more than 5 years, or both, in the case of an offense under subsection (a)(5)(A)(ii), or an attempt to commit an offense punishable under that subsection;

“(C) a fine under this title, imprisonment for not more than 20 years, or both, in the case of an offense under subsection (a)(5)(A)(i) or (a)(5)(A)(ii), or an attempt to commit an offense punishable under either subsection, that occurs after a conviction for another offense under this section.”.

(d) DEFINITIONS.—Section 1030(e) of title 18, United States Code is amended—

(1) in paragraph (2)(B), by inserting “, including a computer located outside the United States that is used in a manner that affects interstate or foreign commerce or communication of the United States” before the semicolon;

(2) in paragraph (7), by striking “and” at the end;

(3) by striking paragraph (8) and inserting the following:

“(8) the term ‘damage’ means any impairment to the integrity or availability of data, a program, a system, or information;”;

(4) in paragraph (9), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

“(10) the term ‘conviction’ shall include a conviction under the law of any State for a crime punishable by imprisonment for more than 1 year, an element of which is unauthorized access, or exceeding authorized access, to a computer;

“(11) the term ‘loss’ means any reasonable cost to any victim, including the cost of responding to an offense, conducting a damage assessment, and restoring the data, program, system, or information to its condition prior to the offense, and any revenue lost, cost incurred, or other consequential damages incurred because of interruption of service; and

“(12) the term ‘person’ means any individual, firm, corporation, educational institution, financial institution, governmental entity, or legal or other entity.”.

(e) DAMAGES IN CIVIL ACTIONS.—Section 1030(g) of title 18, United States Code is amended—

(1) by striking the second sentence and inserting the following: “A civil action for a violation of this section may be brought only if the conduct involves 1 of the factors set forth in clause (i), (ii), (iii), (iv), or (v) of subsection (a)(5)(B). Damages for a violation involving only conduct described in subsection (a)(5)(B)(i) are limited to economic damages.”; and

(2) by adding at the end the following: “No action may be brought under this subsection for the negligent design or manufacture of computer hardware, computer software, or firmware.”.

28 USC 994 note.

(f) AMENDMENT OF SENTENCING GUIDELINES RELATING TO CERTAIN COMPUTER FRAUD AND ABUSE.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall amend the Federal sentencing guidelines to ensure that any individual convicted of a violation of section 1030 of title 18, United States Code, can be subjected to appropriate penalties, without regard to any mandatory minimum term of imprisonment.

PUBLIC LAW 107-56—OCT. 26, 2001

SEC. 815. ADDITIONAL DEFENSE TO CIVIL ACTIONS RELATING TO PRESERVING RECORDS IN RESPONSE TO GOVERNMENT REQUESTS.

Section 2707(e)(1) of title 18, United States Code, is amended by inserting after “or statutory authorization” the following: “(including a request of a governmental entity under section 2703(f) of this title)”.

SEC. 816. DEVELOPMENT AND SUPPORT OF CYBERSECURITY FORENSIC CAPABILITIES.

28 USC 509 note.

(a) **IN GENERAL.**—The Attorney General shall establish such regional computer forensic laboratories as the Attorney General considers appropriate, and provide support to existing computer forensic laboratories, in order that all such computer forensic laboratories have the capability—

(1) to provide forensic examinations with respect to seized or intercepted computer evidence relating to criminal activity (including cyberterrorism);

(2) to provide training and education for Federal, State, and local law enforcement personnel and prosecutors regarding investigations, forensic analyses, and prosecutions of computer-related crime (including cyberterrorism);

(3) to assist Federal, State, and local law enforcement in enforcing Federal, State, and local criminal laws relating to computer-related crime;

(4) to facilitate and promote the sharing of Federal law enforcement expertise and information about the investigation, analysis, and prosecution of computer-related crime with State and local law enforcement personnel and prosecutors, including the use of multijurisdictional task forces; and

(5) to carry out such other activities as the Attorney General considers appropriate.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **AUTHORIZATION.**—There is hereby authorized to be appropriated in each fiscal year \$50,000,000 for purposes of carrying out this section.

(2) **AVAILABILITY.**—Amounts appropriated pursuant to the authorization of appropriations in paragraph (1) shall remain available until expended.

SEC. 817. EXPANSION OF THE BIOLOGICAL WEAPONS STATUTE.

Chapter 10 of title 18, United States Code, is amended—

(1) in section 175—

(A) in subsection (b)—

(i) by striking “does not include” and inserting “includes”;

(ii) by inserting “other than” after “system for”;

and
(iii) by inserting “bona fide research” after “protective”;

(B) by redesignating subsection (b) as subsection (c);

and

(C) by inserting after subsection (a) the following:

“(b) **ADDITIONAL OFFENSE.**—Whoever knowingly possesses any biological agent, toxin, or delivery system of a type or in a quantity that, under the circumstances, is not reasonably justified by a prophylactic, protective, bona fide research, or other peaceful purpose, shall be fined under this title, imprisoned not more than 10 years, or both. In this subsection, the terms ‘biological agent’ and ‘toxin’ do not encompass any biological agent or toxin that is in its naturally occurring environment, if the biological agent or toxin has not been cultivated, collected, or otherwise extracted from its natural source.”;

(2) by inserting after section 175a the following:

PUBLIC LAW 107-56—OCT. 26, 2001

“SEC. 175b. POSSESSION BY RESTRICTED PERSONS.

“(a) No restricted person described in subsection (b) shall ship or transport interstate or foreign commerce, or possess in or affecting commerce, any biological agent or toxin, or receive any biological agent or toxin that has been shipped or transported in interstate or foreign commerce, if the biological agent or toxin is listed as a select agent in subsection (j) of section 72.6 of title 42, Code of Federal Regulations, pursuant to section 511(d)(1) of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104-132), and is not exempted under subsection (h) of such section 72.6, or appendix A of part 72 of the Code of Regulations.

“(b) In this section:

“(1) The term ‘select agent’ does not include any such biological agent or toxin that is in its naturally-occurring environment, if the biological agent or toxin has not been cultivated, collected, or otherwise extracted from its natural source.

“(2) The term ‘restricted person’ means an individual who—

“(A) is under indictment for a crime punishable by imprisonment for a term exceeding 1 year;

“(B) has been convicted in any court of a crime punishable by imprisonment for a term exceeding 1 year;

“(C) is a fugitive from justice;

“(D) is an unlawful user of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

“(E) is an alien illegally or unlawfully in the United States;

“(F) has been adjudicated as a mental defective or has been committed to any mental institution;

“(G) is an alien (other than an alien lawfully admitted for permanent residence) who is a national of a country as to which the Secretary of State, pursuant to section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), section 620A of chapter 1 of part M of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), or section 40(d) of chapter 3 of the Arms Export Control Act (22 U.S.C. 2780(d)), has made a determination (that remains in effect) that such country has repeatedly provided support for acts of international terrorism; or

“(H) has been discharged from the Armed Services of the United States under dishonorable conditions.

“(3) The term ‘alien’ has the same meaning as in section 1010(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3)).

“(4) The term ‘lawfully admitted for permanent residence’ has the same meaning as in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

“(c) Whoever knowingly violates this section shall be fined as provided in this title, imprisoned not more than 10 years, or both, but the prohibition contained in this section shall not apply with respect to any duly authorized United States governmental activity.”; and

(3) in the chapter analysis, by inserting after the item relating to section 175a the following:

“175b. Possession by restricted persons.”.

PUBLIC LAW 107-56—OCT. 26, 2001

TITLE IX—IMPROVED INTELLIGENCE**SEC. 901. RESPONSIBILITIES OF DIRECTOR OF CENTRAL INTELLIGENCE REGARDING FOREIGN INTELLIGENCE COLLECTED UNDER FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.**

Section 103(c) of the National Security Act of 1947 (50 U.S.C. 403-3(c)) is amended—

(1) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(2) by inserting after paragraph (5) the following new paragraph (6):

“(6) establish requirements and priorities for foreign intelligence information to be collected under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.), and provide assistance to the Attorney General to ensure that information derived from electronic surveillance or physical searches under that Act is disseminated so it may be used efficiently and effectively for foreign intelligence purposes, except that the Director shall have no authority to direct, manage, or undertake electronic surveillance or physical search operations pursuant to that Act unless otherwise authorized by statute or Executive order;”.

SEC. 902. INCLUSION OF INTERNATIONAL TERRORIST ACTIVITIES WITHIN SCOPE OF FOREIGN INTELLIGENCE UNDER NATIONAL SECURITY ACT OF 1947.

Section 3 of the National Security Act of 1947 (50 U.S.C. 401a) is amended—

(1) in paragraph (2), by inserting before the period the following: “, or international terrorist activities”; and

(2) in paragraph (3), by striking “and activities conducted” and inserting “, and activities conducted.”.

SEC. 903. SENSE OF CONGRESS ON THE ESTABLISHMENT AND MAINTENANCE OF INTELLIGENCE RELATIONSHIPS TO ACQUIRE INFORMATION ON TERRORISTS AND TERRORIST ORGANIZATIONS.

It is the sense of Congress that officers and employees of the intelligence community of the Federal Government, acting within the course of their official duties, should be encouraged, and should make every effort, to establish and maintain intelligence relationships with any person, entity, or group for the purpose of engaging in lawful intelligence activities, including the acquisition of information on the identity, location, finances, affiliations, capabilities, plans, or intentions of a terrorist or terrorist organization, or information on any other person, entity, or group (including a foreign government) engaged in harboring, comforting, financing, aiding, or assisting a terrorist or terrorist organization.

SEC. 904. TEMPORARY AUTHORITY TO DEFER SUBMITTAL TO CONGRESS OF REPORTS ON INTELLIGENCE AND INTELLIGENCE-RELATED MATTERS.

(a) **AUTHORITY TO DEFER.**—The Secretary of Defense, Attorney General, and Director of Central Intelligence each may, during the effective period of this section, defer the date of submittal to Congress of any covered intelligence report under the jurisdiction of such official until February 1, 2002.

(b) **COVERED INTELLIGENCE REPORT.**—Except as provided in subsection (c), for purposes of subsection (a), a covered intelligence report is as follows:

(1) Any report on intelligence or intelligence-related activities of the United States Government that is required to be submitted to Congress by an element of the intelligence community during the effective period of this section.

PUBLIC LAW 107-56—OCT. 26, 2001

(2) Any report or other matter that is required to be submitted to the Select Committee on Intelligence of the Senate and Permanent Select Committee on Intelligence of the House of Representatives by the Department of Defense or the Department of Justice during the effective period of this section.

(c) EXCEPTION FOR CERTAIN REPORTS.—For purposes of subsection (a), any report required by section 502 or 503 of the National Security Act of 1947 (50 U.S.C. 413a, 413b) is not a covered intelligence report.

(d) NOTICE TO CONGRESS.—Upon deferring the date of submittal to Congress of a covered intelligence report under subsection (a), the official deferring the date of submittal of the covered intelligence report shall submit to Congress notice of the deferral. Notice of deferral of a report shall specify the provision of law, if any, under which the report would otherwise be submitted to Congress.

Certification.

(e) EXTENSION OF DEFERRAL.—(1) Each official specified in subsection (a) may defer the date of submittal to Congress of a covered intelligence report under the jurisdiction of such official to a date after February 1, 2002, if such official submits to the committees of Congress specified in subsection (b)(2) before February 1, 2002, a certification that preparation and submittal of the covered intelligence report on February 1, 2002, will impede the work of officers or employees who are engaged in counterterrorism activities.

(2) A certification under paragraph (1) with respect to a covered intelligence report shall specify the date on which the covered intelligence report will be submitted to Congress.

(f) EFFECTIVE PERIOD.—The effective period of this section is the period beginning on the date of the enactment of this Act and ending on February 1, 2002.

(g) ELEMENT OF THE INTELLIGENCE COMMUNITY DEFINED.—In this section, the term “element of the intelligence community” means any element of the intelligence community specified or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SEC. 905. DISCLOSURE TO DIRECTOR OF CENTRAL INTELLIGENCE OF FOREIGN INTELLIGENCE-RELATED INFORMATION WITH RESPECT TO CRIMINAL INVESTIGATIONS.

(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended—

50 USC 403-5b,
403-5c.

(1) by redesignating subsection 105B as section 105C; and

(2) by inserting after section 105A the following new section 105B:

“DISCLOSURE OF FOREIGN INTELLIGENCE ACQUIRED IN CRIMINAL INVESTIGATIONS; NOTICE OF CRIMINAL INVESTIGATIONS OF FOREIGN INTELLIGENCE SOURCES

50 USC 403-5b.

“SEC. 105B. (a) DISCLOSURE OF FOREIGN INTELLIGENCE.—(1) Except as otherwise provided by law and subject to paragraph (2), the Attorney General, or the head of any other department or agency of the Federal Government with law enforcement responsibilities, shall expeditiously disclose to the Director of Central Intelligence, pursuant to guidelines developed by the Attorney General in consultation with the Director, foreign intelligence acquired by an element of the Department of Justice or an element of such department or agency, as the case may be, in the course of a criminal investigation.

“(2) The Attorney General by regulation and in consultation with the Director of Central Intelligence may provide for exceptions to the applicability of paragraph (1) for one or more classes of foreign intelligence, or foreign intelligence with respect to one or more targets or matters, if the Attorney General determines that disclosure of such foreign intelligence under that paragraph would jeopardize an ongoing law enforcement investigation or impair other significant law enforcement interests.

PUBLIC LAW 107-56—OCT. 26, 2001

“(b) PROCEDURES FOR NOTICE OF CRIMINAL INVESTIGATIONS.—Deadline. Not later than 180 days after the date of enactment of this section, the Attorney General, in consultation with the Director of Central Intelligence, shall develop guidelines to ensure that after receipt of a report from an element of the intelligence community of activity of a foreign intelligence source or potential foreign intelligence source that may warrant investigation as criminal activity, the Attorney General provides notice to the Director of Central Intelligence, within a reasonable period of time, of his intention to commence, or decline to commence, a criminal investigation of such activity.

“(c) PROCEDURES.—The Attorney General shall develop procedures for the administration of this section, including the disclosure of foreign intelligence by elements of the Department of Justice, and elements of other departments and agencies of the Federal Government, under subsection (a) and the provision of notice with respect to criminal investigations under subsection (b).”

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by striking the item relating to section 105B and inserting the following new items:

“Sec. 105B. Disclosure of foreign intelligence acquired in criminal investigations; notice of criminal investigations of foreign intelligence sources.

“Sec. 105C. Protection of the operational files of the National Imagery and Mapping Agency.”

SEC. 906. FOREIGN TERRORIST ASSET TRACKING CENTER.

(a) REPORT ON RECONFIGURATION.—Deadline. Not later than February 1, 2002, the Attorney General, the Director of Central Intelligence, and the Secretary of the Treasury shall jointly submit to Congress a report on the feasibility and desirability of reconfiguring the Foreign Terrorist Asset Tracking Center and the Office of Foreign Assets Control of the Department of the Treasury in order to establish a capability to provide for the effective and efficient analysis and dissemination of foreign intelligence relating to the financial capabilities and resources of international terrorist organizations.

(b) REPORT REQUIREMENTS.—(1) In preparing the report under subsection (a), the Attorney General, the Secretary, and the Director shall consider whether, and to what extent, the capacities and resources of the Financial Crimes Enforcement Center of the Department of the Treasury may be integrated into the capability contemplated by the report.

(2) If the Attorney General, Secretary, and the Director determine that it is feasible and desirable to undertake the reconfiguration described in subsection (a) in order to establish the capability described in that subsection, the Attorney General, the Secretary, and the Director shall include with the report under that subsection a detailed proposal for legislation to achieve the reconfiguration.

SEC. 907. NATIONAL VIRTUAL TRANSLATION CENTER.

(a) REPORT ON ESTABLISHMENT.—Deadline. (1) Not later than February 1, 2002, the Director of Central Intelligence shall, in consultation with the Director of the Federal Bureau of Investigation, submit to the appropriate committees of Congress a report on the establishment and maintenance within the intelligence community of an element for purposes of providing timely and accurate translations of foreign intelligence for all other elements of the intelligence community. In the report, the element shall be referred to as the “National Virtual Translation Center”.

(2) The report on the element described in paragraph (1) shall discuss the use of state-of-the-art communications technology, the integration of existing translation capabilities in the intelligence community, and the utilization of remote-connection capacities so as to minimize the need for a central physical facility for the element.

(b) RESOURCES.—The report on the element required by subsection (a) shall address the following:

PUBLIC LAW 107-56—OCT. 26, 2001

(1) The assignment to the element of a staff of individuals possessing a broad range of linguistic and translation skills appropriate for the purposes of the element.

(2) The provision to the element of communications capabilities and systems that are commensurate with the most current and sophisticated communications capabilities and systems available to other elements of intelligence community.

(3) The assurance, to the maximum extent practicable, that the communications capabilities and systems provided to the element will be compatible with communications capabilities and systems utilized by the Federal Bureau of Investigation in securing timely and accurate translations of foreign language materials for law enforcement investigations.

(4) The development of a communications infrastructure to ensure the efficient and secure use of the translation capabilities of the element.

(c) **SECURE COMMUNICATIONS.**—The report shall include a discussion of the creation of secure electronic communications between the element described by subsection (a) and the other elements of the intelligence community.

(d) **DEFINITIONS.**—In this section:

(1) **FOREIGN INTELLIGENCE.**—The term “foreign intelligence” has the meaning given that term in section 3(2) of the National Security Act of 1947 (50 U.S.C. 401a(2)).

(2) **ELEMENT OF THE INTELLIGENCE COMMUNITY.**—The term “element of the intelligence community” means any element of the intelligence community specified or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

28 USC 509 note. **SEC. 908. TRAINING OF GOVERNMENT OFFICIALS REGARDING IDENTIFICATION AND USE OF FOREIGN INTELLIGENCE.**

(a) **PROGRAM REQUIRED.**—The Attorney General shall, in consultation with the Director of Central Intelligence, carry out a program to provide appropriate training to officials described in subsection (b) in order to assist such officials in—

(1) identifying foreign intelligence information in the course of their duties; and

(2) utilizing foreign intelligence information in the course of their duties, to the extent that the utilization of such information is appropriate for such duties.

(b) **OFFICIALS.**—The officials provided training under subsection (a) are, at the discretion of the Attorney General and the Director, the following:

(1) Officials of the Federal Government who are not ordinarily engaged in the collection, dissemination, and use of foreign intelligence in the performance of their duties.

(2) Officials of State and local governments who encounter, or may encounter in the course of a terrorist event, foreign intelligence in the performance of their duties.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There is hereby authorized to be appropriated for the Department of Justice such sums as may be necessary for purposes of carrying out the program required by subsection (a).

TITLE X—MISCELLANEOUS

5 USC app. **SEC. 1001. REVIEW OF THE DEPARTMENT OF JUSTICE.**

The Inspector General of the Department of Justice shall designate one official who shall—

(1) review information and receive complaints alleging abuses of civil rights and civil liberties by employees and officials of the Department of Justice;

PUBLIC LAW 107-56—OCT. 26, 2001

(2) make public through the Internet, radio, television, and newspaper advertisements information on the responsibilities and functions of, and how to contact, the official; and

(3) submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate on a semi-annual basis a report on the implementation of this subsection and detailing any abuses described in paragraph (1), including a description of the use of funds appropriations used to carry out this subsection.

Public
information.
Internet.
Reports.

SEC. 1002. SENSE OF CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) all Americans are united in condemning, in the strongest possible terms, the terrorists who planned and carried out the attacks against the United States on September 11, 2001, and in pursuing all those responsible for those attacks and their sponsors until they are brought to justice;

(2) Sikh-Americans form a vibrant, peaceful, and law-abiding part of America's people;

(3) approximately 500,000 Sikhs reside in the United States and are a vital part of the Nation;

(4) Sikh-Americans stand resolutely in support of the commitment of our Government to bring the terrorists and those that harbor them to justice;

(5) the Sikh faith is a distinct religion with a distinct religious and ethnic identity that has its own places of worship and a distinct holy text and religious tenets;

(6) many Sikh-Americans, who are easily recognizable by their turbans and beards, which are required articles of their faith, have suffered both verbal and physical assaults as a result of misguided anger toward Arab-Americans and Muslim-Americans in the wake of the September 11, 2001 terrorist attack;

(7) Sikh-Americans, as do all Americans, condemn acts of prejudice against any American; and

(8) Congress is seriously concerned by the number of crimes against Sikh-Americans and other Americans all across the Nation that have been reported in the wake of the tragic events that unfolded on September 11, 2001.

(b) SENSE OF CONGRESS.—Congress—

(1) declares that, in the quest to identify, locate, and bring to justice the perpetrators and sponsors of the terrorist attacks on the United States on September 11, 2001, the civil rights and civil liberties of all Americans, including Sikh-Americans, should be protected;

(2) condemns bigotry and any acts of violence or discrimination against any Americans, including Sikh-Americans;

(3) calls upon local and Federal law enforcement authorities to work to prevent crimes against all Americans, including Sikh-Americans; and

(4) calls upon local and Federal law enforcement authorities to prosecute to the fullest extent of the law all those who commit crimes.

SEC. 1003. DEFINITION OF "ELECTRONIC SURVEILLANCE".

Section 101(f)(2) of the Foreign Intelligence Surveillance Act (50 U.S.C. 1801(f)(2)) is amended by adding at the end before the semicolon the following: “, but does not include the acquisition of those communications of computer trespassers that would be permissible under section 2511(2)(i) of title 18, United States Code”.

SEC. 1004. VENUE IN MONEY LAUNDERING CASES.

Section 1956 of title 18, United States Code, is amended by adding at the end the following:

PUBLIC LAW 107-56—OCT. 26, 2001

“(i) VENUE.—(1) Except as provided in paragraph (2), a prosecution for an offense under this section or section 1957 may be brought in—

“(A) any district in which the financial or monetary transaction is conducted; or

“(B) any district where a prosecution for the underlying specified unlawful activity could be brought, if the defendant participated in the transfer of the proceeds of the specified unlawful activity from that district to the district where the financial or monetary transaction is conducted.

“(2) A prosecution for an attempt or conspiracy offense under this section or section 1957 may be brought in the district where venue would lie for the completed offense under paragraph (1), or in any other district where an act in furtherance of the attempt or conspiracy took place.

“(3) For purposes of this section, a transfer of funds from 1 place to another, by wire or any other means, shall constitute a single, continuing transaction. Any person who conducts (as that term is defined in subsection (c)(2)) any portion of the transaction may be charged in any district in which the transaction takes place.”.

Inter-
governmental
relations.
28 USC 509 note.

SEC. 1005. FIRST RESPONDERS ASSISTANCE ACT.

(a) GRANT AUTHORIZATION.—The Attorney General shall make grants described in subsections (b) and (c) to States and units of local government to improve the ability of State and local law enforcement, fire department and first responders to respond to and prevent acts of terrorism.

(b) TERRORISM PREVENTION GRANTS.—Terrorism prevention grants under this subsection may be used for programs, projects, and other activities to—

(1) hire additional law enforcement personnel dedicated to intelligence gathering and analysis functions, including the formation of full-time intelligence and analysis units;

(2) purchase technology and equipment for intelligence gathering and analysis functions, including wire-tap, pen links, cameras, and computer hardware and software;

(3) purchase equipment for responding to a critical incident, including protective equipment for patrol officers such as quick masks;

(4) purchase equipment for managing a critical incident, such as communications equipment for improved interoperability among surrounding jurisdictions and mobile command posts for overall scene management; and

(5) fund technical assistance programs that emphasize coordination among neighboring law enforcement agencies for sharing resources, and resources coordination among law enforcement agencies for combining intelligence gathering and analysis functions, and the development of policy, procedures, memorandums of understanding, and other best practices.

(c) ANTITERRORISM TRAINING GRANTS.—Antiterrorism training grants under this subsection may be used for programs, projects, and other activities to address—

(1) intelligence gathering and analysis techniques;

(2) community engagement and outreach;

(3) critical incident management for all forms of terrorist attack;

(4) threat assessment capabilities;

(5) conducting followup investigations; and

(6) stabilizing a community after a terrorist incident.

(d) APPLICATION.—

(1) IN GENERAL.—Each eligible entity that desires to receive a grant under this section shall submit an application to the Attorney General, at such time, in such manner, and accom-

PUBLIC LAW 107-56—OCT. 26, 2001

panied by such additional information as the Attorney General may reasonably require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) describe the activities for which assistance under this section is sought; and

(B) provide such additional assurances as the Attorney General determines to be essential to ensure compliance with the requirements of this section.

(e) MINIMUM AMOUNT.—If all applications submitted by a State or units of local government within that State have not been funded under this section in any fiscal year, that State, if it qualifies, and the units of local government within that State, shall receive in that fiscal year not less than 0.5 percent of the total amount appropriated in that fiscal year for grants under this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$25,000,000 for each of the fiscal years 2003 through 2007.

SEC. 1006. INADMISSIBILITY OF ALIENS ENGAGED IN MONEY LAUNDERING.

(a) AMENDMENT TO IMMIGRATION AND NATIONALITY ACT.—Section 212(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(2)) is amended by adding at the end the following:

“(I) MONEY LAUNDERING.—Any alien—

“(i) who a consular officer or the Attorney General knows, or has reason to believe, has engaged, is engaging, or seeks to enter the United States to engage, in an offense which is described in section 1956 or 1957 of title 18, United States Code (relating to laundering of monetary instruments); or

“(ii) who a consular officer or the Attorney General knows is, or has been, a knowing aider, abettor, assister, conspirator, or colluder with others in an offense which is described in such section; is inadmissible.”.

(b) MONEY LAUNDERING WATCHLIST.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall develop, implement, and certify to the Congress that there has been established a money laundering watchlist, which identifies individuals worldwide who are known or suspected of money laundering, which is readily accessible to, and shall be checked by, a consular or other Federal official prior to the issuance of a visa or admission to the United States. The Secretary of State shall develop and continually update the watchlist in cooperation with the Attorney General, the Secretary of the Treasury, and the Director of Central Intelligence.

Deadline.
Records.
Certification.
8 USC 1182 note.

SEC. 1007. AUTHORIZATION OF FUNDS FOR DEA POLICE TRAINING IN SOUTH AND CENTRAL ASIA.

In addition to amounts otherwise available to carry out section 481 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291), there is authorized to be appropriated to the President not less than \$5,000,000 for fiscal year 2002 for regional antidrug training in the Republic of Turkey by the Drug Enforcement Administration for police, as well as increased precursor chemical control efforts in the South and Central Asia region.

SEC. 1008. FEASIBILITY STUDY ON USE OF BIOMETRIC IDENTIFIER SCANNING SYSTEM WITH ACCESS TO THE FBI INTEGRATED AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM AT OVERSEAS CONSULAR POSTS AND POINTS OF ENTRY TO THE UNITED STATES.

(a) IN GENERAL.—The Attorney General, in consultation with the Secretary of State and the Secretary of Transportation, shall conduct a study on the feasibility of utilizing a biometric identifier

PUBLIC LAW 107-56—OCT. 26, 2001

(fingerprint) scanning system, with access to the database of the Federal Bureau of Investigation Integrated Automated Fingerprint Identification System, at consular offices abroad and at points of entry into the United States to enhance the ability of State Department and immigration officials to identify aliens who may be wanted in connection with criminal or terrorist investigations in the United States or abroad prior to the issuance of visas or entry into the United States.

Deadline.

(b) **REPORT TO CONGRESS.**—Not later than 90 days after the date of the enactment of this Act, the Attorney General shall submit a report summarizing the findings of the study authorized under subsection (a) to the Committee on International Relations and the Committee on the Judiciary of the House of Representatives and the Committee on Foreign Relations and the Committee on the Judiciary of the Senate.

SEC. 1009. STUDY OF ACCESS.

Deadline.

(a) **IN GENERAL.**—Not later than 120 days after enactment of this Act, the Federal Bureau of Investigation shall study and report to Congress on the feasibility of providing to airlines access via computer to the names of passengers who are suspected of terrorist activity by Federal officials.

(b) **AUTHORIZATION.**—There are authorized to be appropriated not more than \$250,000 to carry out subsection (a).

10 USC 2465
note.**SEC. 1010. TEMPORARY AUTHORITY TO CONTRACT WITH LOCAL AND STATE GOVERNMENTS FOR PERFORMANCE OF SECURITY FUNCTIONS AT UNITED STATES MILITARY INSTALLATIONS.**

(a) **IN GENERAL.**—Notwithstanding section 2465 of title 10, United States Code, during the period of time that United States armed forces are engaged in Operation Enduring Freedom, and for the period of 180 days thereafter, funds appropriated to the Department of Defense may be obligated and expended for the purpose of entering into contracts or other agreements for the performance of security functions at any military installation or facility in the United States with a proximately located local or State government, or combination of such governments, whether or not any such government is obligated to provide such services to the general public without compensation.

(b) **TRAINING.**—Any contract or agreement entered into under this section shall prescribe standards for the training and other qualifications of local government law enforcement personnel who perform security functions under this section in accordance with criteria established by the Secretary of the service concerned.

Deadline.

(c) **REPORT.**—One year after the date of enactment of this section, the Secretary of Defense shall submit a report to the Committees on Armed Services of the Senate and the House of Representatives describing the use of the authority granted under this section and the use by the Department of Defense of other means to improve the performance of security functions on military installations and facilities located within the United States.

Crimes Against
Charitable
Americans Act of
2001.
15 USC 6101
note.**SEC. 1011. CRIMES AGAINST CHARITABLE AMERICANS.**

(a) **SHORT TITLE.**—This section may be cited as the “Crimes Against Charitable Americans Act of 2001”.

(b) **TELEMARKETING AND CONSUMER FRAUD ABUSE.**—The Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6101 et seq.) is amended—

15 USC 6102.

(1) in section 3(a)(2), by inserting after “practices” the second place it appears the following: “which shall include fraudulent charitable solicitations, and”;

(2) in section 3(a)(3)—

(A) in subparagraph (B), by striking “and” at the end;

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

PUBLIC LAW 107-56—OCT. 26, 2001

(C) by adding at the end the following:

“(D) a requirement that any person engaged in telemarketing for the solicitation of charitable contributions, donations, or gifts of money or any other thing of value, shall promptly and clearly disclose to the person receiving the call that the purpose of the call is to solicit charitable contributions, donations, or gifts, and make such other disclosures as the Commission considers appropriate, including the name and mailing address of the charitable organization on behalf of which the solicitation is made.”; and

(3) in section 7(4), by inserting “, or a charitable contribution, donation, or gift of money or any other thing of value,” after “services”. 15 USC 6106.

(c) RED CROSS MEMBERS OR AGENTS.—Section 917 of title 18, United States Code, is amended by striking “one year” and inserting “5 years”.

(d) TELEMARKETING FRAUD.—Section 2325(1) of title 18, United States Code, is amended—

(1) in subparagraph (A), by striking “or” at the end;

(2) in subparagraph (B), by striking the comma at the end and inserting “; or”;

(3) by inserting after subparagraph (B) the following:

“(C) a charitable contribution, donation, or gift of money or any other thing of value,”; and

(4) in the flush language, by inserting “or charitable contributor, or donor” after “participant”.

SEC. 1012. LIMITATION ON ISSUANCE OF HAZMAT LICENSES.

(a) LIMITATION.—

(1) IN GENERAL.—Chapter 51 of title 49, United States Code, is amended by inserting after section 5103 the following new section:

Inter-governmental relations.

“§ 5103a. Limitation on issuance of hazmat licenses

“(a) LIMITATION.—

“(1) ISSUANCE OF LICENSES.—A State may not issue to any individual a license to operate a motor vehicle transporting in commerce a hazardous material unless the Secretary of Transportation has first determined, upon receipt of a notification under subsection (c)(1)(B), that the individual does not pose a security risk warranting denial of the license.

“(2) RENEWALS INCLUDED.—For the purposes of this section, the term ‘issue’, with respect to a license, includes renewal of the license.

“(b) HAZARDOUS MATERIALS DESCRIBED.—The limitation in subsection (a) shall apply with respect to—

“(1) any material defined as a hazardous material by the Secretary of Transportation; and

“(2) any chemical or biological material or agent determined by the Secretary of Health and Human Services or the Attorney General as being a threat to the national security of the United States.

“(c) BACKGROUND RECORDS CHECK.—

“(1) IN GENERAL.—Upon the request of a State regarding issuance of a license described in subsection (a)(1) to an individual, the Attorney General—

“(A) shall carry out a background records check regarding the individual; and

“(B) upon completing the background records check, shall notify the Secretary of Transportation of the completion and results of the background records check.

“(2) SCOPE.—A background records check regarding an individual under this subsection shall consist of the following:

“(A) A check of the relevant criminal history data bases.

PUBLIC LAW 107-56—OCT. 26, 2001

“(B) In the case of an alien, a check of the relevant data bases to determine the status of the alien under the immigration laws of the United States.

“(C) As appropriate, a check of the relevant international data bases through Interpol–U.S. National Central Bureau or other appropriate means.

“(d) REPORTING REQUIREMENT.—Each State shall submit to the Secretary of Transportation, at such time and in such manner as the Secretary may prescribe, the name, address, and such other information as the Secretary may require, concerning—

“(1) each alien to whom the State issues a license described in subsection (a); and

“(2) each other individual to whom such a license is issued, as the Secretary may require.

“(e) ALIEN DEFINED.—In this section, the term ‘alien’ has the meaning given the term in section 101(a)(3) of the Immigration and Nationality Act.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5103 the following new item:

“5103a. Limitation on issuance of hazmat licenses.”.

(b) REGULATION OF DRIVER FITNESS.—Section 31305(a)(5) of title 49, United States Code, is amended—

(1) by striking “and” at the end of subparagraph (A);

(2) by inserting “and” at the end of subparagraph (B);

and

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

“(C) is licensed by a State to operate the vehicle after having first been determined under section 5103a of this title as not posing a security risk warranting denial of the license.”.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of Transportation and the Department of Justice such amounts as may be necessary to carry out section 5103a of title 49, United States Code, as added by subsection (a).

49 USC 5103a
note.

SEC. 1013. EXPRESSING THE SENSE OF THE SENATE CONCERNING THE PROVISION OF FUNDING FOR BIOTERRORISM PREPAREDNESS AND RESPONSE.

(a) FINDINGS.—The Senate finds the following:

(1) Additional steps must be taken to better prepare the United States to respond to potential bioterrorism attacks.

(2) The threat of a bioterrorist attack is still remote, but is increasing for a variety of reasons, including—

(A) public pronouncements by Osama bin Laden that it is his religious duty to acquire weapons of mass destruction, including chemical and biological weapons;

(B) the callous disregard for innocent human life as demonstrated by the terrorists’ attacks of September 11, 2001;

(C) the resources and motivation of known terrorists and their sponsors and supporters to use biological warfare;

(D) recent scientific and technological advances in agent delivery technology such as aerosolization that have made weaponization of certain germs much easier; and

(E) the increasing access to the technologies and expertise necessary to construct and deploy chemical and biological weapons of mass destruction.

(3) Coordination of Federal, State, and local terrorism research, preparedness, and response programs must be improved.

(4) States, local areas, and public health officials must have enhanced resources and expertise in order to respond to a potential bioterrorist attack.

PUBLIC LAW 107-56—OCT. 26, 2001

(5) National, State, and local communication capacities must be enhanced to combat the spread of chemical and biological illness.

(6) Greater resources must be provided to increase the capacity of hospitals and local health care workers to respond to public health threats.

(7) Health care professionals must be better trained to recognize, diagnose, and treat illnesses arising from biochemical attacks.

(8) Additional supplies may be essential to increase the readiness of the United States to respond to a bio-attack.

(9) Improvements must be made in assuring the safety of the food supply.

(10) New vaccines and treatments are needed to assure that we have an adequate response to a biochemical attack.

(11) Government research, preparedness, and response programs need to utilize private sector expertise and resources.

(12) Now is the time to strengthen our public health system and ensure that the United States is adequately prepared to respond to potential bioterrorist attacks, natural infectious disease outbreaks, and other challenges and potential threats to the public health.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States should make a substantial new investment this year toward the following:

(1) Improving State and local preparedness capabilities by upgrading State and local surveillance epidemiology, assisting in the development of response plans, assuring adequate staffing and training of health professionals to diagnose and care for victims of bioterrorism, extending the electronics communications networks and training personnel, and improving public health laboratories.

(2) Improving hospital response capabilities by assisting hospitals in developing plans for a bioterrorist attack and improving the surge capacity of hospitals.

(3) Upgrading the bioterrorism capabilities of the Centers for Disease Control and Prevention through improving rapid identification and health early warning systems.

(4) Improving disaster response medical systems, such as the National Disaster Medical System and the Metropolitan Medical Response System and Epidemic Intelligence Service.

(5) Targeting research to assist with the development of appropriate therapeutics and vaccines for likely bioterrorist agents and assisting with expedited drug and device review through the Food and Drug Administration.

(6) Improving the National Pharmaceutical Stockpile program by increasing the amount of necessary therapies (including smallpox vaccines and other post-exposure vaccines) and ensuring the appropriate deployment of stockpiles.

(7) Targeting activities to increase food safety at the Food and Drug Administration.

(8) Increasing international cooperation to secure dangerous biological agents, increase surveillance, and retrain biological warfare specialists.

SEC. 1014. GRANT PROGRAM FOR STATE AND LOCAL DOMESTIC PREPAREDNESS SUPPORT. 42 USC 3711.

(a) IN GENERAL.—The Office for State and Local Domestic Preparedness Support of the Office of Justice Programs shall make a grant to each State, which shall be used by the State, in conjunction with units of local government, to enhance the capability of State and local jurisdictions to prepare for and respond to terrorist acts including events of terrorism involving weapons of mass destruction and biological, nuclear, radiological, incendiary, chemical, and explosive devices.

PUBLIC LAW 107-56—OCT. 26, 2001

(b) USE OF GRANT AMOUNTS.—Grants under this section may be used to purchase needed equipment and to provide training and technical assistance to State and local first responders.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section such sums as necessary for each of fiscal years 2002 through 2007.

(2) LIMITATIONS.—Of the amount made available to carry out this section in any fiscal year not more than 3 percent may be used by the Attorney General for salaries and administrative expenses.

(3) MINIMUM AMOUNT.—Each State shall be allocated in each fiscal year under this section not less than 0.75 percent of the total amount appropriated in the fiscal year for grants pursuant to this section, except that the United States Virgin Islands, America Samoa, Guam, and the Northern Mariana Islands each shall be allocated 0.25 percent.

SEC. 1015. EXPANSION AND REAUTHORIZATION OF THE CRIME IDENTIFICATION TECHNOLOGY ACT FOR ANTITERRORISM GRANTS TO STATES AND LOCALITIES.

Section 102 of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601) is amended—

(1) in subsection (b)—

(A) in paragraph (16), by striking “and” at the end;

(B) in paragraph (17), by striking the period and inserting “; and”; and

(C) by adding at the end the following:

“(18) notwithstanding subsection (c), antiterrorism purposes as they relate to any other uses under this section or for other antiterrorism programs.”; and

(2) in subsection (e)(1), by striking “this section” and all that follows and inserting “this section \$250,000,000 for each of fiscal years 2002 through 2007.”.

SEC. 1016. CRITICAL INFRASTRUCTURES PROTECTION.

(a) SHORT TITLE.—This section may be cited as the “Critical Infrastructures Protection Act of 2001”.

(b) FINDINGS.—Congress makes the following findings:

(1) The information revolution has transformed the conduct of business and the operations of government as well as the infrastructure relied upon for the defense and national security of the United States.

(2) Private business, government, and the national security apparatus increasingly depend on an interdependent network of critical physical and information infrastructures, including telecommunications, energy, financial services, water, and transportation sectors.

(3) A continuous national effort is required to ensure the reliable provision of cyber and physical infrastructure services critical to maintaining the national defense, continuity of government, economic prosperity, and quality of life in the United States.

(4) This national effort requires extensive modeling and analytic capabilities for purposes of evaluating appropriate mechanisms to ensure the stability of these complex and interdependent systems, and to underpin policy recommendations, so as to achieve the continuous viability and adequate protection of the critical infrastructure of the Nation.

(c) POLICY OF THE UNITED STATES.—It is the policy of the United States—

(1) that any physical or virtual disruption of the operation of the critical infrastructures of the United States be rare, brief, geographically limited in effect, manageable, and mini-

Critical
Infrastructure
Protection Act of
2001.
42 USC 5195c.

PUBLIC LAW 107-56—OCT. 26, 2001

mally detrimental to the economy, human and government services, and national security of the United States;

(2) that actions necessary to achieve the policy stated in paragraph (1) be carried out in a public-private partnership involving corporate and non-governmental organizations; and

(3) to have in place a comprehensive and effective program to ensure the continuity of essential Federal Government functions under all circumstances.

(d) ESTABLISHMENT OF NATIONAL COMPETENCE FOR CRITICAL INFRASTRUCTURE PROTECTION.—

(1) SUPPORT OF CRITICAL INFRASTRUCTURE PROTECTION AND CONTINUITY BY NATIONAL INFRASTRUCTURE SIMULATION AND ANALYSIS CENTER.—There shall be established the National Infrastructure Simulation and Analysis Center (NISAC) to serve as a source of national competence to address critical infrastructure protection and continuity through support for activities related to counterterrorism, threat assessment, and risk mitigation.

(2) PARTICULAR SUPPORT.—The support provided under paragraph (1) shall include the following:

(A) Modeling, simulation, and analysis of the systems comprising critical infrastructures, including cyber infrastructure, telecommunications infrastructure, and physical infrastructure, in order to enhance understanding of the large-scale complexity of such systems and to facilitate modification of such systems to mitigate the threats to such systems and to critical infrastructures generally.

(B) Acquisition from State and local governments and the private sector of data necessary to create and maintain models of such systems and of critical infrastructures generally.

(C) Utilization of modeling, simulation, and analysis under subparagraph (A) to provide education and training to policymakers on matters relating to—

(i) the analysis conducted under that subparagraph;

(ii) the implications of unintended or unintentional disturbances to critical infrastructures; and

(iii) responses to incidents or crises involving critical infrastructures, including the continuity of government and private sector activities through and after such incidents or crises.

(D) Utilization of modeling, simulation, and analysis under subparagraph (A) to provide recommendations to policymakers, and to departments and agencies of the Federal Government and private sector persons and entities upon request, regarding means of enhancing the stability of, and preserving, critical infrastructures.

(3) RECIPIENT OF CERTAIN SUPPORT.—Modeling, simulation, and analysis provided under this subsection shall be provided, in particular, to relevant Federal, State, and local entities responsible for critical infrastructure protection and policy.

PUBLIC LAW 107-56—OCT. 26, 2001

(e) **CRITICAL INFRASTRUCTURE DEFINED.**—In this section, the term “critical infrastructure” means systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There is hereby authorized for the Department of Defense for fiscal year 2002, \$20,000,000 for the Defense Threat Reduction Agency for activities of the National Infrastructure Simulation and Analysis Center under this section in that fiscal year.

Approved October 26, 2001.

LEGISLATIVE HISTORY—H.R. 3162:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 23, 24, considered and passed House.

Oct. 25, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Oct. 26, Presidential remarks.

REVENUE ACTS

PUBLIC LAW 107-16—JUNE 7, 2001

Public Law 107-16
107th Congress

An Act

To provide for reconciliation pursuant to section 104 of the concurrent resolution
on the budget for fiscal year 2002.

June 7, 2001

[H.R. 1836]

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,***SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CONTENTS.**(a) **SHORT TITLE.**—This Act may be cited as the “Economic Growth and Tax Relief Reconciliation Act of 2001”.(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.(c) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; references; table of contents.

TITLE I—INDIVIDUAL INCOME TAX RATE REDUCTIONS

Sec. 101. Reduction in income tax rates for individuals.

Sec. 102. Repeal of phaseout of personal exemptions.

Sec. 103. Phaseout of overall limitation on itemized deductions.

TITLE II—TAX BENEFITS RELATING TO CHILDREN

Sec. 201. Modifications to child tax credit.

Sec. 202. Expansion of adoption credit and adoption assistance programs.

Sec. 203. Refunds disregarded in the administration of Federal programs and federally assisted programs.

Sec. 204. Dependent care credit.

Sec. 205. Allowance of credit for employer expenses for child care assistance.

TITLE III—MARRIAGE PENALTY RELIEF

Sec. 301. Elimination of marriage penalty in standard deduction.

Sec. 302. Phaseout of marriage penalty in 15-percent bracket.

Sec. 303. Marriage penalty relief for earned income credit; earned income to include only amounts includible in gross income; simplification of earned income credit.

TITLE IV—AFFORDABLE EDUCATION PROVISIONS**Subtitle A—Education Savings Incentives**

Sec. 401. Modifications to education individual retirement accounts.

Sec. 402. Modifications to qualified tuition programs.

Subtitle B—Educational Assistance

Sec. 411. Extension of exclusion for employer-provided educational assistance.

Sec. 412. Elimination of 60-month limit and increase in income limitation on student loan interest deduction.

Sec. 413. Exclusion of certain amounts received under the National Health Service Corps Scholarship Program and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program.

**Subtitle C—Liberalization of Tax-Exempt Financing Rules for Public School
Construction**

Sec. 421. Additional increase in arbitrage rebate exception for governmental bonds used to finance educational facilities.

Sec. 422. Treatment of qualified public educational facility bonds as exempt facility bonds.

Subtitle D—Other Provisions

Sec. 431. Deduction for higher education expenses.

Economic Growth
and Tax Relief
Reconciliation
Act of 2001.
26 USC 1 note.

PUBLIC LAW 107-16—JUNE 7, 2001

TITLE V—ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAX PROVISIONS

Subtitle A—Repeal of Estate and Generation-Skipping Transfer Taxes

Sec. 501. Repeal of estate and generation-skipping transfer taxes.

Subtitle B—Reductions of Estate and Gift Tax Rates

Sec. 511. Additional reductions of estate and gift tax rates.

Subtitle C—Increase in Exemption Amounts

Sec. 521. Increase in exemption equivalent of unified credit, lifetime gifts exemption, and GST exemption amounts.

Subtitle D—Credit for State Death Taxes

Sec. 531. Reduction of credit for State death taxes.

Sec. 532. Credit for State death taxes replaced with deduction for such taxes.

Subtitle E—Carryover Basis at Death; Other Changes Taking Effect With Repeal

Sec. 541. Termination of step-up in basis at death.

Sec. 542. Treatment of property acquired from a decedent dying after December 31, 2009.

Subtitle F—Conservation Easements

Sec. 551. Expansion of estate tax rule for conservation easements.

Subtitle G—Modifications of Generation-Skipping Transfer Tax

Sec. 561. Deemed allocation of GST exemption to lifetime transfers to trusts; retroactive allocations.

Sec. 562. Severing of trusts.

Sec. 563. Modification of certain valuation rules.

Sec. 564. Relief provisions.

Subtitle H—Extension of Time for Payment of Estate Tax

Sec. 571. Increase in number of allowable partners and shareholders in closely held businesses.

Sec. 572. Expansion of availability of installment payment for estates with interests qualifying lending and finance businesses.

Sec. 573. Clarification of availability of installment payment.

Subtitle I—Other Provisions

Sec. 581. Waiver of statute of limitation for taxes on certain farm valuations.

TITLE VI—PENSION AND INDIVIDUAL RETIREMENT ARRANGEMENT PROVISIONS

Subtitle A—Individual Retirement Accounts

Sec. 601. Modification of IRA contribution limits.

Sec. 602. Deemed IRAs under employer plans.

Subtitle B—Expanding Coverage

Sec. 611. Increase in benefit and contribution limits.

Sec. 612. Plan loans for subchapter S owners, partners, and sole proprietors.

Sec. 613. Modification of top-heavy rules.

Sec. 614. Elective deferrals not taken into account for purposes of deduction limits.

Sec. 615. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations.

Sec. 616. Deduction limits.

Sec. 617. Option to treat elective deferrals as after-tax Roth contributions.

Sec. 618. Nonrefundable credit to certain individuals for elective deferrals and IRA contributions.

Sec. 619. Credit for pension plan startup costs of small employers.

Sec. 620. Elimination of user fee for requests to IRS regarding pension plans.

Sec. 621. Treatment of nonresident aliens engaged in international transportation services.

Subtitle C—Enhancing Fairness for Women

Sec. 631. Catch-up contributions for individuals age 50 or over.

Sec. 632. Equitable treatment for contributions of employees to defined contribution plans.

Sec. 633. Faster vesting of certain employer matching contributions.

Sec. 634. Modification to minimum distribution rules.

Sec. 635. Clarification of tax treatment of division of section 457 plan benefits upon divorce.

Sec. 636. Provisions relating to hardship distributions.

Sec. 637. Waiver of tax on nondeductible contributions for domestic or similar workers.

Subtitle D—Increasing Portability for Participants

Sec. 641. Rollovers allowed among various types of plans.

PUBLIC LAW 107-16—JUNE 7, 2001

- Sec. 642. Rollovers of IRAs into workplace retirement plans.
- Sec. 643. Rollovers of after-tax contributions.
- Sec. 644. Hardship exception to 60-day rule.
- Sec. 645. Treatment of forms of distribution.
- Sec. 646. Rationalization of restrictions on distributions.
- Sec. 647. Purchase of service credit in governmental defined benefit plans.
- Sec. 648. Employers may disregard rollovers for purposes of cash-out amounts.
- Sec. 649. Minimum distribution and inclusion requirements for section 457 plans.

Subtitle E—Strengthening Pension Security and Enforcement

PART I—GENERAL PROVISIONS

- Sec. 651. Repeal of 160 percent of current liability funding limit.
- Sec. 652. Maximum contribution deduction rules modified and applied to all defined benefit plans.
- Sec. 653. Excise tax relief for sound pension funding.
- Sec. 654. Treatment of multiemployer plans under section 415.
- Sec. 655. Protection of investment of employee contributions to 401(k) plans.
- Sec. 656. Prohibited allocations of stock in S corporation ESOP.
- Sec. 657. Automatic rollovers of certain mandatory distributions.
- Sec. 658. Clarification of treatment of contributions to multiemployer plan.

PART II—TREATMENT OF PLAN AMENDMENTS REDUCING FUTURE BENEFIT ACCRUALS

- Sec. 659. Excise tax on failure to provide notice by defined benefit plans significantly reducing future benefit accruals.

Subtitle F—Reducing Regulatory Burdens

- Sec. 661. Modification of timing of plan valuations.
- Sec. 662. ESOP dividends may be reinvested without loss of dividend deduction.
- Sec. 663. Repeal of transition rule relating to certain highly compensated employees.
- Sec. 664. Employees of tax-exempt entities.
- Sec. 665. Clarification of treatment of employer-provided retirement advice.
- Sec. 666. Repeal of the multiple use test.

Subtitle G—Miscellaneous Provisions

- Sec. 671. Tax treatment and information requirements of Alaska Native Settlement Trusts.

TITLE VII—ALTERNATIVE MINIMUM TAX

- Sec. 701. Increase in alternative minimum tax exemption.

TITLE VIII—OTHER PROVISIONS

- Sec. 801. Time for payment of corporate estimated taxes.
- Sec. 802. Expansion of authority to postpone certain tax-related deadlines by reason of Presidentially declared disaster.
- Sec. 803. No Federal income tax on restitution received by victims of the Nazi regime or their heirs or estates.

TITLE IX—COMPLIANCE WITH CONGRESSIONAL BUDGET ACT

- Sec. 901. Sunset of provisions of Act.

TITLE I—INDIVIDUAL INCOME TAX RATE REDUCTIONS

SEC. 101. REDUCTION IN INCOME TAX RATES FOR INDIVIDUALS.

(a) **IN GENERAL.**—Section 1 (relating to tax imposed) is amended 26 USC 1.
by adding at the end the following new subsection:

“(i) **RATE REDUCTIONS AFTER 2000.**—

“(1) **10-PERCENT RATE BRACKET.**—

“(A) **IN GENERAL.**—In the case of taxable years beginning after December 31, 2000—

“(i) the rate of tax under subsections (a), (b), (c), and (d) on taxable income not over the initial bracket amount shall be 10 percent, and

“(ii) the 15 percent rate of tax shall apply only to taxable income over the initial bracket amount but not over the maximum dollar amount for the 15-percent rate bracket.

“(B) **INITIAL BRACKET AMOUNT.**—For purposes of this paragraph, the initial bracket amount is—

“(i) \$14,000 (\$12,000 in the case of taxable years beginning before January 1, 2008) in the case of subsection (a),

PUBLIC LAW 107-16—JUNE 7, 2001

Applicability.

“(ii) \$10,000 in the case of subsection (b), and
 “(iii) ½ the amount applicable under clause (i)
 (after adjustment, if any, under subparagraph (C)) in
 the case of subsections (c) and (d).

“(C) INFLATION ADJUSTMENT.—In prescribing the tables
 under subsection (f) which apply with respect to taxable
 years beginning in calendar years after 2000—

“(i) the Secretary shall make no adjustment to
 the initial bracket amount for any taxable year begin-
 ning before January 1, 2009,

“(ii) the cost-of-living adjustment used in making
 adjustments to the initial bracket amount for any tax-
 able year beginning after December 31, 2008, shall
 be determined under subsection (f)(3) by substituting
 ‘2007’ for ‘1992’ in subparagraph (B) thereof, and

“(iii) such adjustment shall not apply to the
 amount referred to in subparagraph (B)(iii).

If any amount after adjustment under the preceding sen-
 tence is not a multiple of \$50, such amount shall be rounded
 to the next lowest multiple of \$50.

“(D) COORDINATION WITH ACCELERATION OF 10 PERCENT
 RATE BRACKET BENEFIT FOR 2001.—This paragraph shall
 not apply to any taxable year to which section 6428 applies.

“(2) REDUCTIONS IN RATES AFTER JUNE 30, 2001.—In the
 case of taxable years beginning in a calendar year after 2000,
 the corresponding percentage specified for such calendar year
 in the following table shall be substituted for the otherwise
 applicable tax rate in the tables under subsections (a), (b),
 (c), (d), and (e).

| “In the case of taxable years beginning during calendar year: | The corresponding percentages shall be substituted for the following percentages: | | | |
|--|---|-------|-------|-------|
| | 28% | 31% | 36% | 39.6% |
| 2001 | 27.5% | 30.5% | 35.5% | 39.1% |
| 2002 and 2003 | 27.0% | 30.0% | 35.0% | 38.6% |
| 2004 and 2005 | 26.0% | 29.0% | 34.0% | 37.6% |
| 2006 and thereafter | 25.0% | 28.0% | 33.0% | 35.0% |

“(3) ADJUSTMENT OF TABLES.—The Secretary shall adjust
 the tables prescribed under subsection (f) to carry out this
 subsection.”

(b) ACCELERATION OF 10 PERCENT RATE BRACKET BENEFIT FOR
 2001.—

(1) IN GENERAL.—Subchapter B of chapter 65 (relating to
 abatements, credits, and refunds) is amended by adding at
 the end the following new section:

**“SEC. 6428. ACCELERATION OF 10 PERCENT INCOME TAX RATE
 BRACKET BENEFIT FOR 2001.**

“(a) IN GENERAL.—In the case of an eligible individual, there
 shall be allowed as a credit against the tax imposed by chapter
 1 for the taxpayer’s first taxable year beginning in 2001 an amount
 equal to 5 percent of so much of the taxpayer’s taxable income
 as does not exceed the initial bracket amount (as defined in section
 1(i)(1)(B)).

“(b) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed
 by subsection (a) shall not exceed the excess (if any) of—

“(1) the sum of the regular tax liability (as defined in
 section 26(b)) plus the tax imposed by section 55, over

“(2) the sum of the credits allowable under part IV of
 subchapter A of chapter 1 (other than the credits allowable
 under subpart C thereof, relating to refundable credits).

“(c) ELIGIBLE INDIVIDUAL.—For purposes of this section, the
 term ‘eligible individual’ means any individual other than—

PUBLIC LAW 107-16—JUNE 7, 2001

“(1) any estate or trust,

“(2) any nonresident alien individual, and

“(3) any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual’s taxable year begins.

“(d) SPECIAL RULES.—

“(1) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—

“(A) IN GENERAL.—The amount of credit which would (but for this paragraph) be allowable under this section shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer under subsection (e). Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

“(B) JOINT RETURNS.—In the case of a refund or credit made or allowed under subsection (e) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.

“(2) COORDINATION WITH ESTIMATED TAX.—The credit under this section shall be treated for purposes of section 6654(f) in the same manner as a credit under subpart A of part IV of subchapter A of chapter 1.

“(e) ADVANCE REFUNDS OF CREDIT BASED ON PRIOR YEAR DATA.—

“(1) IN GENERAL.—Each individual who was an eligible individual for such individual’s first taxable year beginning in 2000 shall be treated as having made a payment against the tax imposed by chapter 1 for such first taxable year in an amount equal to the advance refund amount for such taxable year.

“(2) ADVANCE REFUND AMOUNT.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such first taxable year if this section (other than subsection (d) and this subsection) had applied to such taxable year.

“(3) TIMING OF PAYMENTS.—In the case of any overpayment attributable to this subsection, the Secretary shall, subject to the provisions of this title, refund or credit such overpayment as rapidly as possible and, to the extent practicable, before October 1, 2001. No refund or credit shall be made or allowed under this subsection after December 31, 2001.

“(4) NO INTEREST.—No interest shall be allowed on any overpayment attributable to this subsection.”.

(2) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 65 is amended by adding at the end the following new item:

“Sec. 6428. Acceleration of 10 percent income tax rate bracket benefit for 2001.”.

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 1(g)(7) is amended by striking “15 percent” in clause (ii)(II) and inserting “10 percent.”. 26 USC 1.

(2) Section 1(h) is amended—

(A) by striking “28 percent” both places it appears in paragraphs (1)(A)(ii)(I) and (1)(B)(i) and inserting “25 percent”, and

(B) by striking paragraph (13).

(3) Section 15 is amended by adding at the end the following new subsection:

“(f) RATE REDUCTIONS ENACTED BY ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—This section shall not apply to any change in rates under subsection (i) of section 1 (relating to rate reductions after 2000).”.

PUBLIC LAW 107-16—JUNE 7, 2001

(4) Section 531 is amended by striking “equal to” and all that follows and inserting “equal to the product of the highest rate of tax under section 1(c) and the accumulated taxable income.”

(5) Section 541 is amended by striking “equal to” and all that follows and inserting “equal to the product of the highest rate of tax under section 1(c) and the undistributed personal holding company income.”

(6) Section 3402(p)(1)(B) is amended by striking “7, 15, 28, or 31 percent” and inserting “7 percent, any percentage applicable to any of the 3 lowest income brackets in the table under section 1(c).”

(7) Section 3402(p)(2) is amended by striking “15 percent” and inserting “10 percent”.

26 USC 3402.

(8) Section 3402(q)(1) is amended by striking “equal to 28 percent of such payment” and inserting “equal to the product of the third lowest rate of tax applicable under section 1(c) and such payment”.

(9) Section 3402(r)(3) is amended by striking “31 percent” and inserting “the fourth lowest rate of tax applicable under section 1(c)”.

(10) Section 3406(a)(1) is amended by striking “equal to 31 percent of such payment” and inserting “equal to the product of the fourth lowest rate of tax applicable under section 1(c) and such payment”.

(11) Section 13273 of the Revenue Reconciliation Act of 1993 is amended by striking “28 percent” and inserting “the third lowest rate of tax applicable under section 1(c) of the Internal Revenue Code of 1986”.

26 USC 1 note.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) AMENDMENTS TO WITHHOLDING PROVISIONS.—The amendments made by paragraphs (6), (7), (8), (9), (10), and (11) of subsection (c) shall apply to amounts paid after the 60th day after the date of the enactment of this Act. References to income brackets and rates of tax in such paragraphs shall be applied without regard to section 1(i)(1)(D) of the Internal Revenue Code of 1986.

SEC. 102. REPEAL OF PHASEOUT OF PERSONAL EXEMPTIONS.

(a) IN GENERAL.—Paragraph (3) of section 151(d) (relating to exemption amount) is amended by adding at the end the following new subparagraphs:

“(E) REDUCTION OF PHASEOUT.—

“(i) IN GENERAL.—In the case of taxable years beginning after December 31, 2005, and before January 1, 2010, the reduction under subparagraph (A) shall be equal to the applicable fraction of the amount which would (but for this subparagraph) be the amount of such reduction.

“(ii) APPLICABLE FRACTION.—For purposes of clause (i), the applicable fraction shall be determined in accordance with the following table:

| “For taxable years beginning in calendar year— | The applicable fraction is— |
|---|--------------------------------|
| 2006 and 2007 | $\frac{2}{3}$ |
| 2008 and 2009 | $\frac{1}{3}$. |

“(F) TERMINATION.—This paragraph shall not apply to any taxable year beginning after December 31, 2009.”

Applicability.
26 USC 151 note.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

PUBLIC LAW 107-16—JUNE 7, 2001

SEC. 103. PHASEOUT OF OVERALL LIMITATION ON ITEMIZED DEDUCTIONS.

(a) IN GENERAL.—Section 68 is amended by adding at the end the following new subsections:

“(f) PHASEOUT OF LIMITATION.—

“(1) IN GENERAL.—In the case of taxable years beginning after December 31, 2005, and before January 1, 2010, the reduction under subsection (a) shall be equal to the applicable fraction of the amount which would (but for this subsection) be the amount of such reduction.

“(2) APPLICABLE FRACTION.—For purposes of paragraph (1), the applicable fraction shall be determined in accordance with the following table:

| “For taxable years beginning in calendar year— | The applicable fraction is— |
|--|-----------------------------|
| 2006 and 2007 | 2/3 |
| 2008 and 2009 | 1/3. |

“(g) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 2009.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

Applicability.
26 USC 68 note.

TITLE II—TAX BENEFITS RELATING TO CHILDREN

SEC. 201. MODIFICATIONS TO CHILD TAX CREDIT.

(a) INCREASE IN PER CHILD AMOUNT.—Subsection (a) of section 24 (relating to child tax credit) is amended to read as follows:

26 USC 24.

“(a) ALLOWANCE OF CREDIT.—

“(1) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year with respect to each qualifying child of the taxpayer an amount equal to the per child amount.

“(2) PER CHILD AMOUNT.—For purposes of paragraph (1), the per child amount shall be determined as follows:

| “In the case of any taxable year beginning in— | The per child amount is— |
|--|--------------------------|
| 2001, 2002, 2003, or 2004 | \$ 600 |
| 2005, 2006, 2007, or 2008 | 700 |
| 2009 | 800 |
| 2010 or thereafter | 1,000.” |

(b) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—
(1) IN GENERAL.—Subsection (b) of section 24 (relating to child tax credit) is amended by adding at the end the following new paragraph:

“(3) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

“(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(B) the sum of the credits allowable under this subpart (other than this section) and section 27 for the taxable year.”

(2) CONFORMING AMENDMENTS.—

(A) The heading for section 24(b) is amended to read as follows: “LIMITATIONS.—”

(B) The heading for section 24(b)(1) is amended to read as follows: “LIMITATION BASED ON ADJUSTED GROSS INCOME.—”

(C) Section 24(d), as amended by subsection (c), is amended—

(i) by striking “section 26(a)” each place it appears and inserting “subsection (b)(3)”, and

PUBLIC LAW 107-16—JUNE 7, 2001

(ii) in paragraph (1)(B) by striking “aggregate amount of credits allowed by this subpart” and inserting “amount of credit allowed by this section”.

26 USC 26.

(D) Paragraph (1) of section 26(a) is amended by inserting “(other than section 24)” after “this subpart”.

(E) Subsection (c) of section 23 is amended by striking “and section 1400C” and inserting “and sections 24 and 1400C”.

(F) Subparagraph (C) of section 25(e)(1) is amended by inserting “, 24,” after “sections 23”.

(G) Section 904(h) is amended by inserting “(other than section 24)” after “chapter”.

(H) Subsection (d) of section 1400C is amended by inserting “and section 24” after “this section”.

(c) REFUNDABLE CHILD CREDIT.—

(1) IN GENERAL.—So much of section 24(d) (relating to additional credit for families with 3 or more children) as precedes paragraph (2) is amended to read as follows:

“(d) PORTION OF CREDIT REFUNDABLE.—

“(1) IN GENERAL.—The aggregate credits allowed to a taxpayer under subpart C shall be increased by the lesser of—

“(A) the credit which would be allowed under this section without regard to this subsection and the limitation under section 26(a), or

“(B) the amount by which the amount of credit allowed by this section (determined without regard to this subsection) would increase if the limitation imposed by section 26(a) were increased by the greater of—

“(i) 15 percent (10 percent in the case of taxable years beginning before January 1, 2005) of so much of the taxpayer’s earned income (within the meaning of section 32) which is taken into account in computing taxable income for the taxable year as exceeds \$10,000, or

“(ii) in the case of a taxpayer with 3 or more qualifying children, the excess (if any) of—

“(I) the taxpayer’s social security taxes for the taxable year, over

“(II) the credit allowed under section 32 for the taxable year.

The amount of the credit allowed under this subsection shall not be treated as a credit allowed under this subpart and shall reduce the amount of credit otherwise allowable under subsection (a) without regard to section 26(a).”

(2) INFLATION ADJUSTMENT.—Subsection (d) of section 24 is amended by adding at the end the following new paragraph:

“(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, the \$10,000 amount contained in paragraph (1)(B) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2000’ for ‘calendar year 1992’ in subparagraph (B) thereof.

Any increase determined under the preceding sentence shall be rounded to the nearest multiple of \$50.”

26 USC 32.

(3) CONFORMING AMENDMENT.—Section 32 is amended by striking subsection (n).

(d) ELIMINATION OF REDUCTION OF CREDIT TO TAXPAYER SUBJECT TO ALTERNATIVE MINIMUM TAX PROVISION.—Section 24(d) is amended—

(1) by striking paragraph (2), and

(2) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

PUBLIC LAW 107-16—JUNE 7, 2001

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 2001.

Applicability.
26 USC 24 note.

SEC. 202. EXPANSION OF ADOPTION CREDIT AND ADOPTION ASSISTANCE PROGRAMS.

(a) IN GENERAL.—

(1) ADOPTION CREDIT.—Section 23(a)(1) (relating to allowance of credit) is amended to read as follows:

“(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter—

“(A) in the case of an adoption of a child other than a child with special needs, the amount of the qualified adoption expenses paid or incurred by the taxpayer, and

“(B) in the case of an adoption of a child with special needs, \$10,000.”.

(2) ADOPTION ASSISTANCE PROGRAMS.—Section 137(a) (relating to adoption assistance programs) is amended to read as follows:

“(a) IN GENERAL.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for adoption expenses in connection with the adoption of a child by an employee if such amounts are furnished pursuant to an adoption assistance program. The amount of the exclusion shall be—

“(1) in the case of an adoption of a child other than a child with special needs, the amount of the qualified adoption expenses paid or incurred by the taxpayer, and

“(2) in the case of an adoption of a child with special needs, \$10,000.”.

(b) DOLLAR LIMITATIONS.—

(1) DOLLAR AMOUNT OF ALLOWED EXPENSES.—

(A) ADOPTION EXPENSES.—Section 23(b)(1) (relating to allowance of credit) is amended—

(i) by striking “\$5,000” and inserting “\$10,000”,

(ii) by striking “(\$6,000, in the case of a child with special needs)”, and

(iii) by striking “subsection (a)” and inserting “subsection (a)(1)(A)”.

(B) ADOPTION ASSISTANCE PROGRAMS.—Section 137(b)(1) (relating to dollar limitations for adoption assistance programs) is amended—

(i) by striking “\$5,000” and inserting “\$10,000”, and

(ii) by striking “(\$6,000, in the case of a child with special needs)”, and

(iii) by striking “subsection (a)” and inserting “subsection (a)(1)”.

(2) PHASE-OUT LIMITATION.—

(A) ADOPTION EXPENSES.—Clause (i) of section 23(b)(2)(A) (relating to income limitation) is amended by striking “\$75,000” and inserting “\$150,000”.

(B) ADOPTION ASSISTANCE PROGRAMS.—Section 137(b)(2)(A) (relating to income limitation) is amended by striking “\$75,000” and inserting “\$150,000”.

(c) YEAR CREDIT ALLOWED.—Section 23(a)(2) (relating to year credit allowed) is amended by adding at the end the following new flush sentence:

“In the case of the adoption of a child with special needs, the credit allowed under paragraph (1) shall be allowed for the taxable year in which the adoption becomes final.”.

(d) REPEAL OF TERMINATIONS.—

26 USC 23.

PUBLIC LAW 107-16—JUNE 7, 2001

(1) CHILDREN WITHOUT SPECIAL NEEDS.—Paragraph (2) of section 23(d) (relating to definition of eligible child) is amended to read as follows:

“(2) ELIGIBLE CHILD.—The term ‘eligible child’ means any individual who—

“(A) has not attained age 18, or

“(B) is physically or mentally incapable of caring for himself.”.

(2) ADOPTION ASSISTANCE PROGRAMS.—Section 137 (relating to adoption assistance programs) is amended by striking subsection (f).

(e) ADJUSTMENT OF DOLLAR AND INCOME LIMITATIONS FOR INFLATION.—

(1) ADOPTION CREDIT.—Section 23 (relating to adoption expenses) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

“(h) ADJUSTMENTS FOR INFLATION.—In the case of a taxable year beginning after December 31, 2002, each of the dollar amounts in subsection (a)(1)(B) and paragraphs (1) and (2)(A)(i) of subsection (b) shall be increased by an amount equal to—

“(1) such dollar amount, multiplied by

“(2) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2001’ for ‘calendar year 1992’ in subparagraph (B) thereof.”.

(2) ADOPTION ASSISTANCE PROGRAMS.—Section 137 (relating to adoption assistance programs), as amended by subsection (d), is amended by adding at the end the following new subsection:

“(f) ADJUSTMENTS FOR INFLATION.—In the case of a taxable year beginning after December 31, 2002, each of the dollar amounts in subsection (a)(2) and paragraphs (1) and (2)(A) of subsection (b) shall be increased by an amount equal to—

“(1) such dollar amount, multiplied by

“(2) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2001’ for ‘calendar year 1992’ in subparagraph (B) thereof.”.

(f) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—

26 USC 23.

(1) IN GENERAL.—Subsection (b) of section 23 is amended by adding at the end the following new paragraph:

“(4) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

“(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(B) the sum of the credits allowable under this subpart (other than this section) and section 27 for the taxable year.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 23(c), as amended by section 201(b), is amended—

(i) by striking “section 26(a)” and inserting “subsection (b)(4)”, and

(ii) by striking “reduced by the sum of the credits allowable under this subpart (other than this section and sections 24 and 1400C)”.

(B) Section 24(b)(3)(B), as added by section 201(b), is amended by striking “this section” and inserting “this section and section 23”.

(C) Sections 26(a)(1), 904(h), and 1400C(d), as amended by section 201(b), are each amended by striking “section 24” and inserting “sections 23 and 24”.

(g) EFFECTIVE DATE.—

PUBLIC LAW 107-16—JUNE 7, 2001

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(2) SUBSECTION (a).—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2002.

SEC. 203. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

26 USC 24 note.

Any payment considered to have been made to any individual by reason of section 24 of the Internal Revenue Code of 1986, as amended by section 201, shall not be taken into account as income and shall not be taken into account as resources for the month of receipt and the following month, for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

SEC. 204. DEPENDENT CARE CREDIT.

(a) INCREASE IN DOLLAR LIMIT.—Subsection (c) of section 21 (relating to expenses for household and dependent care services necessary for gainful employment) is amended—

(1) by striking “\$2,400” in paragraph (1) and inserting “\$3,000”, and

(2) by striking “\$4,800” in paragraph (2) and inserting “\$6,000”.

(b) INCREASE IN APPLICABLE PERCENTAGE.—Section 21(a)(2) (defining applicable percentage) is amended—

(1) by striking “30 percent” and inserting “35 percent”, and

(2) by striking “\$10,000” and inserting “\$15,000”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

Applicability.
26 USC 21 note.

SEC. 205. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CHILD CARE ASSISTANCE.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits), as amended by section 619, is further amended by adding at the end the following:

“SEC. 45F. EMPLOYER-PROVIDED CHILD CARE CREDIT.

“(a) IN GENERAL.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to the sum of—

“(1) 25 percent of the qualified child care expenditures, and

“(2) 10 percent of the qualified child care resource and referral expenditures, of the taxpayer for such taxable year.

“(b) DOLLAR LIMITATION.—The credit allowable under subsection (a) for any taxable year shall not exceed \$150,000.

“(c) DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED CHILD CARE EXPENDITURE.—

“(A) IN GENERAL.—The term ‘qualified child care expenditure’ means any amount paid or incurred—

“(i) to acquire, construct, rehabilitate, or expand property—

“(I) which is to be used as part of a qualified child care facility of the taxpayer,

“(II) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

“(III) which does not constitute part of the principal residence (within the meaning of section

PUBLIC LAW 107-16—JUNE 7, 2001

121) of the taxpayer or any employee of the taxpayer,

“(ii) for the operating costs of a qualified child care facility of the taxpayer, including costs related to the training of employees, to scholarship programs, and to the providing of increased compensation to employees with higher levels of child care training, or

“(iii) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer.

“(B) FAIR MARKET VALUE.—The term ‘qualified child care expenditures’ shall not include expenses in excess of the fair market value of such care.

“(2) QUALIFIED CHILD CARE FACILITY.—

“(A) IN GENERAL.—The term ‘qualified child care facility’ means a facility—

“(i) the principal use of which is to provide child care assistance, and

“(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 121) of the operator of the facility.

“(B) SPECIAL RULES WITH RESPECT TO A TAXPAYER.—A facility shall not be treated as a qualified child care facility with respect to a taxpayer unless—

“(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

“(ii) if the facility is the principal trade or business of the taxpayer, at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer, and

“(iii) the use of such facility (or the eligibility to use such facility) does not discriminate in favor of employees of the taxpayer who are highly compensated employees (within the meaning of section 414(q)).

“(3) QUALIFIED CHILD CARE RESOURCE AND REFERRAL EXPENDITURE.—

“(A) IN GENERAL.—The term ‘qualified child care resource and referral expenditure’ means any amount paid or incurred under a contract to provide child care resource and referral services to an employee of the taxpayer.

“(B) NONDISCRIMINATION.—The services shall not be treated as qualified unless the provision of such services (or the eligibility to use such services) does not discriminate in favor of employees of the taxpayer who are highly compensated employees (within the meaning of section 414(q)).

“(d) RECAPTURE OF ACQUISITION AND CONSTRUCTION CREDIT.—

“(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

“(A) the applicable recapture percentage, and

“(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

“(2) APPLICABLE RECAPTURE PERCENTAGE.—

PUBLIC LAW 107-16—JUNE 7, 2001

“(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

| “If the recapture event | The applicable recapture percentage is: |
|-------------------------------|---|
| occurs in: | |
| Years 1-3 | 100 |
| Year 4 | 85 |
| Year 5 | 70 |
| Year 6 | 55 |
| Year 7 | 40 |
| Year 8 | 25 |
| Years 9 and 10 | 10 |
| Years 11 and thereafter | 0. |

“(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified child care facility is placed in service by the taxpayer.

“(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term ‘recapture event’ means—

“(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as a qualified child care facility.

“(B) CHANGE IN OWNERSHIP.—

“(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer’s interest in a qualified child care facility with respect to which the credit described in subsection (a) was allowable.

“(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

“(4) SPECIAL RULES.—

“(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

“(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

“(C) NO RECAPTURE BY REASON OF CASUALTY LOSS.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

“(e) SPECIAL RULES.—For purposes of this section—

“(1) AGGREGATION RULES.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

“(2) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

“(3) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

“(f) NO DOUBLE BENEFIT.—

Regulations.
Applicability.

PUBLIC LAW 107-16—JUNE 7, 2001

“(1) REDUCTION IN BASIS.—For purposes of this subtitle—

“(A) IN GENERAL.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

“(B) CERTAIN DISPOSITIONS.—If, during any taxable year, there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term ‘recapture amount’ means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

“(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section.”

(b) CONFORMING AMENDMENTS.—

26 USC 38.

(1) Section 38(b), as amended by section 619, is amended by striking “plus” at the end of paragraph (13), by striking the period at the end of paragraph (14) and inserting “, plus”, and by adding at the end the following:

“(15) the employer-provided child care credit determined under section 45F.”

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following:

“Sec. 45F. Employer-provided child care credit.”

(3) Section 1016(a) is amended by striking “and” at the end of paragraph (26), by striking the period at the end of paragraph (27) and inserting “, and”, and by adding at the end the following:

“(28) in the case of a facility with respect to which a credit was allowed under section 45F, to the extent provided in section 45F(f)(1).”

Applicability.
26 USC 38 note.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE III—MARRIAGE PENALTY RELIEF

SEC. 301. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) (relating to standard deduction) is amended—

(1) by striking “\$5,000” in subparagraph (A) and inserting “the applicable percentage of the dollar amount in effect under subparagraph (C) for the taxable year”;

(2) by adding “or” at the end of subparagraph (B);

(3) by striking “in the case of” and all that follows in subparagraph (C) and inserting “in any other case.”; and

(4) by striking subparagraph (D).

(b) APPLICABLE PERCENTAGE.—Section 63(c) (relating to standard deduction) is amended by adding at the end the following new paragraph:

“(7) APPLICABLE PERCENTAGE.—For purposes of paragraph (2), the applicable percentage shall be determined in accordance with the following table:

| “For taxable years beginning in calendar year— | The applicable percentage is— |
|---|----------------------------------|
| 2005 | 174 |
| 2006 | 184 |
| 2007 | 187 |

PUBLIC LAW 107-16—JUNE 7, 2001

| | |
|---------------------------|--------|
| 2008 | 190 |
| 2009 and thereafter | 200.”. |

(c) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) is amended by striking “(other than with” and all that follows through “shall be applied” and inserting “(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied”. 26 USC 1.

(2) Paragraph (4) of section 63(c) is amended by adding at the end the following flush sentence:
 “The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004. Applicability. 26 USC 1 note.

SEC. 302. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET.

(a) IN GENERAL.—Section 1(f) (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

“(8) PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET.—

“(A) IN GENERAL.—With respect to taxable years beginning after December 31, 2004, in prescribing the tables under paragraph (1)—

“(i) the maximum taxable income in the 15-percent rate bracket in the table contained in subsection (a) (and the minimum taxable income in the next higher taxable income bracket in such table) shall be the applicable percentage of the maximum taxable income in the 15-percent rate bracket in the table contained in subsection (c) (after any other adjustment under this subsection), and

“(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

“(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| “For taxable years beginning in calendar year— | The applicable percentage is— |
|---|----------------------------------|
| 2005 | 180 |
| 2006 | 187 |
| 2007 | 193 |
| 2008 and thereafter | 200. |

“(C) ROUNDING.—If any amount determined under subparagraph (A)(i) is not a multiple of \$50, such amount shall be rounded to the next lowest multiple of \$50.”.

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 1(f)(2) is amended by inserting “except as provided in paragraph (8),” before “by increasing”.

(2) The heading for subsection (f) of section 1 is amended by inserting “PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET;” before “ADJUSTMENTS”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004. Applicability. 26 USC 1 note.

SEC. 303. MARRIAGE PENALTY RELIEF FOR EARNED INCOME CREDIT; EARNED INCOME TO INCLUDE ONLY AMOUNTS INCLUDIBLE IN GROSS INCOME; SIMPLIFICATION OF EARNED INCOME CREDIT.

(a) INCREASED PHASEOUT AMOUNT.—

(1) IN GENERAL.—Section 32(b)(2) (relating to amounts) is amended— 26 USC 32.

(A) by striking “AMOUNTS.—The earned” and inserting “AMOUNTS.—

PUBLIC LAW 107-16—JUNE 7, 2001

“(A) IN GENERAL.—Subject to subparagraph (B), the earned”, and

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

“(B) JOINT RETURNS.—In the case of a joint return filed by an eligible individual and such individual’s spouse, the phaseout amount determined under subparagraph (A) shall be increased by—

“(i) \$1,000 in the case of taxable years beginning in 2002, 2003, and 2004,

“(ii) \$2,000 in the case of taxable years beginning in 2005, 2006, and 2007, and

“(iii) \$3,000 in the case of taxable years beginning after 2007.”.

(2) INFLATION ADJUSTMENT.—Paragraph (1)(B) of section 32(j) (relating to inflation adjustments) is amended to read as follows:

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined—

“(i) in the case of amounts in subsections (b)(2)(A) and (i)(1), by substituting ‘calendar year 1995’ for ‘calendar year 1992’ in subparagraph (B) thereof, and

“(ii) in the case of the \$3,000 amount in subsection (b)(2)(B)(iii), by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) of such section 1.”.

(3) ROUNDING.—Section 32(j)(2)(A) (relating to rounding) is amended by striking “subsection (b)(2)” and inserting “subsection (b)(2)(A) (after being increased under subparagraph (B) thereof)”.

(b) EARNED INCOME TO INCLUDE ONLY AMOUNTS INCLUDIBLE IN GROSS INCOME.—Clause (i) of section 32(c)(2)(A) (defining earned income) is amended by inserting “, but only if such amounts are includible in gross income for the taxable year” after “other employee compensation”.

(c) REPEAL OF REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—Section 32(h) is repealed.

(d) REPLACEMENT OF MODIFIED ADJUSTED GROSS INCOME WITH ADJUSTED GROSS INCOME.—

(1) IN GENERAL.—Section 32(a)(2)(B) is amended by striking “modified”.

(2) CONFORMING AMENDMENTS.—

(A) Section 32(c) is amended by striking paragraph (5).

(B) Section 32(f)(2)(B) is amended by striking “modified” each place it appears.

(e) RELATIONSHIP TEST.—

(1) IN GENERAL.—Clause (i) of section 32(c)(3)(B) (relating to relationship test) is amended to read as follows:

“(i) IN GENERAL.—An individual bears a relationship to the taxpayer described in this subparagraph if such individual is—

“(I) a son, daughter, stepson, or stepdaughter, or a descendant of any such individual,

“(II) a brother, sister, stepbrother, or step-sister, or a descendant of any such individual, who the taxpayer cares for as the taxpayer’s own child, or

“(III) an eligible foster child of the taxpayer.”.

(2) ELIGIBLE FOSTER CHILD.—

(A) IN GENERAL.—Clause (iii) of section 32(c)(3)(B) is amended to read as follows:

“(iii) ELIGIBLE FOSTER CHILD.—For purposes of clause (i), the term ‘eligible foster child’ means an

PUBLIC LAW 107-16—JUNE 7, 2001

individual not described in subclause (I) or (II) of clause (i) who—

“(I) is placed with the taxpayer by an authorized placement agency, and

“(II) the taxpayer cares for as the taxpayer’s own child.”.

(B) CONFORMING AMENDMENT.—Section 32(c)(3)(A)(ii) is amended by striking “except as provided in subparagraph (B)(iii).”.

(f) 2 OR MORE CLAIMING QUALIFYING CHILD.—Section 32(c)(1)(C) is amended to read as follows:

“(C) 2 OR MORE CLAIMING QUALIFYING CHILD.—

“(i) IN GENERAL.—Except as provided in clause (ii), if (but for this paragraph) an individual may be claimed, and is claimed, as a qualifying child by 2 or more taxpayers for a taxable year beginning in the same calendar year, such individual shall be treated as the qualifying child of the taxpayer who is—

“(I) a parent of the individual, or

“(II) if subclause (I) does not apply, the taxpayer with the highest adjusted gross income for such taxable year.

“(ii) MORE THAN 1 CLAIMING CREDIT.—If the parents claiming the credit with respect to any qualifying child do not file a joint return together, such child shall be treated as the qualifying child of—

“(I) the parent with whom the child resided for the longest period of time during the taxable year, or

“(II) if the child resides with both parents for the same amount of time during such taxable year, the parent with the highest adjusted gross income.”.

(g) EXPANSION OF MATHEMATICAL ERROR AUTHORITY.—Paragraph (2) of section 6213(g) is amended by striking “and” at the end of subparagraph (K), by striking the period at the end of subparagraph (L) and inserting “, and”, and by inserting after subparagraph (L) the following new subparagraph:

“(M) the entry on the return claiming the credit under section 32 with respect to a child if, according to the Federal Case Registry of Child Support Orders established under section 453(h) of the Social Security Act, the taxpayer is a noncustodial parent of such child.”.

(h) CLERICAL AMENDMENT.—Subparagraph (E) of section 32(c)(3) is amended by striking “subparagraphs (A)(ii) and (B)(iii)(II)” and inserting “subparagraph (A)(ii)”.

26 USC 32.

(i) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001.

26 USC 32 note.
Applicability.

(2) SUBSECTION (g).—The amendment made by subsection (g) shall take effect on January 1, 2004.

TITLE IV—AFFORDABLE EDUCATION PROVISIONS

Subtitle A—Education Savings Incentives

SEC. 401. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) MAXIMUM ANNUAL CONTRIBUTIONS.—

PUBLIC LAW 107-16—JUNE 7, 2001

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) (defining education individual retirement account) is amended by striking “\$500” and inserting “\$2,000”.

(2) CONFORMING AMENDMENT.—Section 4973(e)(1)(A) is amended by striking “\$500” and inserting “\$2,000”.

(b) MODIFICATION OF AGI LIMITS TO REMOVE MARRIAGE PENALTY.—Section 530(c)(1) (relating to reduction in permitted contributions based on adjusted gross income) is amended—

(1) by striking “\$150,000” in subparagraph (A)(ii) and inserting “\$190,000”, and

(2) by striking “\$10,000” in subparagraph (B) and inserting “\$30,000”.

(c) TAX-FREE EXPENDITURES FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.—

(1) IN GENERAL.—Section 530(b)(2) (defining qualified higher education expenses) is amended to read as follows:

“(2) QUALIFIED EDUCATION EXPENSES.—

“(A) IN GENERAL.—The term ‘qualified education expenses’ means—

“(i) qualified higher education expenses (as defined in section 529(e)(3)), and

“(ii) qualified elementary and secondary education expenses (as defined in paragraph (4)).

“(B) QUALIFIED STATE TUITION PROGRAMS.—Such term shall include any contribution to a qualified State tuition program (as defined in section 529(b)) on behalf of the designated beneficiary (as defined in section 529(e)(1)); but there shall be no increase in the investment in the contract for purposes of applying section 72 by reason of any portion of such contribution which is not includible in gross income by reason of subsection (d)(2).”.

(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—Section 530(b) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

“(4) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

“(A) IN GENERAL.—The term ‘qualified elementary and secondary education expenses’ means—

“(i) expenses for tuition, fees, academic tutoring, special needs services in the case of a special needs beneficiary, books, supplies, and other equipment which are incurred in connection with the enrollment or attendance of the designated beneficiary of the trust as an elementary or secondary school student at a public, private, or religious school,

“(ii) expenses for room and board, uniforms, transportation, and supplementary items and services (including extended day programs) which are required or provided by a public, private, or religious school in connection with such enrollment or attendance, and

“(iii) expenses for the purchase of any computer technology or equipment (as defined in section 170(e)(6)(F)(i)) or Internet access and related services, if such technology, equipment, or services are to be used by the beneficiary and the beneficiary’s family during any of the years the beneficiary is in school.

Clause (iii) shall not include expenses for computer software designed for sports, games, or hobbies unless the software is predominantly educational in nature.

“(B) SCHOOL.—The term ‘school’ means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.”.

(3) CONFORMING AMENDMENTS.—Section 530 is amended—

PUBLIC LAW 107-16—JUNE 7, 2001

(A) by striking “higher” each place it appears in subsections (b)(1) and (d)(2), and

(B) by striking “HIGHER” in the heading for subsection (d)(2).

(d) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Section 530(b)(1) (defining education individual retirement account) is amended by adding at the end the following flush sentence:

Regulations.

“The age limitations in subparagraphs (A)(ii) and (E), and paragraphs (5) and (6) of subsection (d), shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).”.

(e) ENTITIES PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Section 530(c)(1) (relating to reduction in permitted contributions based on adjusted gross income) is amended by striking “The maximum amount which a contributor” and inserting “In the case of a contributor who is an individual, the maximum amount the contributor”.

(f) TIME WHEN CONTRIBUTIONS DEEMED MADE.—

(1) IN GENERAL.—Section 530(b) (relating to definitions and special rules), as amended by subsection (c)(2), is amended by adding at the end the following new paragraph:

“(5) TIME WHEN CONTRIBUTIONS DEEMED MADE.—An individual shall be deemed to have made a contribution to an education individual retirement account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).”.

(2) EXTENSION OF TIME TO RETURN EXCESS CONTRIBUTIONS.—Subparagraph (C) of section 530(d)(4) (relating to additional tax for distributions not used for educational expenses) is amended—

26 USC 530.

(A) by striking clause (i) and inserting the following new clause:

“(i) such distribution is made before the first day of the sixth month of the taxable year following the taxable year, and”, and

(B) by striking “DUE DATE OF RETURN” in the heading and inserting “CERTAIN DATE”.

(g) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUITION PROGRAMS.—

(1) IN GENERAL.—Section 530(d)(2)(C) is amended to read as follows:

“(C) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUITION PROGRAMS.—For purposes of subparagraph (A)—

“(i) CREDIT COORDINATION.—The total amount of qualified higher education expenses with respect to an individual for the taxable year shall be reduced—

“(I) as provided in section 25A(g)(2), and

“(II) by the amount of such expenses which were taken into account in determining the credit allowed to the taxpayer or any other person under section 25A.

“(ii) COORDINATION WITH QUALIFIED TUITION PROGRAMS.—If, with respect to an individual for any taxable year—

“(I) the aggregate distributions during such year to which subparagraph (A) and section 529(c)(3)(B) apply, exceed

“(II) the total amount of qualified education expenses (after the application of clause (i)) for such year,

PUBLIC LAW 107-16—JUNE 7, 2001

the taxpayer shall allocate such expenses among such distributions for purposes of determining the amount of the exclusion under subparagraph (A) and section 529(c)(3)(B).”

(2) CONFORMING AMENDMENTS.—

(A) Subsection (e) of section 25A is amended to read as follows:

“(e) ELECTION NOT TO HAVE SECTION APPLY.—A taxpayer may elect not to have this section apply with respect to the qualified tuition and related expenses of an individual for any taxable year.”

(B) Section 135(d)(2)(A) is amended by striking “allowable” and inserting “allowed”.

(C) Section 530(d)(2)(D) is amended—

(i) by striking “or credit” and inserting “, credit, or exclusion”, and

(ii) by striking “CREDIT OR DEDUCTION” in the heading and inserting “DEDUCTION, CREDIT, OR EXCLUSION”.

26 USC 4973.

(D) Section 4973(e)(1) is amended by adding “and” at the end of subparagraph (A), by striking subparagraph (B), and by redesignating subparagraph (C) as subparagraph (B).

Applicability.
26 USC 25A note.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 402. MODIFICATIONS TO QUALIFIED TUITION PROGRAMS.

(a) ELIGIBLE EDUCATIONAL INSTITUTIONS PERMITTED TO MAINTAIN QUALIFIED TUITION PROGRAMS.—

(1) IN GENERAL.—Section 529(b)(1) (defining qualified State tuition program) is amended—

(A) by inserting “or by 1 or more eligible educational institutions” after “maintained by a State or agency or instrumentality thereof” in the matter preceding subparagraph (A), and

(B) by adding at the end the following new flush sentence:

“Except to the extent provided in regulations, a program established and maintained by 1 or more eligible educational institutions shall not be treated as a qualified tuition program unless such program provides that amounts are held in a qualified trust and such program has received a ruling or determination that such program meets the applicable requirements for a qualified tuition program. For purposes of the preceding sentence, the term ‘qualified trust’ means a trust which is created or organized in the United States for the exclusive benefit of designated beneficiaries and with respect to which the requirements of paragraphs (2) and (5) of section 408(a) are met.”

(2) PRIVATE QUALIFIED TUITION PROGRAMS LIMITED TO BENEFIT PLANS.—Clause (ii) of section 529(b)(1)(A) is amended by inserting “in the case of a program established and maintained by a State or agency or instrumentality thereof,” before “may make”.

(3) ADDITIONAL TAX ON NONQUALIFIED WITHDRAWALS.—Section 529 is amended—

(A) by striking paragraph (3) of subsection (b) and by redesignating paragraphs (4), (5), (6), and (7) of such subsection as paragraphs (3), (4), (5), and (6), respectively, and

(B) by adding at the end of subsection (c) the following new paragraph:

“(6) ADDITIONAL TAX.—The tax imposed by section 530(d)(4) shall apply to any payment or distribution from a qualified tuition program in the same manner as such tax applies to a payment or distribution from an education individual retirement account. This paragraph shall not apply to any payment

PUBLIC LAW 107-16—JUNE 7, 2001

or distribution in any taxable year beginning before January 1, 2004, which is includible in gross income but used for qualified higher education expenses of the designated beneficiary.”.

(4) CONFORMING AMENDMENTS.—

(A) Sections 72(e)(9), 135(c)(2)(C), 135(d)(1)(D), 529, 530(b)(2)(B), 4973(e), and 6693(a)(2)(C) are amended by striking “qualified State tuition” each place it appears and inserting “qualified tuition”.

(B) The headings for sections 72(e)(9) and 135(c)(2)(C) are amended by striking “QUALIFIED STATE TUITION” each place it appears and inserting “QUALIFIED TUITION”.

26 USC 72, 135.

(C) The headings for sections 529(b) and 530(b)(2)(B) are amended by striking “QUALIFIED STATE TUITION” each place it appears and inserting “QUALIFIED TUITION”.

(D) The heading for section 529 is amended by striking “STATE”.

(E) The item relating to section 529 in the table of sections for part VIII of subchapter F of chapter 1 is amended by striking “State”.

(b) EXCLUSION FROM GROSS INCOME OF EDUCATION DISTRIBUTIONS FROM QUALIFIED TUITION PROGRAMS.—

(1) IN GENERAL.—Section 529(c)(3)(B) (relating to distributions) is amended to read as follows:

“(B) DISTRIBUTIONS FOR QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of this paragraph—

“(i) IN-KIND DISTRIBUTIONS.—No amount shall be includible in gross income under subparagraph (A) by reason of a distribution which consists of providing a benefit to the distributee which, if paid for by the distributee, would constitute payment of a qualified higher education expense.

“(ii) CASH DISTRIBUTIONS.—In the case of distributions not described in clause (i), if—

“(I) such distributions do not exceed the qualified higher education expenses (reduced by expenses described in clause (i)), no amount shall be includible in gross income, and

“(II) in any other case, the amount otherwise includible in gross income shall be reduced by an amount which bears the same ratio to such amount as such expenses bear to such distributions.

“(iii) EXCEPTION FOR INSTITUTIONAL PROGRAMS.—In the case of any taxable year beginning before January 1, 2004, clauses (i) and (ii) shall not apply with respect to any distribution during such taxable year under a qualified tuition program established and maintained by 1 or more eligible educational institutions.

“(iv) TREATMENT AS DISTRIBUTIONS.—Any benefit furnished to a designated beneficiary under a qualified tuition program shall be treated as a distribution to the beneficiary for purposes of this paragraph.

“(v) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS.—The total amount of qualified higher education expenses with respect to an individual for the taxable year shall be reduced—

“(I) as provided in section 25A(g)(2), and

“(II) by the amount of such expenses which were taken into account in determining the credit allowed to the taxpayer or any other person under section 25A.

“(vi) COORDINATION WITH EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.—If, with respect to an individual for any taxable year—

PUBLIC LAW 107-16—JUNE 7, 2001

“(I) the aggregate distributions to which clauses (i) and (ii) and section 530(d)(2)(A) apply, exceed

“(II) the total amount of qualified higher education expenses otherwise taken into account under clauses (i) and (ii) (after the application of clause (v)) for such year,

the taxpayer shall allocate such expenses among such distributions for purposes of determining the amount of the exclusion under clauses (i) and (ii) and section 530(d)(2)(A).”.

(2) CONFORMING AMENDMENTS.—

26 USC 135.

(A) Section 135(d)(2)(B) is amended by striking “the exclusion under section 530(d)(2)” and inserting “the exclusions under sections 529(c)(3)(B) and 530(d)(2)”.

(B) Section 221(e)(2)(A) is amended by inserting “529,” after “135,”.

(c) ROLLOVER TO DIFFERENT PROGRAM FOR BENEFIT OF SAME DESIGNATED BENEFICIARY.—Section 529(c)(3)(C) (relating to change in beneficiaries) is amended—

(1) by striking “transferred to the credit” in clause (i) and inserting “transferred—

“(I) to another qualified tuition program for the benefit of the designated beneficiary, or

“(II) to the credit”;

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

“(iii) LIMITATION ON CERTAIN ROLLOVERS.—Clause (i)(I) shall not apply to any transfer if such transfer occurs within 12 months from the date of a previous transfer to any qualified tuition program for the benefit of the designated beneficiary.”; and

(3) by inserting “OR PROGRAMS” after “BENEFICIARIES” in the heading.

(d) MEMBER OF FAMILY INCLUDES FIRST COUSIN.—Section 529(e)(2) (defining member of family) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and by inserting “; and”, and by adding at the end the following new subparagraph:

“(D) any first cousin of such beneficiary.”.

(e) ADJUSTMENT OF LIMITATION ON ROOM AND BOARD DISTRIBUTIONS.—Section 529(e)(3)(B)(ii) is amended to read as follows:

“(ii) LIMITATION.—The amount treated as qualified higher education expenses by reason of clause (i) shall not exceed—

“(I) the allowance (applicable to the student) for room and board included in the cost of attendance (as defined in section 472 of the Higher Education Act of 1965 (20 U.S.C. 10871l), as in effect on the date of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001) as determined by the eligible educational institution for such period, or

“(II) if greater, the actual invoice amount the student residing in housing owned or operated by the eligible educational institution is charged by such institution for room and board costs for such period.”.

26 USC 529.

(f) SPECIAL NEEDS SERVICES.—Subparagraph (A) of section 529(e)(3) (defining qualified higher education expenses) is amended to read as follows:

“(A) IN GENERAL.—The term ‘qualified higher education expenses’ means—

“(i) tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a des-

PUBLIC LAW 107-16—JUNE 7, 2001

ignated beneficiary at an eligible educational institution; and

“(ii) expenses for special needs services in the case of a special needs beneficiary which are incurred in connection with such enrollment or attendance.”.

(g) TECHNICAL AMENDMENTS.—Section 529(c)(3)(D) is amended—

(1) by inserting “except to the extent provided by the Secretary,” before “all distributions” in clause (ii), and

(2) by inserting “except to the extent provided by the Secretary,” before “the value” in clause (iii).

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Applicability.
26 USC 72 note.

Subtitle B—Educational Assistance

SEC. 411. EXTENSION OF EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(a) IN GENERAL.—Section 127 (relating to exclusion for educational assistance programs) is amended by striking subsection (d) and by redesignating subsection (e) as subsection (d).

(b) REPEAL OF LIMITATION ON GRADUATE EDUCATION.—The last sentence of section 127(c)(1) is amended by striking “, and such term also does not include any payment for, or the provision of any benefits with respect to, any graduate level course of a kind normally taken by an individual pursuing a program leading to a law, business, medical, or other advanced academic or professional degree”.

(c) CONFORMING AMENDMENT.—Section 51A(b)(5)(B)(iii) is amended by striking “or would be so excludable but for section 127(d)”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to expenses relating to courses beginning after December 31, 2001.

Applicability.
26 USC 51A note.

SEC. 412. ELIMINATION OF 60-MONTH LIMIT AND INCREASE IN INCOME LIMITATION ON STUDENT LOAN INTEREST DEDUCTION.

(a) ELIMINATION OF 60-MONTH LIMIT.—

(1) IN GENERAL.—Section 221 (relating to interest on education loans), as amended by section 402(b)(2)(B), is amended by striking subsection (d) and by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(2) CONFORMING AMENDMENT.—Section 6050S(e) is amended by striking “section 221(e)(1)” and inserting “section 221(d)(1)”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to any loan interest paid after December 31, 2001, in taxable years ending after such date.

Applicability.
26 USC 221 note.

(b) INCREASE IN INCOME LIMITATION.—

(1) IN GENERAL.—Section 221(b)(2)(B) (relating to amount of reduction) is amended by striking clauses (i) and (ii) and inserting the following:

26 USC 221.

“(i) the excess of—

“(I) the taxpayer’s modified adjusted gross income for such taxable year, over

“(II) \$50,000 (\$100,000 in the case of a joint return), bears to

“(ii) \$15,000 (\$30,000 in the case of a joint return).”.

(2) CONFORMING AMENDMENT.—Section 221(g)(1) is amended by striking “\$40,000 and \$60,000 amounts” and inserting “\$50,000 and \$100,000 amounts”.

PUBLIC LAW 107-16—JUNE 7, 2001

Applicability.
26 USC 221 note.

(3) **EFFECTIVE DATE.**—The amendments made by this subsection shall apply to taxable years ending after December 31, 2001.

SEC. 413. EXCLUSION OF CERTAIN AMOUNTS RECEIVED UNDER THE NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM AND THE F. EDWARD HEBERT ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) **IN GENERAL.**—Section 117(c) (relating to the exclusion from gross income amounts received as a qualified scholarship) is amended—

(1) by striking “Subsections (a)” and inserting the following: “(1) **IN GENERAL.**—Except as provided in paragraph (2), subsections (a)”, and

(2) by adding at the end the following new paragraph: “(2) **EXCEPTIONS.**—Paragraph (1) shall not apply to any amount received by an individual under—

“(A) the National Health Service Corps Scholarship Program under section 338A(g)(1)(A) of the Public Health Service Act, or

“(B) the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of title 10, United States Code.”.

Applicability.
26 USC 117 note.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to amounts received in taxable years beginning after December 31, 2001.

Subtitle C—Liberalization of Tax-Exempt Financing Rules for Public School Construction

SEC. 421. ADDITIONAL INCREASE IN ARBITRAGE REBATE EXCEPTION FOR GOVERNMENTAL BONDS USED TO FINANCE EDUCATIONAL FACILITIES.

(a) **IN GENERAL.**—Section 148(f)(4)(D)(vii) (relating to increase in exception for bonds financing public school capital expenditures) is amended by striking “\$5,000,000” the second place it appears and inserting “\$10,000,000”.

Applicability.
26 USC 148 note.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to obligations issued in calendar years beginning after December 31, 2001.

SEC. 422. TREATMENT OF QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS AS EXEMPT FACILITY BONDS.

26 USC 142.

(a) **TREATMENT AS EXEMPT FACILITY BOND.**—Subsection (a) of section 142 (relating to exempt facility bond) is amended by striking “or” at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting “, or”, and by adding at the end the following new paragraph:

“(13) qualified public educational facilities.”.

(b) **QUALIFIED PUBLIC EDUCATIONAL FACILITIES.**—Section 142 (relating to exempt facility bond) is amended by adding at the end the following new subsection:

“(k) **QUALIFIED PUBLIC EDUCATIONAL FACILITIES.**—

“(1) **IN GENERAL.**—For purposes of subsection (a)(13), the term ‘qualified public educational facility’ means any school facility which is—

“(A) part of a public elementary school or a public secondary school, and

“(B) owned by a private, for-profit corporation pursuant to a public-private partnership agreement with a State or local educational agency described in paragraph (2).

PUBLIC LAW 107-16—JUNE 7, 2001

“(2) PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED.—A public-private partnership agreement is described in this paragraph if it is an agreement—

“(A) under which the corporation agrees—

“(i) to do 1 or more of the following: construct, rehabilitate, refurbish, or equip a school facility, and

“(ii) at the end of the term of the agreement, to transfer the school facility to such agency for no additional consideration, and

“(B) the term of which does not exceed the term of the issue to be used to provide the school facility.

“(3) SCHOOL FACILITY.—For purposes of this subsection, the term ‘school facility’ means—

“(A) any school building,

“(B) any functionally related and subordinate facility and land with respect to such building, including any stadium or other facility primarily used for school events, and

“(C) any property, to which section 168 applies (or would apply but for section 179), for use in a facility described in subparagraph (A) or (B).

“(4) PUBLIC SCHOOLS.—For purposes of this subsection, the terms ‘elementary school’ and ‘secondary school’ have the meanings given such terms by section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801), as in effect on the date of the enactment of this subsection.

“(5) ANNUAL AGGREGATE FACE AMOUNT OF TAX-EXEMPT FINANCING.—

“(A) IN GENERAL.—An issue shall not be treated as an issue described in subsection (a)(13) if the aggregate face amount of bonds issued by the State pursuant thereto (when added to the aggregate face amount of bonds previously so issued during the calendar year) exceeds an amount equal to the greater of—

“(i) \$10 multiplied by the State population, or

“(ii) \$5,000,000.

“(B) ALLOCATION RULES.—

“(i) IN GENERAL.—Except as otherwise provided in this subparagraph, the State may allocate the amount described in subparagraph (A) for any calendar year in such manner as the State determines appropriate.

“(ii) RULES FOR CARRYFORWARD OF UNUSED LIMITATION.—A State may elect to carry forward an unused limitation for any calendar year for 3 calendar years following the calendar year in which the unused limitation arose under rules similar to the rules of section 146(f), except that the only purpose for which the carryforward may be elected is the issuance of exempt facility bonds described in subsection (a)(13).”

(c) EXEMPTION FROM GENERAL STATE VOLUME CAPS.—Paragraph (3) of section 146(g) (relating to exception for certain bonds) is amended—

26 USC 146.

(1) by striking “or (12)” and inserting “(12), or (13)”, and

(2) by striking “and environmental enhancements of hydroelectric generating facilities” and inserting “environmental enhancements of hydroelectric generating facilities, and qualified public educational facilities”.

(d) EXEMPTION FROM LIMITATION ON USE FOR LAND ACQUISITION.—Section 147(h) (relating to certain rules not to apply to mortgage revenue bonds, qualified student loan bonds, and qualified 501(c)(3) bonds) is amended by adding at the end the following new paragraph:

“(3) EXEMPT FACILITY BONDS FOR QUALIFIED PUBLIC-PRIVATE SCHOOLS.—Subsection (c) shall not apply to any exempt facility

PUBLIC LAW 107-16—JUNE 7, 2001

bond issued as part of an issue described in section 142(a)(13) (relating to qualified public educational facilities).”

(e) CONFORMING AMENDMENT.—The heading for section 147(h) is amended by striking “MORTGAGE REVENUE BONDS, QUALIFIED STUDENT LOAN BONDS, AND QUALIFIED 501(c)(3) BONDS” and inserting “CERTAIN BONDS”.

Applicability.
26 USC 142 note.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 2001.

Subtitle D—Other Provisions

SEC. 431. DEDUCTION FOR HIGHER EDUCATION EXPENSES.

(a) DEDUCTION ALLOWED.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 222 as section 223 and by inserting after section 221 the following:

“SEC. 222. QUALIFIED TUITION AND RELATED EXPENSES.

“(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction an amount equal to the qualified tuition and related expenses paid by the taxpayer during the taxable year.

“(b) DOLLAR LIMITATIONS.—

“(1) IN GENERAL.—The amount allowed as a deduction under subsection (a) with respect to the taxpayer for any taxable year shall not exceed the applicable dollar limit.

“(2) APPLICABLE DOLLAR LIMIT.—

“(A) 2002 AND 2003.—In the case of a taxable year beginning in 2002 or 2003, the applicable dollar limit shall be equal to—

“(i) in the case of a taxpayer whose adjusted gross income for the taxable year does not exceed \$65,000 (\$130,000 in the case of a joint return), \$3,000, and—

“(ii) in the case of any other taxpayer, zero.

“(B) 2004 AND 2005.—In the case of a taxable year beginning in 2004 or 2005, the applicable dollar amount shall be equal to—

“(i) in the case of a taxpayer whose adjusted gross income for the taxable year does not exceed \$65,000 (\$130,000 in the case of a joint return), \$4,000,

“(ii) in the case of a taxpayer not described in clause (i) whose adjusted gross income for the taxable year does not exceed \$80,000 (\$160,000 in the case of a joint return), \$2,000, and

“(iii) in the case of any other taxpayer, zero.

“(C) ADJUSTED GROSS INCOME.—For purposes of this paragraph, adjusted gross income shall be determined—

“(i) without regard to this section and sections 911, 931, and 933, and

“(ii) after application of sections 86, 135, 137, 219, 221, and 469.

“(c) NO DOUBLE BENEFIT.—

“(1) IN GENERAL.—No deduction shall be allowed under subsection (a) for any expense for which a deduction is allowed to the taxpayer under any other provision of this chapter.

“(2) COORDINATION WITH OTHER EDUCATION INCENTIVES.—

“(A) DENIAL OF DEDUCTION IF CREDIT ELECTED.—No deduction shall be allowed under subsection (a) for a taxable year with respect to the qualified tuition and related expenses with respect to an individual if the taxpayer or any other person elects to have section 25A apply with respect to such individual for such year.

“(B) COORDINATION WITH EXCLUSIONS.—The total amount of qualified tuition and related expenses shall be

PUBLIC LAW 107-16—JUNE 7, 2001

reduced by the amount of such expenses taken into account in determining any amount excluded under section 135, 529(c)(1), or 530(d)(2). For purposes of the preceding sentence, the amount taken into account in determining the amount excluded under section 529(c)(1) shall not include that portion of the distribution which represents a return of any contributions to the plan.

“(3) DEPENDENTS.—No deduction shall be allowed under subsection (a) to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual’s taxable year begins.

“(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) QUALIFIED TUITION AND RELATED EXPENSES.—The term ‘qualified tuition and related expenses’ has the meaning given such term by section 25A(f). Such expenses shall be reduced in the same manner as under section 25A(g)(2).

“(2) IDENTIFICATION REQUIREMENT.—No deduction shall be allowed under subsection (a) to a taxpayer with respect to the qualified tuition and related expenses of an individual unless the taxpayer includes the name and taxpayer identification number of the individual on the return of tax for the taxable year.

“(3) LIMITATION ON TAXABLE YEAR OF DEDUCTION.—

“(A) IN GENERAL.—A deduction shall be allowed under subsection (a) for qualified tuition and related expenses for any taxable year only to the extent such expenses are in connection with enrollment at an institution of higher education during the taxable year.

“(B) CERTAIN PREPAYMENTS ALLOWED.—Subparagraph (A) shall not apply to qualified tuition and related expenses paid during a taxable year if such expenses are in connection with an academic term beginning during such taxable year or during the first 3 months of the next taxable year.

“(4) NO DEDUCTION FOR MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—If the taxpayer is a married individual (within the meaning of section 7703), this section shall apply only if the taxpayer and the taxpayer’s spouse file a joint return for the taxable year.

Applicability.

“(5) NONRESIDENT ALIENS.—If the taxpayer is a nonresident alien individual for any portion of the taxable year, this section shall apply only if such individual is treated as a resident alien of the United States for purposes of this chapter by reason of an election under subsection (g) or (h) of section 6013.

“(6) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this section, including regulations requiring recordkeeping and information reporting.

“(e) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 2005.”.

(b) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Section 62(a) is amended by inserting after paragraph (17) the following:

26 USC 62.

“(18) HIGHER EDUCATION EXPENSES.—The deduction allowed by section 222.”.

(c) CONFORMING AMENDMENTS.—

(1) Sections 86(b)(2), 135(c)(4), 137(b)(3), and 219(g)(3) are each amended by inserting “222,” after “221.”.

(2) Section 221(b)(2)(C) is amended by inserting “222,” before “911”.

(3) Section 469(i)(3)(F) is amended by striking “and 221” and inserting “, 221, and 222”.

PUBLIC LAW 107-16—JUNE 7, 2001

(4) The table of sections for part VII of subchapter B of chapter 1 is amended by striking the item relating to section 222 and inserting the following:

“Sec. 222. Qualified tuition and related expenses.

“Sec. 223. Cross reference.”.

Applicability.
26 USC 62 note.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made in taxable years beginning after December 31, 2001.

TITLE V—ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAX PROVISIONS

Subtitle A—Repeal of Estate and Generation-Skipping Transfer Taxes

SEC. 501. REPEAL OF ESTATE AND GENERATION-SKIPPING TRANSFER TAXES.

(a) ESTATE TAX REPEAL.—Subchapter C of chapter 11 of subtitle B (relating to miscellaneous) is amended by adding at the end the following new section:

“SEC. 2210. TERMINATION.

“(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall not apply to the estates of decedents dying after December 31, 2009.

“(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED DOMESTIC TRUSTS.—In applying section 2056A with respect to the surviving spouse of a decedent dying before January 1, 2010—

“(1) section 2056A(b)(1)(A) shall not apply to distributions made after December 31, 2020, and

“(2) section 2056A(b)(1)(B) shall not apply after December 31, 2009.”.

(b) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Subchapter G of chapter 13 of subtitle B (relating to administration) is amended by adding at the end the following new section:

“SEC. 2664. TERMINATION.

“This chapter shall not apply to generation-skipping transfers after December 31, 2009.”.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter C of chapter 11 is amended by adding at the end the following new item:

“Sec. 2210. Termination.”.

(2) The table of sections for subchapter G of chapter 13 is amended by adding at the end the following new item:

“Sec. 2664. Termination.”.

Applicability.
26 USC 2210
note.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and generation-skipping transfers, after December 31, 2009.

Subtitle B—Reductions of Estate and Gift Tax Rates

SEC. 511. ADDITIONAL REDUCTIONS OF ESTATE AND GIFT TAX RATES.

26 USC 2001.

(a) MAXIMUM RATE OF TAX REDUCED TO 50 PERCENT.—The table contained in section 2001(c)(1) is amended by striking the two highest brackets and inserting the following:

PUBLIC LAW 107-16—JUNE 7, 2001

“Over \$2,500,000 \$1,025,800, plus 50% of the excess over \$2,500,000.”

(b) REPEAL OF PHASEOUT OF GRADUATED RATES.—Subsection (c) of section 2001 is amended by striking paragraph (2).

(c) ADDITIONAL REDUCTIONS OF MAXIMUM RATE OF TAX.—Subsection (c) of section 2001, as amended by subsection (b), is amended by adding at the end the following new paragraph:

“(2) PHASEDOWN OF MAXIMUM RATE OF TAX.—

“(A) IN GENERAL.—In the case of estates of decedents dying, and gifts made, in calendar years after 2002 and before 2010, the tentative tax under this subsection shall be determined by using a table prescribed by the Secretary (in lieu of using the table contained in paragraph (1)) which is the same as such table; except that—

Regulations.

“(i) the maximum rate of tax for any calendar year shall be determined in the table under subparagraph (B), and

“(ii) the brackets and the amounts setting forth the tax shall be adjusted to the extent necessary to reflect the adjustments under subparagraph (A).

“(B) MAXIMUM RATE.—

| | |
|----------------------------|-----------------------------|
| “In calendar year: | The maximum rate is: |
| 2003 | 49 percent |
| 2004 | 48 percent |
| 2005 | 47 percent |
| 2006 | 46 percent |
| 2007, 2008, and 2009 | 45 percent.”. |

(d) MAXIMUM GIFT TAX RATE REDUCED TO MAXIMUM INDIVIDUAL RATE AFTER 2009.—Subsection (a) of section 2502 (relating to rate of tax) is amended to read as follows:

“(a) COMPUTATION OF TAX.—

“(1) IN GENERAL.—The tax imposed by section 2501 for each calendar year shall be an amount equal to the excess of—

“(A) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for such calendar year and for each of the preceding calendar periods, over

“(B) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for each of the preceding calendar periods.

“(2) RATE SCHEDULE.—

| | |
|--|---|
| “If the amount with respect to which the tentative tax to be computed is: | The tentative tax is: |
| Not over \$10,000 | 18% of such amount. |
| Over \$10,000 but not over \$20,000 ... | \$1,800, plus 20% of the excess over \$10,000. |
| Over \$20,000 but not over \$40,000 ... | \$3,800, plus 22% of the excess over \$20,000. |
| Over \$40,000 but not over \$60,000 ... | \$8,200, plus 24% of the excess over \$40,000. |
| Over \$60,000 but not over \$80,000 ... | \$13,000, plus 26% of the excess over \$60,000. |
| Over \$80,000 but not over \$100,000 | \$18,200, plus 28% of the excess over \$80,000. |
| Over \$100,000 but not over \$150,000 | \$23,800, plus 30% of the excess over \$100,000. |
| Over \$150,000 but not over \$250,000 | \$38,800, plus 32% of the excess over \$150,000. |
| Over \$250,000 but not over \$500,000 | \$70,800, plus 34% of the excess over \$250,000. |
| Over \$500,000 | \$155,800, plus 35% of the excess over \$500,000.”. |

(e) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Section 2511 (relating to transfers in general) is amended by adding at the end the following new subsection:

26 USC 2511.

“(c) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Notwithstanding any other provision of this section and except as provided

PUBLIC LAW 107-16—JUNE 7, 2001

in regulations, a transfer in trust shall be treated as a taxable gift under section 2503, unless the trust is treated as wholly owned by the donor or the donor's spouse under subpart E of part I of subchapter J of chapter 1.”.

(f) EFFECTIVE DATES.—

Applicability.
26 USC 2001
note.

(1) SUBSECTIONS (a) AND (b).—The amendments made by subsections (a) and (b) shall apply to estates of decedents dying, and gifts made, after December 31, 2001.

26 USC 2001
note.

(2) SUBSECTION (c).—The amendment made by subsection (c) shall apply to estates of decedents dying, and gifts made, after December 31, 2002.

26 USC 2502
note.

(3) SUBSECTIONS (d) AND (e).—The amendments made by subsections (d) and (e) shall apply to gifts made after December 31, 2009.

Subtitle C—Increase in Exemption Amounts

SEC. 521. INCREASE IN EXEMPTION EQUIVALENT OF UNIFIED CREDIT, LIFETIME GIFTS EXEMPTION, AND GST EXEMPTION AMOUNTS.

(a) IN GENERAL.—Subsection (c) of section 2010 (relating to applicable credit amount) is amended by striking the table and inserting the following new table:

| “In the case of estates of decedents dying during: | The applicable exclusion amount is: |
|---|--|
| 2002 and 2003 | \$1,000,000 |
| 2004 and 2005 | \$1,500,000 |
| 2006, 2007, and 2008 | \$2,000,000 |
| 2009 | \$3,500,000.”. |

(b) LIFETIME GIFT EXEMPTION INCREASED TO \$1,000,000.—

(1) FOR PERIODS BEFORE ESTATE TAX REPEAL.—Paragraph (1) of section 2505(a) (relating to unified credit against gift tax) is amended by inserting “(determined as if the applicable exclusion amount were \$1,000,000)” after “calendar year”.

(2) FOR PERIODS AFTER ESTATE TAX REPEAL.—Paragraph (1) of section 2505(a) (relating to unified credit against gift tax), as amended by paragraph (1), is amended to read as follows:

“(1) the amount of the tentative tax which would be determined under the rate schedule set forth in section 2502(a)(2) if the amount with respect to which such tentative tax is to be computed were \$1,000,000, reduced by”.

(c) GST EXEMPTION.—

26 USC 2631.

(1) IN GENERAL.—Subsection (a) of 2631 (relating to GST exemption) is amended by striking “of \$1,000,000” and inserting “amount”.

(2) EXEMPTION AMOUNT.—Subsection (c) of section 2631 is amended to read as follows:

“(c) GST EXEMPTION AMOUNT.—For purposes of subsection (a), the GST exemption amount for any calendar year shall be equal to the applicable exclusion amount under section 2010(c) for such calendar year.”.

(d) REPEAL OF SPECIAL BENEFIT FOR FAMILY-OWNED BUSINESS INTERESTS.—Section 2057 (relating to family-owned business interests) is amended by adding at the end the following new subsection:

“(j) TERMINATION.—This section shall not apply to the estates of decedents dying after December 31, 2003.”.

(e) EFFECTIVE DATES.—

Applicability.
26 USC 2010
note.

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2001.

PUBLIC LAW 107-16—JUNE 7, 2001

(2) SUBSECTION (b)(2).—The amendments made by subsection (b)(2) shall apply to gifts made after December 31, 2009.

(3) SUBSECTIONS (c) AND (d).—The amendments made by subsections (c) and (d) shall apply to estates of decedents dying, and generation-skipping transfers, after December 31, 2003.

Subtitle D—Credit for State Death Taxes

SEC. 531. REDUCTION OF CREDIT FOR STATE DEATH TAXES.

(a) IN GENERAL.—Section 2011(b) (relating to amount of credit) is amended—

(1) by striking “CREDIT.—The credit allowed” and inserting “CREDIT.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the credit allowed”,

(2) by striking “For purposes” and inserting the following:

“(3) ADJUSTED TAXABLE ESTATE.—For purposes”, and

(3) by inserting after paragraph (1) the following new paragraph:

“(2) REDUCTION OF MAXIMUM CREDIT.—

“(A) IN GENERAL.—In the case of estates of decedents dying after December 31, 2001, the credit allowed by this section shall not exceed the applicable percentage of the credit otherwise determined under paragraph (1).

“(B) APPLICABLE PERCENTAGE.—

| “In the case of estates of decedents dying during: | The applicable percentage is: |
|---|--------------------------------------|
| 2002 | 75 percent |
| 2003 | 50 percent |
| 2004 | 25 percent.”. |

(b) EFFECTIVE DATE.—The amendments made by this subsection shall apply to estates of decedents dying after December 31, 2001.

Applicability. 26 USC 2011 note.

SEC. 532. CREDIT FOR STATE DEATH TAXES REPLACED WITH DEDUCTION FOR SUCH TAXES.

(a) REPEAL OF CREDIT.—Section 2011 (relating to credit for State death taxes) is amended by adding at the end the following new subsection:

26 USC 2011.

“(g) TERMINATION.—This section shall not apply to the estates of decedents dying after December 31, 2004.”.

(b) DEDUCTION FOR STATE DEATH TAXES.—Part IV of subchapter A of chapter 11 is amended by adding at the end the following new section:

“SEC. 2058. STATE DEATH TAXES.

“(a) ALLOWANCE OF DEDUCTION.—For purposes of the tax imposed by section 2001, the value of the taxable estate shall be determined by deducting from the value of the gross estate the amount of any estate, inheritance, legacy, or succession taxes actually paid to any State or the District of Columbia, in respect of any property included in the gross estate (not including any such taxes paid with respect to the estate of a person other than the decedent).

“(b) PERIOD OF LIMITATIONS.—The deduction allowed by this section shall include only such taxes as were actually paid and deduction therefor claimed before the later of—

“(1) 4 years after the filing of the return required by section 6018, or

“(2) if—

“(A) a petition for redetermination of a deficiency has been filed with the Tax Court within the time prescribed in section 6213(a), the expiration of 60 days after the decision of the Tax Court becomes final,

PUBLIC LAW 107-16—JUNE 7, 2001

“(B) an extension of time has been granted under section 6161 or 6166 for payment of the tax shown on the return, or of a deficiency, the date of the expiration of the period of the extension, or

“(C) a claim for refund or credit of an overpayment of tax imposed by this chapter has been filed within the time prescribed in section 6511, the latest of the expiration of—

“(i) 60 days from the date of mailing by certified mail or registered mail by the Secretary to the taxpayer of a notice of the disallowance of any part of such claim,

“(ii) 60 days after a decision by any court of competent jurisdiction becomes final with respect to a timely suit instituted upon such claim, or

“(iii) 2 years after a notice of the waiver of disallowance is filed under section 6532(a)(3).

Notwithstanding sections 6511 and 6512, refund based on the deduction may be made if the claim for refund is filed within the period provided in the preceding sentence. Any such refund shall be made without interest.”.

(c) CONFORMING AMENDMENTS.—

26 USC 2012.

(1) Subsection (a) of section 2012 is amended by striking “the credit for State death taxes provided by section 2011 and”.

(2) Subparagraph (A) of section 2013(c)(1) is amended by striking “2011,”.

(3) Paragraph (2) of section 2014(b) is amended by striking “, 2011,”.

(4) Sections 2015 and 2016 are each amended by striking “2011 or”.

(5) Subsection (d) of section 2053 is amended to read as follows:

“(d) CERTAIN FOREIGN DEATH TAXES.—

Regulations.

“(1) IN GENERAL.—Notwithstanding the provisions of subsection (c)(1)(B), for purposes of the tax imposed by section 2001, the value of the taxable estate may be determined, if the executor so elects before the expiration of the period of limitation for assessment provided in section 6501, by deducting from the value of the gross estate the amount (as determined in accordance with regulations prescribed by the Secretary) of any estate, succession, legacy, or inheritance tax imposed by and actually paid to any foreign country, in respect of any property situated within such foreign country and included in the gross estate of a citizen or resident of the United States, upon a transfer by the decedent for public, charitable, or religious uses described in section 2055. The determination under this paragraph of the country within which property is situated shall be made in accordance with the rules applicable under subchapter B (sec. 2101 and following) in determining whether property is situated within or without the United States. Any election under this paragraph shall be exercised in accordance with regulations prescribed by the Secretary.

“(2) CONDITION FOR ALLOWANCE OF DEDUCTION.—No deduction shall be allowed under paragraph (1) for a foreign death tax specified therein unless the decrease in the tax imposed by section 2001 which results from the deduction provided in paragraph (1) will inure solely for the benefit of the public, charitable, or religious transferees described in section 2055 or section 2106(a)(2). In any case where the tax imposed by section 2001 is equitably apportioned among all the transferees of property included in the gross estate, including those described in sections 2055 and 2106(a)(2) (taking into account any exemptions, credits, or deductions allowed by this chapter), in determining such decrease, there shall be disregarded any

PUBLIC LAW 107-16—JUNE 7, 2001

decrease in the Federal estate tax which any transferees other than those described in sections 2055 and 2106(a)(2) are required to pay.

“(3) EFFECT ON CREDIT FOR FOREIGN DEATH TAXES OF DEDUCTION UNDER THIS SUBSECTION.—

“(A) ELECTION.—An election under this subsection shall be deemed a waiver of the right to claim a credit, against the Federal estate tax, under a death tax convention with any foreign country for any tax or portion thereof in respect of which a deduction is taken under this subsection.

“(B) CROSS REFERENCE.—

“See section 2014(f) for the effect of a deduction taken under this paragraph on the credit for foreign death taxes.”.

(6) Subparagraph (A) of section 2056A(b)(10) is amended—

(A) by striking “2011,” and

(B) by inserting “2058,” after “2056.”.

(7)(A) Subsection (a) of section 2102 is amended to read as follows: 26 USC 2102.

“(a) IN GENERAL.—The tax imposed by section 2101 shall be credited with the amounts determined in accordance with sections 2012 and 2013 (relating to gift tax and tax on prior transfers).”.

(B) Section 2102 is amended by striking subsection (b) and by redesignating subsection (c) as subsection (b).

(C) Section 2102(b)(5) (as redesignated by subparagraph (B)) and section 2107(c)(3) are each amended by striking “2011 to 2013, inclusive,” and inserting “2012 and 2013”.

(8) Subsection (a) of section 2106 is amended by adding at the end the following new paragraph:

“(4) STATE DEATH TAXES.—The amount which bears the same ratio to the State death taxes as the value of the property, as determined for purposes of this chapter, upon which State death taxes were paid and which is included in the gross estate under section 2103 bears to the value of the total gross estate under section 2103. For purposes of this paragraph, the term ‘State death taxes’ means the taxes described in section 2011(a).”.

(9) Section 2201 is amended—

(A) by striking “as defined in section 2011(d)”, and

(B) by adding at the end the following new flush sentence:

“For purposes of this section, the additional estate tax is the difference between the tax imposed by section 2001 or 2101 and the amount equal to 125 percent of the maximum credit provided by section 2011(b), as in effect before its repeal by the Economic Growth and Tax Relief Reconciliation Act of 2001.”.

(10) Section 2604 (relating to credit for certain State taxes) is amended by adding at the end the following new subsection:

“(c) TERMINATION.—This section shall not apply to the generation-skipping transfers after December 31, 2004.”.

(11) Paragraph (2) of section 6511(i) is amended by striking “2011(c), 2014(b),” and inserting “2014(b)”.

(12) Subsection (c) of section 6612 is amended by striking “section 2011(c) (relating to refunds due to credit for State taxes),”.

(13) The table of sections for part II of subchapter A of chapter 11 is amended by striking the item relating to section 2011.

(14) The table of sections for part IV of subchapter A of chapter 11 is amended by adding at the end the following new item:

“Sec. 2058. State death taxes.”.

(15) The table of sections for subchapter A of chapter 13 is amended by striking the item relating to section 2604.

PUBLIC LAW 107-16—JUNE 7, 2001

Applicability.
26 USC 2011
note.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to estates of decedents dying, and generation-skipping transfers, after December 31, 2004.

Subtitle E—Carryover Basis at Death; Other Changes Taking Effect With Repeal

SEC. 541. TERMINATION OF STEP-UP IN BASIS AT DEATH.

26 USC 1014.

Section 1014 (relating to basis of property acquired from a decedent) is amended by adding at the end the following new subsection:

“(f) **TERMINATION.**—This section shall not apply with respect to decedents dying after December 31, 2009.”.

SEC. 542. TREATMENT OF PROPERTY ACQUIRED FROM A DECEDENT DYING AFTER DECEMBER 31, 2009.

(a) **GENERAL RULE.**—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

“SEC. 1022. TREATMENT OF PROPERTY ACQUIRED FROM A DECEDENT DYING AFTER DECEMBER 31, 2009.

“(a) **IN GENERAL.**—Except as otherwise provided in this section—

“(1) property acquired from a decedent dying after December 31, 2009, shall be treated for purposes of this subtitle as transferred by gift, and

“(2) the basis of the person acquiring property from such a decedent shall be the lesser of—

“(A) the adjusted basis of the decedent, or

“(B) the fair market value of the property at the date of the decedent’s death.

“(b) **BASIS INCREASE FOR CERTAIN PROPERTY.**—

“(1) **IN GENERAL.**—In the case of property to which this subsection applies, the basis of such property under subsection (a) shall be increased by its basis increase under this subsection.

“(2) **BASIS INCREASE.**—For purposes of this subsection—

“(A) **IN GENERAL.**—The basis increase under this subsection for any property is the portion of the aggregate basis increase which is allocated to the property pursuant to this section.

“(B) **AGGREGATE BASIS INCREASE.**—In the case of any estate, the aggregate basis increase under this subsection is \$1,300,000.

“(C) **LIMIT INCREASED BY UNUSED BUILT-IN LOSSES AND LOSS CARRYOVERS.**—The limitation under subparagraph (B) shall be increased by—

“(i) the sum of the amount of any capital loss carryover under section 1212(b), and the amount of any net operating loss carryover under section 172, which would (but for the decedent’s death) be carried from the decedent’s last taxable year to a later taxable year of the decedent, plus

“(ii) the sum of the amount of any losses that would have been allowable under section 165 if the property acquired from the decedent had been sold at fair market value immediately before the decedent’s death.

“(3) **DECEDENT NONRESIDENTS WHO ARE NOT CITIZENS OF THE UNITED STATES.**—In the case of a decedent nonresident not a citizen of the United States—

“(A) paragraph (2)(B) shall be applied by substituting ‘\$60,000’ for ‘\$1,300,000’, and

“(B) paragraph (2)(C) shall not apply.

PUBLIC LAW 107-16—JUNE 7, 2001

“(c) ADDITIONAL BASIS INCREASE FOR PROPERTY ACQUIRED BY SURVIVING SPOUSE.—

“(1) IN GENERAL.—In the case of property to which this subsection applies and which is qualified spousal property, the basis of such property under subsection (a) (as increased under subsection (b)) shall be increased by its spousal property basis increase.

“(2) SPOUSAL PROPERTY BASIS INCREASE.—For purposes of this subsection—

“(A) IN GENERAL.—The spousal property basis increase for property referred to in paragraph (1) is the portion of the aggregate spousal property basis increase which is allocated to the property pursuant to this section.

“(B) AGGREGATE SPOUSAL PROPERTY BASIS INCREASE.—In the case of any estate, the aggregate spousal property basis increase is \$3,000,000.

“(3) QUALIFIED SPOUSAL PROPERTY.—For purposes of this subsection, the term ‘qualified spousal property’ means—

“(A) outright transfer property, and

“(B) qualified terminable interest property.

“(4) OUTRIGHT TRANSFER PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘outright transfer property’ means any interest in property acquired from the decedent by the decedent’s surviving spouse.

“(B) EXCEPTION.—Subparagraph (A) shall not apply where, on the lapse of time, on the occurrence of an event or contingency, or on the failure of an event or contingency to occur, an interest passing to the surviving spouse will terminate or fail—

“(i) if an interest in such property passes or has passed (for less than an adequate and full consideration in money or money’s worth) from the decedent to any person other than such surviving spouse (or the estate of such spouse), and

“(ii) if by reason of such passing such person (or his heirs or assigns) may possess or enjoy any part of such property after such termination or failure of the interest so passing to the surviving spouse, or

“(iii) if such interest is to be acquired for the surviving spouse, pursuant to directions of the decedent, by his executor or by the trustee of a trust.

For purposes of this subparagraph, an interest shall not be considered as an interest which will terminate or fail merely because it is the ownership of a bond, note, or similar contractual obligation, the discharge of which would not have the effect of an annuity for life or for a term.

“(C) INTEREST OF SPOUSE CONDITIONAL ON SURVIVAL FOR LIMITED PERIOD.—For purposes of this paragraph, an interest passing to the surviving spouse shall not be considered as an interest which will terminate or fail on the death of such spouse if—

“(i) such death will cause a termination or failure of such interest only if it occurs within a period not exceeding 6 months after the decedent’s death, or only if it occurs as a result of a common disaster resulting in the death of the decedent and the surviving spouse, or only if it occurs in the case of either such event, and

“(ii) such termination or failure does not in fact occur.

“(5) QUALIFIED TERMINABLE INTEREST PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified terminable interest property’ means property—

PUBLIC LAW 107-16—JUNE 7, 2001

“(i) which passes from the decedent, and

“(ii) in which the surviving spouse has a qualifying income interest for life.

“(B) QUALIFYING INCOME INTEREST FOR LIFE.—The surviving spouse has a qualifying income interest for life if—

“(i) the surviving spouse is entitled to all the income from the property, payable annually or at more frequent intervals, or has a usufruct interest for life in the property, and

“(ii) no person has a power to appoint any part of the property to any person other than the surviving spouse.

Clause (ii) shall not apply to a power exercisable only at or after the death of the surviving spouse. To the extent provided in regulations, an annuity shall be treated in a manner similar to an income interest in property (regardless of whether the property from which the annuity is payable can be separately identified).

“(C) PROPERTY INCLUDES INTEREST THEREIN.—The term ‘property’ includes an interest in property.

“(D) SPECIFIC PORTION TREATED AS SEPARATE PROPERTY.—A specific portion of property shall be treated as separate property. For purposes of the preceding sentence, the term ‘specific portion’ only includes a portion determined on a fractional or percentage basis.

“(d) DEFINITIONS AND SPECIAL RULES FOR APPLICATION OF SUBSECTIONS (b) AND (c).—

“(1) PROPERTY TO WHICH SUBSECTIONS (b) AND (c) APPLY.—

“(A) IN GENERAL.—The basis of property acquired from a decedent may be increased under subsection (b) or (c) only if the property was owned by the decedent at the time of death.

“(B) RULES RELATING TO OWNERSHIP.—

“(i) JOINTLY HELD PROPERTY.—In the case of property which was owned by the decedent and another person as joint tenants with right of survivorship or tenants by the entirety—

“(I) if the only such other person is the surviving spouse, the decedent shall be treated as the owner of only 50 percent of the property,

“(II) in any case (to which subclause (I) does not apply) in which the decedent furnished consideration for the acquisition of the property, the decedent shall be treated as the owner to the extent of the portion of the property which is proportionate to such consideration, and

“(III) in any case (to which subclause (I) does not apply) in which the property has been acquired by gift, bequest, devise, or inheritance by the decedent and any other person as joint tenants with right of survivorship and their interests are not otherwise specified or fixed by law, the decedent shall be treated as the owner to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants with right of survivorship.

“(ii) REVOCABLE TRUSTS.—The decedent shall be treated as owning property transferred by the decedent during life to a qualified revocable trust (as defined in section 645(b)(1)).

“(iii) POWERS OF APPOINTMENT.—The decedent shall not be treated as owning any property by reason

PUBLIC LAW 107-16—JUNE 7, 2001

of holding a power of appointment with respect to such property.

“(iv) COMMUNITY PROPERTY.—Property which represents the surviving spouse’s one-half share of community property held by the decedent and the surviving spouse under the community property laws of any State or possession of the United States or any foreign country shall be treated for purposes of this section as owned by, and acquired from, the decedent if at least one-half of the whole of the community interest in such property is treated as owned by, and acquired from, the decedent without regard to this clause.

“(C) PROPERTY ACQUIRED BY DECEDENT BY GIFT WITHIN 3 YEARS OF DEATH.—

“(i) IN GENERAL.—Subsections (b) and (c) shall not apply to property acquired by the decedent by gift or by inter vivos transfer for less than adequate and full consideration in money or money’s worth during the 3-year period ending on the date of the decedent’s death.

“(ii) EXCEPTION FOR CERTAIN GIFTS FROM SPOUSE.—Clause (i) shall not apply to property acquired by the decedent from the decedent’s spouse unless, during such 3-year period, such spouse acquired the property in whole or in part by gift or by inter vivos transfer for less than adequate and full consideration in money or money’s worth.

“(D) STOCK OF CERTAIN ENTITIES.—Subsections (b) and (c) shall not apply to—

“(i) stock or securities of a foreign personal holding company,

“(ii) stock of a DISC or former DISC,

“(iii) stock of a foreign investment company, or

“(iv) stock of a passive foreign investment company unless such company is a qualified electing fund (as defined in section 1295) with respect to the decedent.

“(2) FAIR MARKET VALUE LIMITATION.—The adjustments under subsections (b) and (c) shall not increase the basis of any interest in property acquired from the decedent above its fair market value in the hands of the decedent as of the date of the decedent’s death.

“(3) ALLOCATION RULES.—

“(A) IN GENERAL.—The executor shall allocate the adjustments under subsections (b) and (c) on the return required by section 6018.

“(B) CHANGES IN ALLOCATION.—Any allocation made pursuant to subparagraph (A) may be changed only as provided by the Secretary.

“(4) INFLATION ADJUSTMENT OF BASIS ADJUSTMENT AMOUNTS.—

“(A) IN GENERAL.—In the case of decedents dying in a calendar year after 2010, the \$1,300,000, \$60,000, and \$3,000,000 dollar amounts in subsections (b) and (c)(2)(B) shall each be increased by an amount equal to the product of—

“(i) such dollar amount, and

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting ‘2009’ for ‘1992’ in subparagraph (B) thereof.

“(B) ROUNDING.—If any increase determined under subparagraph (A) is not a multiple of—

“(i) \$100,000 in the case of the \$1,300,000 amount,

“(ii) \$5,000 in the case of the \$60,000 amount,

and

PUBLIC LAW 107-16—JUNE 7, 2001

“(iii) \$250,000 in the case of the \$3,000,000 amount, such increase shall be rounded to the next lowest multiple thereof.

“(e) PROPERTY ACQUIRED FROM THE DECEDENT.—For purposes of this section, the following property shall be considered to have been acquired from the decedent:

“(1) Property acquired by bequest, devise, or inheritance, or by the decedent’s estate from the decedent.

“(2) Property transferred by the decedent during his lifetime—

“(A) to a qualified revocable trust (as defined in section 645(b)(1)), or

“(B) to any other trust with respect to which the decedent reserved the right to make any change in the enjoyment thereof through the exercise of a power to alter, amend, or terminate the trust.

“(3) Any other property passing from the decedent by reason of death to the extent that such property passed without consideration.

“(f) COORDINATION WITH SECTION 691.—This section shall not apply to property which constitutes a right to receive an item of income in respect of a decedent under section 691.

“(g) CERTAIN LIABILITIES DISREGARDED.—

“(1) IN GENERAL.—In determining whether gain is recognized on the acquisition of property—

“(A) from a decedent by a decedent’s estate or any beneficiary other than a tax-exempt beneficiary, and

“(B) from the decedent’s estate by any beneficiary other than a tax-exempt beneficiary, and in determining the adjusted basis of such property, liabilities in excess of basis shall be disregarded.

“(2) TAX-EXEMPT BENEFICIARY.—For purposes of paragraph (1), the term ‘tax-exempt beneficiary’ means—

“(A) the United States, any State or political subdivision thereof, any possession of the United States, any Indian tribal government (within the meaning of section 7871), or any agency or instrumentality of any of the foregoing,

“(B) an organization (other than a cooperative described in section 521) which is exempt from tax imposed by chapter 1,

“(C) any foreign person or entity (within the meaning of section 168(h)(2)), and

“(D) to the extent provided in regulations, any person to whom property is transferred for the principal purpose of tax avoidance.

“(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.”.

(b) INFORMATION RETURNS, ETC.—

(1) LARGE TRANSFERS AT DEATH.—So much of subpart C of part II of subchapter A of chapter 61 as precedes section 6019 is amended to read as follows:

**“Subpart C—Returns Relating to Transfers
During Life or at Death**

“Sec. 6018. Returns relating to large transfers at death.

“Sec. 6019. Gift tax returns.

“SEC. 6018. RETURNS RELATING TO LARGE TRANSFERS AT DEATH.

“(a) IN GENERAL.—If this section applies to property acquired from a decedent, the executor of the estate of such decedent shall make a return containing the information specified in subsection (c) with respect to such property.

PUBLIC LAW 107-16—JUNE 7, 2001

“(b) PROPERTY TO WHICH SECTION APPLIES.—

“(1) LARGE TRANSFERS.—This section shall apply to all property (other than cash) acquired from a decedent if the fair market value of such property acquired from the decedent exceeds the dollar amount applicable under section 1022(b)(2)(B) (without regard to section 1022(b)(2)(C)).

“(2) TRANSFERS OF CERTAIN GIFTS RECEIVED BY DECEDENT WITHIN 3 YEARS OF DEATH.—This section shall apply to any appreciated property acquired from the decedent if—

“(A) subsections (b) and (c) of section 1022 do not apply to such property by reason of section 1022(d)(1)(C), and

“(B) such property was required to be included on a return required to be filed under section 6019.

“(3) NONRESIDENTS NOT CITIZENS OF THE UNITED STATES.—In the case of a decedent who is a nonresident not a citizen of the United States, paragraphs (1) and (2) shall be applied—

“(A) by taking into account only—

“(i) tangible property situated in the United States, and

“(ii) other property acquired from the decedent by a United States person, and

“(B) by substituting the dollar amount applicable under section 1022(b)(3) for the dollar amount referred to in paragraph (1).

“(4) RETURNS BY TRUSTEES OR BENEFICIARIES.—If the executor is unable to make a complete return as to any property acquired from or passing from the decedent, the executor shall include in the return a description of such property and the name of every person holding a legal or beneficial interest therein. Upon notice from the Secretary, such person shall in like manner make a return as to such property.

“(c) INFORMATION REQUIRED TO BE FURNISHED.—The information specified in this subsection with respect to any property acquired from the decedent is—

“(1) the name and TIN of the recipient of such property,

“(2) an accurate description of such property,

“(3) the adjusted basis of such property in the hands of the decedent and its fair market value at the time of death,

“(4) the decedent’s holding period for such property,

“(5) sufficient information to determine whether any gain on the sale of the property would be treated as ordinary income,

“(6) the amount of basis increase allocated to the property under subsection (b) or (c) of section 1022, and

“(7) such other information as the Secretary may by regulations prescribe.

“(d) PROPERTY ACQUIRED FROM DECEDENT.—For purposes of this section, section 1022 shall apply for purposes of determining the property acquired from a decedent.

Applicability.

“(e) STATEMENTS TO BE FURNISHED TO CERTAIN PERSONS.—Every person required to make a return under subsection (a) shall furnish to each person whose name is required to be set forth in such return (other than the person required to make such return) a written statement showing—

“(1) the name, address, and phone number of the person required to make such return, and

“(2) the information specified in subsection (c) with respect to property acquired from, or passing from, the decedent to the person required to receive such statement.

The written statement required under the preceding sentence shall be furnished not later than 30 days after the date that the return required by subsection (a) is filed.”.

Deadline.

(2) GIFTS.—Section 6019 (relating to gift tax returns) is amended—

26 USC 6019.

PUBLIC LAW 107-16—JUNE 7, 2001

(A) by striking “Any individual” and inserting “(a) IN GENERAL.—Any individual”, and

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

“(b) STATEMENTS TO BE FURNISHED TO CERTAIN PERSONS.—Every person required to make a return under subsection (a) shall furnish to each person whose name is required to be set forth in such return (other than the person required to make such return) a written statement showing—

“(1) the name, address, and phone number of the person required to make such return, and

“(2) the information specified in such return with respect to property received by the person required to receive such statement.

Deadline. The written statement required under the preceding sentence shall be furnished not later than 30 days after the date that the return required by subsection (a) is filed.”.

(3) TIME FOR FILING SECTION 6018 RETURNS.—

26 USC 6075. (A) RETURNS RELATING TO LARGE TRANSFERS AT DEATH.—Subsection (a) of section 6075 is amended to read as follows:

“(a) RETURNS RELATING TO LARGE TRANSFERS AT DEATH.—The return required by section 6018 with respect to a decedent shall be filed with the return of the tax imposed by chapter 1 for the decedent’s last taxable year or such later date specified in regulations prescribed by the Secretary.”.

(B) CONFORMING AMENDMENTS.—Paragraph (3) of section 6075(b) is amended—

(i) by striking “ESTATE TAX RETURN” in the heading and inserting “SECTION 6018 RETURN”, and

(ii) by striking “(relating to estate tax returns)” and inserting “(relating to returns relating to large transfers at death)”.

(4) PENALTIES.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end the following new section:

“SEC. 6716. FAILURE TO FILE INFORMATION WITH RESPECT TO CERTAIN TRANSFERS AT DEATH AND GIFTS.

“(a) INFORMATION REQUIRED TO BE FURNISHED TO THE SECRETARY.—Any person required to furnish any information under section 6018 who fails to furnish such information on the date prescribed therefor (determined with regard to any extension of time for filing) shall pay a penalty of \$10,000 (\$500 in the case of information required to be furnished under section 6018(b)(2)) for each such failure.

“(b) INFORMATION REQUIRED TO BE FURNISHED TO BENEFICIARIES.—Any person required to furnish in writing to each person described in section 6018(e) or 6019(b) the information required under such section who fails to furnish such information shall pay a penalty of \$50 for each such failure.

“(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under subsection (a) or (b) with respect to any failure if it is shown that such failure is due to reasonable cause.

“(d) INTENTIONAL DISREGARD.—If any failure under subsection (a) or (b) is due to intentional disregard of the requirements under sections 6018 and 6019(b), the penalty under such subsection shall be 5 percent of the fair market value (as of the date of death or, in the case of section 6019(b), the date of the gift) of the property with respect to which the information is required.

“(e) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by this section.”.

(5) CLERICAL AMENDMENTS.—

PUBLIC LAW 107-16—JUNE 7, 2001

(A) The table of sections for part I of subchapter B of chapter 68 is amended by adding at the end the following new item:

“Sec. 6716. Failure to file information with respect to certain transfers at death and gifts.”.

(B) The item relating to subpart C in the table of subparts for part II of subchapter A of chapter 61 is amended to read as follows:

“Subpart C. Returns relating to transfers during life or at death.”.

(c) EXCLUSION OF GAIN ON SALE OF PRINCIPAL RESIDENCE MADE AVAILABLE TO HEIR OF DECEDENT IN CERTAIN CASES.—Subsection (d) of section 121 (relating to exclusion of gain from sale of principal residence) is amended by adding at the end the following new paragraph:

26 USC 121.

“(9) PROPERTY ACQUIRED FROM A DECEDENT.—The exclusion under this section shall apply to property sold by—

“(A) the estate of a decedent,

“(B) any individual who acquired such property from the decedent (within the meaning of section 1022), and

“(C) a trust which, immediately before the death of the decedent, was a qualified revocable trust (as defined in section 645(b)(1)) established by the decedent, determined by taking into account the ownership and use by the decedent.”.

(d) TRANSFERS OF APPRECIATED CARRYOVER BASIS PROPERTY TO SATISFY PECUNIARY BEQUEST.—

(1) IN GENERAL.—Section 1040 (relating to transfer of certain farm, etc., real property) is amended to read as follows:

“**SEC. 1040. USE OF APPRECIATED CARRYOVER BASIS PROPERTY TO SATISFY PECUNIARY BEQUEST.**

“(a) IN GENERAL.—If the executor of the estate of any decedent satisfies the right of any person to receive a pecuniary bequest with appreciated property, then gain on such exchange shall be recognized to the estate only to the extent that, on the date of such exchange, the fair market value of such property exceeds such value on the date of death.

“(b) SIMILAR RULE FOR CERTAIN TRUSTS.—To the extent provided in regulations prescribed by the Secretary, a rule similar to the rule provided in subsection (a) shall apply where—

Regulations.

“(1) by reason of the death of the decedent, a person has a right to receive from a trust a specific dollar amount which is the equivalent of a pecuniary bequest, and

“(2) the trustee of a trust satisfies such right with property.

“(c) BASIS OF PROPERTY ACQUIRED IN EXCHANGE DESCRIBED IN SUBSECTION (a) OR (b).—The basis of property acquired in an exchange with respect to which gain realized is not recognized by reason of subsection (a) or (b) shall be the basis of such property immediately before the exchange increased by the amount of the gain recognized to the estate or trust on the exchange.”.

(2) The item relating to section 1040 in the table of sections for part III of subchapter O of chapter 1 is amended to read as follows:

“Sec. 1040. Use of appreciated carryover basis property to satisfy pecuniary bequest.”.

(e) AMENDMENTS RELATED TO CARRYOVER BASIS.—

(1) RECOGNITION OF GAIN ON TRANSFERS TO NON-RESIDENTS.—

(A) Subsection (a) of section 684 is amended by inserting “or to a nonresident alien” after “or trust”.

26 USC 684.

(B) Subsection (b) of section 684 is amended to read as follows:

“(b) EXCEPTIONS.—

PUBLIC LAW 107-16—JUNE 7, 2001

“(1) TRANSFERS TO CERTAIN TRUSTS.—Subsection (a) shall not apply to a transfer to a trust by a United States person to the extent that any United States person is treated as the owner of such trust under section 671.

“(2) LIFETIME TRANSFERS TO NONRESIDENT ALIENS.—Subsection (a) shall not apply to a lifetime transfer to a nonresident alien.”.

(C) The section heading for section 684 is amended by inserting “AND NONRESIDENT ALIENS” after “ESTATES”.

(D) The item relating to section 684 in the table of sections for subpart F of part I of subchapter J of chapter 1 is amended by inserting “and nonresident aliens” after “estates”.

(2) CAPITAL GAIN TREATMENT FOR INHERITED ART WORK OR SIMILAR PROPERTY.—

(A) IN GENERAL.—Subparagraph (C) of section 1221(a)(3) (defining capital asset) is amended by inserting “(other than by reason of section 1022)” after “is determined”.

(B) COORDINATION WITH SECTION 170.—Paragraph (1) of section 170(e) (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following: “For purposes of this paragraph, the determination of whether property is a capital asset shall be made without regard to the exception contained in section 1221(a)(3)(C) for basis determined under section 1022.”.

(3) DEFINITION OF EXECUTOR.—Section 7701(a) (relating to definitions) is amended by adding at the end the following:

“(47) EXECUTOR.—The term ‘executor’ means the executor or administrator of the decedent, or, if there is no executor or administrator appointed, qualified, and acting within the United States, then any person in actual or constructive possession of any property of the decedent.”.

(4) CERTAIN TRUSTS.—Subparagraph (A) of section 4947(a)(2) is amended by inserting “642(c),” after “170(f)(2)(B),”.

(5) OTHER AMENDMENTS.—

(A) Section 1246 is amended by striking subsection (e).

(B) Subsection (e) of section 1291 is amended—

(i) by striking “(e),”; and

(ii) by striking “; except that” and all that follows and inserting a period.

(C) Section 1296 is amended by striking subsection (i).

(6) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

“Sec. 1022. Treatment of property acquired from a decedent dying after December 31, 2009.”.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to estates of decedents dying after December 31, 2009.

(2) TRANSFERS TO NONRESIDENTS.—The amendments made by subsection (e)(1) shall apply to transfers after December 31, 2009.

(3) SECTION 4947.—The amendment made by subsection (e)(4) shall apply to deductions for taxable years beginning after December 31, 2009.

PUBLIC LAW 107-16—JUNE 7, 2001

Subtitle F—Conservation Easements

SEC. 551. EXPANSION OF ESTATE TAX RULE FOR CONSERVATION EASEMENTS.

(a) REPEAL OF CERTAIN RESTRICTIONS ON WHERE LAND IS LOCATED.—Clause (i) of section 2031(c)(8)(A) (defining land subject to a qualified conservation easement) is amended to read as follows: 26 USC 2031.

“(i) which is located in the United States or any possession of the United States.”

(b) CLARIFICATION OF DATE FOR DETERMINING VALUE OF LAND AND EASEMENT.—Section 2031(c)(2) (defining applicable percentage) is amended by adding at the end the following new sentence: “The values taken into account under the preceding sentence shall be such values as of the date of the contribution referred to in paragraph (8)(B).”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after December 31, 2000. Applicability. 26 USC 2031 note.

Subtitle G—Modifications of Generation-Skipping Transfer Tax

SEC. 561. DEEMED ALLOCATION OF GST EXEMPTION TO LIFETIME TRANSFERS TO TRUSTS; RETROACTIVE ALLOCATIONS.

(a) IN GENERAL.—Section 2632 (relating to special rules for allocation of GST exemption) is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

“(c) DEEMED ALLOCATION TO CERTAIN LIFETIME TRANSFERS TO GST TRUSTS.—

“(1) IN GENERAL.—If any individual makes an indirect skip during such individual’s lifetime, any unused portion of such individual’s GST exemption shall be allocated to the property transferred to the extent necessary to make the inclusion ratio for such property zero. If the amount of the indirect skip exceeds such unused portion, the entire unused portion shall be allocated to the property transferred.

“(2) UNUSED PORTION.—For purposes of paragraph (1), the unused portion of an individual’s GST exemption is that portion of such exemption which has not previously been—

“(A) allocated by such individual,

“(B) treated as allocated under subsection (b) with respect to a direct skip occurring during or before the calendar year in which the indirect skip is made, or

“(C) treated as allocated under paragraph (1) with respect to a prior indirect skip.

“(3) DEFINITIONS.—

“(A) INDIRECT SKIP.—For purposes of this subsection, the term ‘indirect skip’ means any transfer of property (other than a direct skip) subject to the tax imposed by chapter 12 made to a GST trust.

“(B) GST TRUST.—The term ‘GST trust’ means a trust that could have a generation-skipping transfer with respect to the transferor unless—

“(i) the trust instrument provides that more than 25 percent of the trust corpus must be distributed to or may be withdrawn by one or more individuals who are non-skip persons—

“(I) before the date that the individual attains age 46,

“(II) on or before one or more dates specified in the trust instrument that will occur before the date that such individual attains age 46, or

PUBLIC LAW 107-16—JUNE 7, 2001

“(III) upon the occurrence of an event that, in accordance with regulations prescribed by the Secretary, may reasonably be expected to occur before the date that such individual attains age 46,

“(ii) the trust instrument provides that more than 25 percent of the trust corpus must be distributed to or may be withdrawn by one or more individuals who are non-skip persons and who are living on the date of death of another person identified in the instrument (by name or by class) who is more than 10 years older than such individuals,

“(iii) the trust instrument provides that, if one or more individuals who are non-skip persons die on or before a date or event described in clause (i) or (ii), more than 25 percent of the trust corpus either must be distributed to the estate or estates of one or more of such individuals or is subject to a general power of appointment exercisable by one or more of such individuals,

“(iv) the trust is a trust any portion of which would be included in the gross estate of a non-skip person (other than the transferor) if such person died immediately after the transfer,

“(v) the trust is a charitable lead annuity trust (within the meaning of section 2642(e)(3)(A)) or a charitable remainder annuity trust or a charitable remainder unitrust (within the meaning of section 664(d)), or

“(vi) the trust is a trust with respect to which a deduction was allowed under section 2522 for the amount of an interest in the form of the right to receive annual payments of a fixed percentage of the net fair market value of the trust property (determined yearly) and which is required to pay principal to a non-skip person if such person is alive when the yearly payments for which the deduction was allowed terminate.

For purposes of this subparagraph, the value of transferred property shall not be considered to be includible in the gross estate of a non-skip person or subject to a right of withdrawal by reason of such person holding a right to withdraw so much of such property as does not exceed the amount referred to in section 2503(b) with respect to any transferor, and it shall be assumed that powers of appointment held by non-skip persons will not be exercised.

“(4) AUTOMATIC ALLOCATIONS TO CERTAIN GST TRUSTS.—For purposes of this subsection, an indirect skip to which section 2642(f) applies shall be deemed to have been made only at the close of the estate tax inclusion period. The fair market value of such transfer shall be the fair market value of the trust property at the close of the estate tax inclusion period.

“(5) APPLICABILITY AND EFFECT.—

“(A) IN GENERAL.—An individual—

“(i) may elect to have this subsection not apply to—

“(I) an indirect skip, or

“(II) any or all transfers made by such individual to a particular trust, and

“(ii) may elect to treat any trust as a GST trust for purposes of this subsection with respect to any or all transfers made by such individual to such trust.

“(B) ELECTIONS.—

PUBLIC LAW 107-16—JUNE 7, 2001

“(i) ELECTIONS WITH RESPECT TO INDIRECT SKIPS.—An election under subparagraph (A)(i)(I) shall be deemed to be timely if filed on a timely filed gift tax return for the calendar year in which the transfer was made or deemed to have been made pursuant to paragraph (4) or on such later date or dates as may be prescribed by the Secretary.

“(ii) OTHER ELECTIONS.—An election under clause (i)(II) or (ii) of subparagraph (A) may be made on a timely filed gift tax return for the calendar year for which the election is to become effective.

“(d) RETROACTIVE ALLOCATIONS.—

“(1) IN GENERAL.—If—

“(A) a non-skip person has an interest or a future interest in a trust to which any transfer has been made,

“(B) such person—

“(i) is a lineal descendant of a grandparent of the transferor or of a grandparent of the transferor’s spouse or former spouse, and

“(ii) is assigned to a generation below the generation assignment of the transferor, and

“(C) such person predeceases the transferor,

then the transferor may make an allocation of any of such transferor’s unused GST exemption to any previous transfer or transfers to the trust on a chronological basis.

“(2) SPECIAL RULES.—If the allocation under paragraph (1) by the transferor is made on a gift tax return filed on or before the date prescribed by section 6075(b) for gifts made within the calendar year within which the non-skip person’s death occurred—

“(A) the value of such transfer or transfers for purposes of section 2642(a) shall be determined as if such allocation had been made on a timely filed gift tax return for each calendar year within which each transfer was made,

“(B) such allocation shall be effective immediately before such death, and

“(C) the amount of the transferor’s unused GST exemption available to be allocated shall be determined immediately before such death.

“(3) FUTURE INTEREST.—For purposes of this subsection, a person has a future interest in a trust if the trust may permit income or corpus to be paid to such person on a date or dates in the future.”

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 2632(b) is amended by striking “with respect to a prior direct skip” and inserting “or subsection (c)(1)”.

26 USC 2632.

(c) EFFECTIVE DATES.—

(1) DEEMED ALLOCATION.—Section 2632(c) of the Internal Revenue Code of 1986 (as added by subsection (a)), and the amendment made by subsection (b), shall apply to transfers subject to chapter 11 or 12 made after December 31, 2000, and to estate tax inclusion periods ending after December 31, 2000.

(2) RETROACTIVE ALLOCATIONS.—Section 2632(d) of the Internal Revenue Code of 1986 (as added by subsection (a)) shall apply to deaths of non-skip persons occurring after December 31, 2000.

Applicability.
26 USC 2632
note.

SEC. 562. SEVERING OF TRUSTS.

(a) IN GENERAL.—Subsection (a) of section 2642 (relating to inclusion ratio) is amended by adding at the end the following new paragraph:

“(3) SEVERING OF TRUSTS.—

“(A) IN GENERAL.—If a trust is severed in a qualified severance, the trusts resulting from such severance shall

PUBLIC LAW 107-16—JUNE 7, 2001

be treated as separate trusts thereafter for purposes of this chapter.

“(B) QUALIFIED SEVERANCE.—For purposes of subparagraph (A)—

“(i) IN GENERAL.—The term ‘qualified severance’ means the division of a single trust and the creation (by any means available under the governing instrument or under local law) of two or more trusts if—

“(I) the single trust was divided on a fractional basis, and

“(II) the terms of the new trusts, in the aggregate, provide for the same succession of interests of beneficiaries as are provided in the original trust.

“(ii) TRUSTS WITH INCLUSION RATIO GREATER THAN ZERO.—If a trust has an inclusion ratio of greater than zero and less than 1, a severance is a qualified severance only if the single trust is divided into two trusts, one of which receives a fractional share of the total value of all trust assets equal to the applicable fraction of the single trust immediately before the severance. In such case, the trust receiving such fractional share shall have an inclusion ratio of zero and the other trust shall have an inclusion ratio of 1.

“(iii) REGULATIONS.—The term ‘qualified severance’ includes any other severance permitted under regulations prescribed by the Secretary.

“(C) TIMING AND MANNER OF SEVERANCES.—A severance pursuant to this paragraph may be made at any time. The Secretary shall prescribe by forms or regulations the manner in which the qualified severance shall be reported to the Secretary.”

Regulations.

Applicability.
26 USC 2642
note.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to severances after December 31, 2000.

SEC. 563. MODIFICATION OF CERTAIN VALUATION RULES.

26 USC 2642.

(a) GIFTS FOR WHICH GIFT TAX RETURN FILED OR DEEMED ALLOCATION MADE.—Paragraph (1) of section 2642(b) (relating to valuation rules, etc.) is amended to read as follows:

“(1) GIFTS FOR WHICH GIFT TAX RETURN FILED OR DEEMED ALLOCATION MADE.—If the allocation of the GST exemption to any transfers of property is made on a gift tax return filed on or before the date prescribed by section 6075(b) for such transfer or is deemed to be made under section 2632 (b)(1) or (c)(1)—

“(A) the value of such property for purposes of subsection (a) shall be its value as finally determined for purposes of chapter 12 (within the meaning of section 2001(f)(2)), or, in the case of an allocation deemed to have been made at the close of an estate tax inclusion period, its value at the time of the close of the estate tax inclusion period, and

“(B) such allocation shall be effective on and after the date of such transfer, or, in the case of an allocation deemed to have been made at the close of an estate tax inclusion period, on and after the close of such estate tax inclusion period.”

(b) TRANSFERS AT DEATH.—Subparagraph (A) of section 2642(b)(2) is amended to read as follows:

“(A) TRANSFERS AT DEATH.—If property is transferred as a result of the death of the transferor, the value of such property for purposes of subsection (a) shall be its value as finally determined for purposes of chapter 11; except that, if the requirements prescribed by the Secretary

PUBLIC LAW 107-16—JUNE 7, 2001

respecting allocation of post-death changes in value are not met, the value of such property shall be determined as of the time of the distribution concerned.”

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to transfers subject to chapter 11 or 12 of the Internal Revenue Code of 1986 made after December 31, 2000. Applicability.
26 USC 2642
note.

SEC. 564. RELIEF PROVISIONS.

(a) **IN GENERAL.**—Section 2642 is amended by adding at the end the following new subsection: 26 USC 2642.

“(g) **RELIEF PROVISIONS.**—

“(1) **RELIEF FROM LATE ELECTIONS.**—

“(A) **IN GENERAL.**—The Secretary shall by regulation prescribe such circumstances and procedures under which extensions of time will be granted to make— Regulations.

“(i) an allocation of GST exemption described in paragraph (1) or (2) of subsection (b), and

“(ii) an election under subsection (b)(3) or (c)(5) of section 2632.

Such regulations shall include procedures for requesting comparable relief with respect to transfers made before the date of the enactment of this paragraph.

“(B) **BASIS FOR DETERMINATIONS.**—In determining whether to grant relief under this paragraph, the Secretary shall take into account all relevant circumstances, including evidence of intent contained in the trust instrument or instrument of transfer and such other factors as the Secretary deems relevant. For purposes of determining whether to grant relief under this paragraph, the time for making the allocation (or election) shall be treated as if not expressly prescribed by statute.

“(2) **SUBSTANTIAL COMPLIANCE.**—An allocation of GST exemption under section 2632 that demonstrates an intent to have the lowest possible inclusion ratio with respect to a transfer or a trust shall be deemed to be an allocation of so much of the transferor’s unused GST exemption as produces the lowest possible inclusion ratio. In determining whether there has been substantial compliance, all relevant circumstances shall be taken into account, including evidence of intent contained in the trust instrument or instrument of transfer and such other factors as the Secretary deems relevant.”

(b) **EFFECTIVE DATES.**—

(1) **RELIEF FROM LATE ELECTIONS.**—Section 2642(g)(1) of the Internal Revenue Code of 1986 (as added by subsection (a)) shall apply to requests pending on, or filed after, December 31, 2000. Applicability.
26 USC 2642
note.

(2) **SUBSTANTIAL COMPLIANCE.**—Section 2642(g)(2) of such Code (as so added) shall apply to transfers subject to chapter 11 or 12 of the Internal Revenue Code of 1986 made after December 31, 2000. No implication is intended with respect to the availability of relief from late elections or the application of a rule of substantial compliance on or before such date.

Subtitle H—Extension of Time for Payment of Estate Tax

SEC. 571. INCREASE IN NUMBER OF ALLOWABLE PARTNERS AND SHAREHOLDERS IN CLOSELY HELD BUSINESSES.

(a) **IN GENERAL.**—Paragraphs (1)(B)(ii), (1)(C)(ii), and (9)(B)(iii)(I) of section 6166(b) (relating to definitions and special rules) are each amended by striking “15” and inserting “45”. 26 USC 6166.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to estates of decedents dying after December 31, 2001. Applicability.
26 USC 6166
note.

PUBLIC LAW 107-16—JUNE 7, 2001

SEC. 572. EXPANSION OF AVAILABILITY OF INSTALLMENT PAYMENT FOR ESTATES WITH INTERESTS QUALIFYING LENDING AND FINANCE BUSINESSES.

(a) IN GENERAL.—Section 6166(b) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

“(10) STOCK IN QUALIFYING LENDING AND FINANCE BUSINESS TREATED AS STOCK IN AN ACTIVE TRADE OR BUSINESS COMPANY.—

“(A) IN GENERAL.—If the executor elects the benefits of this paragraph, then—

“(i) STOCK IN QUALIFYING LENDING AND FINANCE BUSINESS TREATED AS STOCK IN AN ACTIVE TRADE OR BUSINESS COMPANY.—For purposes of this section, any asset used in a qualifying lending and finance business shall be treated as an asset which is used in carrying on a trade or business.

“(ii) 5-YEAR DEFERRAL FOR PRINCIPAL NOT TO APPLY.—The executor shall be treated as having selected under subsection (a)(3) the date prescribed by section 6151(a).

“(iii) 5 EQUAL INSTALLMENTS ALLOWED.—For purposes of applying subsection (a)(1), ‘5’ shall be substituted for ‘10’.

“(B) DEFINITIONS.—For purposes of this paragraph—

“(i) QUALIFYING LENDING AND FINANCE BUSINESS.—The term ‘qualifying lending and finance business’ means a lending and finance business, if—

“(I) based on all the facts and circumstances immediately before the date of the decedent’s death, there was substantial activity with respect to the lending and finance business, or

“(II) during at least 3 of the 5 taxable years ending before the date of the decedent’s death, such business had at least 1 full-time employee substantially all of whose services were the active management of such business, 10 full-time, non-owner employees substantially all of whose services were directly related to such business, and \$5,000,000 in gross receipts from activities described in clause (ii).

“(ii) LENDING AND FINANCE BUSINESS.—The term ‘lending and finance business’ means a trade or business of—

“(I) making loans,

“(II) purchasing or discounting accounts receivable, notes, or installment obligations,

“(III) engaging in rental and leasing of real and tangible personal property, including entering into leases and purchasing, servicing, and disposing of leases and leased assets,

“(IV) rendering services or making facilities available in the ordinary course of a lending or finance business, and

“(V) rendering services or making facilities available in connection with activities described in subclauses (I) through (IV) carried on by the corporation rendering services or making facilities available, or another corporation which is a member of the same affiliated group (as defined in section 1504 without regard to section 1504(b)(3)).

“(iii) LIMITATION.—The term ‘qualifying lending and finance business’ shall not include any interest in an entity, if the stock or debt of such entity or a controlled group (as defined in section 267(f)(1)) of which such entity was a member was readily tradable

PUBLIC LAW 107-16—JUNE 7, 2001

on an established securities market or secondary market (as defined by the Secretary) at any time within 3 years before the date of the decedent's death.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to estates of decedents dying after December 31, 2001.

Applicability. 26 USC 6166 note.

SEC. 573. CLARIFICATION OF AVAILABILITY OF INSTALLMENT PAYMENT.

(a) IN GENERAL.—Subparagraph (B) of section 6166(b)(8) (relating to all stock must be non-readily-tradable stock) is amended to read as follows:

26 USC 6166.

“(B) ALL STOCK MUST BE NON-READILY-TRADABLE STOCK.—

“(i) IN GENERAL.—No stock shall be taken into account for purposes of applying this paragraph unless it is non-readily-tradable stock (within the meaning of paragraph (7)(B)).

“(ii) SPECIAL APPLICATION WHERE ONLY HOLDING COMPANY STOCK IS NON-READILY-TRADABLE STOCK.—If the requirements of clause (i) are not met, but all of the stock of each holding company taken into account is non-readily-tradable, then this paragraph shall apply, but subsection (a)(1) shall be applied by substituting ‘5’ for ‘10’.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to estates of decedents dying after December 31, 2001.

Applicability. 26 USC 6166 note.

Subtitle I—Other Provisions

SEC. 581. WAIVER OF STATUTE OF LIMITATION FOR TAXES ON CERTAIN FARM VALUATIONS.

26 USC 2032A note.

If on the date of the enactment of this Act (or at any time within 1 year after the date of the enactment) a refund or credit of any overpayment of tax resulting from the application of section 2032A(c)(7)(E) of the Internal Revenue Code of 1986 is barred by any law or rule of law, the refund or credit of such overpayment shall, nevertheless, be made or allowed if claim therefor is filed before the date 1 year after the date of the enactment of this Act.

TITLE VI—PENSION AND INDIVIDUAL RETIREMENT ARRANGEMENT PROVISIONS

Subtitle A—Individual Retirement Accounts

SEC. 601. MODIFICATION OF IRA CONTRIBUTION LIMITS.

(a) INCREASE IN CONTRIBUTION LIMIT.—

(1) IN GENERAL.—Paragraph (1)(A) of section 219(b) (relating to maximum amount of deduction) is amended by striking “\$2,000” and inserting “the deductible amount”.

26 USC 219.

(2) DEDUCTIBLE AMOUNT.—Section 219(b) is amended by adding at the end the following new paragraph:

“(5) DEDUCTIBLE AMOUNT.—For purposes of paragraph (1)(A)—

“(A) IN GENERAL.—The deductible amount shall be determined in accordance with the following table:

| | |
|----------------------------------|---------------------------|
| “For taxable years beginning in: | The deductible amount is: |
| 2002 through 2004 | \$3,000 |

PUBLIC LAW 107-16—JUNE 7, 2001

| | |
|---------------------------|----------|
| 2005 through 2007 | \$4,000 |
| 2008 and thereafter | \$5,000. |

“(B) CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS 50 OR OLDER.—

“(i) IN GENERAL.—In the case of an individual who has attained the age of 50 before the close of the taxable year, the deductible amount for such taxable year shall be increased by the applicable amount.

“(ii) APPLICABLE AMOUNT.—For purposes of clause (i), the applicable amount shall be the amount determined in accordance with the following table:

| “For taxable years beginning in: | The applicable amount is: |
|----------------------------------|---------------------------|
| 2002 through 2005 | \$500 |
| 2006 and thereafter | \$1,000. |

“(C) COST-OF-LIVING ADJUSTMENT.—

“(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2008, the \$5,000 amount under subparagraph (A) shall be increased by an amount equal to—

“(I) such dollar amount, multiplied by

“(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2007’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of \$500, such amount shall be rounded to the next lower multiple of \$500.”.

(b) CONFORMING AMENDMENTS.—

26 USC 408.

(1) Section 408(a)(1) is amended by striking “in excess of \$2,000 on behalf of any individual” and inserting “on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)”.

(2) Section 408(b)(2)(B) is amended by striking “\$2,000” and inserting “the dollar amount in effect under section 219(b)(1)(A)”.

(3) Section 408(b) is amended by striking “\$2,000” in the matter following paragraph (4) and inserting “the dollar amount in effect under section 219(b)(1)(A)”.

(4) Section 408(j) is amended by striking “\$2,000”.

(5) Section 408(p)(8) is amended by striking “\$2,000” and inserting “the dollar amount in effect under section 219(b)(1)(A)”.

Applicability.
26 USC 219 note.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 602. DEEMED IRAs UNDER EMPLOYER PLANS.

(a) IN GENERAL.—Section 408 (relating to individual retirement accounts) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

“(q) DEEMED IRAs UNDER QUALIFIED EMPLOYER PLANS.—

“(1) GENERAL RULE.—If—

“(A) a qualified employer plan elects to allow employees to make voluntary employee contributions to a separate account or annuity established under the plan, and

“(B) under the terms of the qualified employer plan, such account or annuity meets the applicable requirements of this section or section 408A for an individual retirement account or annuity,

then such account or annuity shall be treated for purposes of this title in the same manner as an individual retirement plan and not as a qualified employer plan (and contributions

PUBLIC LAW 107-16—JUNE 7, 2001

to such account or annuity as contributions to an individual retirement plan and not to the qualified employer plan). For purposes of subparagraph (B), the requirements of subsection (a)(5) shall not apply.

“(2) SPECIAL RULES FOR QUALIFIED EMPLOYER PLANS.—For purposes of this title, a qualified employer plan shall not fail to meet any requirement of this title solely by reason of establishing and maintaining a program described in paragraph (1).

“(3) DEFINITIONS.—For purposes of this subsection—

“(A) QUALIFIED EMPLOYER PLAN.—The term ‘qualified employer plan’ has the meaning given such term by section 72(p)(4); except such term shall not include a government plan which is not a qualified plan unless the plan is an eligible deferred compensation plan (as defined in section 457(b)).

“(B) VOLUNTARY EMPLOYEE CONTRIBUTION.—The term ‘voluntary employee contribution’ means any contribution (other than a mandatory contribution within the meaning of section 411(c)(2)(C))—

“(i) which is made by an individual as an employee under a qualified employer plan which allows employees to elect to make contributions described in paragraph (1), and

“(ii) with respect to which the individual has designated the contribution as a contribution to which this subsection applies.”.

(b) AMENDMENT OF ERISA.—

(1) IN GENERAL.—Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003) is amended by adding at the end the following new subsection:

“(c) If a pension plan allows an employee to elect to make voluntary employee contributions to accounts and annuities as provided in section 408(q) of the Internal Revenue Code of 1986, such accounts and annuities (and contributions thereto) shall not be treated as part of such plan (or as a separate pension plan) for purposes of any provision of this title other than section 403(c), 404, or 405 (relating to exclusive benefit, and fiduciary and co-fiduciary responsibilities).”.

(2) CONFORMING AMENDMENT.—Section 4(a) of such Act (29 U.S.C. 1003(a)) is amended by inserting “or (c)” after “subsection (b)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2002.

Applicability.
26 USC 408 note.

Subtitle B—Expanding Coverage

SEC. 611. INCREASE IN BENEFIT AND CONTRIBUTION LIMITS.

(a) DEFINED BENEFIT PLANS.—

(1) DOLLAR LIMIT.—

(A) Subparagraph (A) of section 415(b)(1) (relating to limitation for defined benefit plans) is amended by striking “\$90,000” and inserting “\$160,000”.

26 USC 415.

(B) Subparagraphs (C) and (D) of section 415(b)(2) are each amended in the headings and the text, by striking “\$90,000” and inserting “\$160,000”.

(C) Paragraph (7) of section 415(b) (relating to benefits under certain collectively bargained plans) is amended by striking “the greater of \$68,212 or one-half the amount otherwise applicable for such year under paragraph (1)(A) for \$90,000” and inserting “one-half the amount otherwise applicable for such year under paragraph (1)(A) for \$160,000”.

PUBLIC LAW 107-16—JUNE 7, 2001

(2) LIMIT REDUCED WHEN BENEFIT BEGINS BEFORE AGE 62.—Subparagraph (C) of section 415(b)(2) is amended by striking “the social security retirement age” each place it appears in the heading and text and inserting “age 62” and by striking the second sentence.

(3) LIMIT INCREASED WHEN BENEFIT BEGINS AFTER AGE 65.—Subparagraph (D) of section 415(b)(2) is amended by striking “the social security retirement age” each place it appears in the heading and text and inserting “age 65”.

(4) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking “\$90,000” in paragraph (1)(A) and inserting “\$160,000”; and

(B) in paragraph (3)(A)—

(i) by striking “\$90,000” in the heading and inserting “\$160,000”; and

(ii) by striking “October 1, 1986” and inserting “July 1, 2001”.

(5) CONFORMING AMENDMENTS.—

(A) Section 415(b)(2) is amended by striking subparagraph (F).

(B) Section 415(b)(9) is amended to read as follows: “(9) SPECIAL RULE FOR COMMERCIAL AIRLINE PILOTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), in the case of any participant who is a commercial airline pilot, if, as of the time of the participant’s retirement, regulations prescribed by the Federal Aviation Administration require an individual to separate from service as a commercial airline pilot after attaining any age occurring on or after age 60 and before age 62, paragraph (2)(C) shall be applied by substituting such age for age 62.

“(B) INDIVIDUALS WHO SEPARATE FROM SERVICE BEFORE AGE 60.—If a participant described in subparagraph (A) separates from service before age 60, the rules of paragraph (2)(C) shall apply.”.

(C) Section 415(b)(10)(C)(i) is amended by striking “applied without regard to paragraph (2)(F)”.

(b) DEFINED CONTRIBUTION PLANS.—

(1) DOLLAR LIMIT.—Subparagraph (A) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking “\$30,000” and inserting “\$40,000”.

(2) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking “\$30,000” in paragraph (1)(C) and inserting “\$40,000”; and

(B) in paragraph (3)(D)—

(i) by striking “\$30,000” in the heading and inserting “\$40,000”; and

(ii) by striking “October 1, 1993” and inserting “July 1, 2001”.

(c) QUALIFIED TRUSTS.—

(1) COMPENSATION LIMIT.—Sections 401(a)(17), 404(l), 408(k), and 505(b)(7) are each amended by striking “\$150,000” each place it appears and inserting “\$200,000”.

(2) BASE PERIOD AND ROUNDING OF COST-OF-LIVING ADJUSTMENT.—Subparagraph (B) of section 401(a)(17) is amended—

(A) by striking “October 1, 1993” and inserting “July 1, 2001”; and

(B) by striking “\$10,000” both places it appears and inserting “\$5,000”.

(d) ELECTIVE DEFERRALS.—

(1) IN GENERAL.—Paragraph (1) of section 402(g) (relating to limitation on exclusion for elective deferrals) is amended to read as follows:

PUBLIC LAW 107-16—JUNE 7, 2001

“(1) IN GENERAL.—

“(A) LIMITATION.—Notwithstanding subsections (e)(3) and (h)(1)(B), the elective deferrals of any individual for any taxable year shall be included in such individual’s gross income to the extent the amount of such deferrals for the taxable year exceeds the applicable dollar amount.

“(B) APPLICABLE DOLLAR AMOUNT.—For purposes of subparagraph (A), the applicable dollar amount shall be the amount determined in accordance with the following table:

| “For taxable years beginning in calendar year: | The applicable dollar amount: |
|---|--------------------------------------|
| 2002 | \$11,000 |
| 2003 | \$12,000 |
| 2004 | \$13,000 |
| 2005 | \$14,000 |
| 2006 or thereafter | \$15,000.”. |

(2) COST-OF-LIVING ADJUSTMENT.—Paragraph (5) of section 402(g) is amended to read as follows:

26 USC 402.

“(5) COST-OF-LIVING ADJUSTMENT.—In the case of taxable years beginning after December 31, 2006, the Secretary shall adjust the \$15,000 amount under paragraph (1)(B) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2005, and any increase under this paragraph which is not a multiple of \$500 shall be rounded to the next lowest multiple of \$500.”

(3) CONFORMING AMENDMENTS.—

(A) Section 402(g) (relating to limitation on exclusion for elective deferrals), as amended by paragraphs (1) and (2), is further amended by striking paragraph (4) and redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (4), (5), (6), (7), and (8), respectively.

(B) Paragraph (2) of section 457(c) is amended by striking “402(g)(8)(A)(iii)” and inserting “402(g)(7)(A)(iii)”.

(C) Clause (iii) of section 501(c)(18)(D) is amended by striking “(other than paragraph (4) thereof)”.

(e) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations) is amended—

(A) in subsections (b)(2)(A) and (c)(1) by striking “\$7,500” each place it appears and inserting “the applicable dollar amount”; and

(B) in subsection (b)(3)(A) by striking “\$15,000” and inserting “twice the dollar amount in effect under subsection (b)(2)(A)”.

(2) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—Paragraph (15) of section 457(e) is amended to read as follows:

“(15) APPLICABLE DOLLAR AMOUNT.—

“(A) IN GENERAL.—The applicable dollar amount shall be the amount determined in accordance with the following table:

| “For taxable years beginning in calendar year: | The applicable dollar amount: |
|---|--------------------------------------|
| 2002 | \$11,000 |
| 2003 | \$12,000 |
| 2004 | \$13,000 |
| 2005 | \$14,000 |
| 2006 or thereafter | \$15,000. |

“(B) COST-OF-LIVING ADJUSTMENTS.—In the case of taxable years beginning after December 31, 2006, the Secretary shall adjust the \$15,000 amount under subpara-

PUBLIC LAW 107-16—JUNE 7, 2001

graph (A) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2005, and any increase under this paragraph which is not a multiple of \$500 shall be rounded to the next lowest multiple of \$500.”.

(f) SIMPLE RETIREMENT ACCOUNTS.—

26 USC 408.

(1) LIMITATION.—Clause (ii) of section 408(p)(2)(A) (relating to general rule for qualified salary reduction arrangement) is amended by striking “\$6,000” and inserting “the applicable dollar amount”.

(2) APPLICABLE DOLLAR AMOUNT.—Subparagraph (E) of 408(p)(2) is amended to read as follows:

“(E) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—

“(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the applicable dollar amount shall be the amount determined in accordance with the following table:

| “For years beginning in calendar year: | The applicable dollar amount: |
|--|----------------------------------|
| 2002 | \$7,000 |
| 2003 | \$8,000 |
| 2004 | \$9,000 |
| 2005 or thereafter | \$10,000. |

“(ii) COST-OF-LIVING ADJUSTMENT.—In the case of a year beginning after December 31, 2005, the Secretary shall adjust the \$10,000 amount under clause (i) at the same time and in the same manner as under section 415(d), except that the base period taken into account shall be the calendar quarter beginning July 1, 2004, and any increase under this subparagraph which is not a multiple of \$500 shall be rounded to the next lower multiple of \$500.”.

(3) CONFORMING AMENDMENTS.—

(A) Subclause (I) of section 401(k)(11)(B)(i) is amended by striking “\$6,000” and inserting “the amount in effect under section 408(p)(2)(A)(ii)”.

(B) Section 401(k)(11) is amended by striking subparagraph (E).

(g) CERTAIN COMPENSATION LIMITS.—

(1) IN GENERAL.—Subparagraph (A) of section 401(c)(2) (defining earned income) is amended by adding at the end thereof the following new sentence: “For purposes of this part only (other than sections 419 and 419A), this subparagraph shall be applied as if the term ‘trade or business’ for purposes of section 1402 included service described in section 1402(c)(6).”.

(2) SIMPLE RETIREMENT ACCOUNTS.—Clause (ii) of section 408(p)(6)(A) (defining self-employed) is amended by adding at the end the following new sentence: “The preceding sentence shall be applied as if the term ‘trade or business’ for purposes of section 1402 included service described in section 1402(c)(6).”.

(h) ROUNDING RULE RELATING TO DEFINED BENEFIT PLANS AND DEFINED CONTRIBUTION PLANS.—Paragraph (4) of section 415(d) is amended to read as follows:

26 USC 415.

“(4) ROUNDING.—

“(A) \$160,000 AMOUNT.—Any increase under subparagraph (A) of paragraph (1) which is not a multiple of \$5,000 shall be rounded to the next lowest multiple of \$5,000.

“(B) \$40,000 AMOUNT.—Any increase under subparagraph (C) of paragraph (1) which is not a multiple of \$1,000 shall be rounded to the next lowest multiple of \$1,000.”.

(i) EFFECTIVE DATES.—

PUBLIC LAW 107-16—JUNE 7, 2001

(1) **IN GENERAL.**—The amendments made by this section shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 415 note.

(2) **DEFINED BENEFIT PLANS.**—The amendments made by subsection (a) shall apply to years ending after December 31, 2001.

SEC. 612. PLAN LOANS FOR SUBCHAPTER S OWNERS, PARTNERS, AND SOLE PROPRIETORS.

(a) **IN GENERAL.**—Subparagraph (B) of section 4975(f)(6) (relating to exemptions not to apply to certain transactions) is amended by adding at the end the following new clause:

“(iii) **LOAN EXCEPTION.**—For purposes of subparagraph (A)(i), the term ‘owner-employee’ shall only include a person described in subclause (II) or (III) of clause (i).”

(b) **AMENDMENT OF ERISA.**—Section 408(d)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(d)(2)) is amended by adding at the end the following new subparagraph:

“(C) For purposes of paragraph (1)(A), the term ‘owner-employee’ shall only include a person described in clause (ii) or (iii) of subparagraph (A).”

(c) **EFFECTIVE DATE.**—The amendment made by this section shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 4975
note.

SEC. 613. MODIFICATION OF TOP-HEAVY RULES.

(a) **SIMPLIFICATION OF DEFINITION OF KEY EMPLOYEE.**—

(1) **IN GENERAL.**—Section 416(i)(1)(A) (defining key employee) is amended—

(A) by striking “or any of the 4 preceding plan years” in the matter preceding clause (i);

(B) by striking clause (i) and inserting the following: “(i) an officer of the employer having an annual compensation greater than \$130,000;”

(C) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively; and

(D) by striking the second sentence in the matter following clause (iii), as redesignated by subparagraph (C), and by inserting the following: “in the case of plan years beginning after December 31, 2002, the \$130,000 amount in clause (i) shall be adjusted at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2001, and any increase under this sentence which is not a multiple of \$5,000 shall be rounded to the next lower multiple of \$5,000.”

(2) **CONFORMING AMENDMENT.**—Section 416(i)(1)(B)(iii) is amended by striking “and subparagraph (A)(ii)”.

26 USC 416.

(b) **MATCHING CONTRIBUTIONS TAKEN INTO ACCOUNT FOR MINIMUM CONTRIBUTION REQUIREMENTS.**—Section 416(c)(2)(A) (relating to defined contribution plans) is amended by adding at the end the following: “Employer matching contributions (as defined in section 401(m)(4)(A)) shall be taken into account for purposes of this subparagraph (and any reduction under this sentence shall not be taken into account in determining whether section 401(k)(4)(A) applies).”

(c) **DISTRIBUTIONS DURING LAST YEAR BEFORE DETERMINATION DATE TAKEN INTO ACCOUNT.**—

(1) **IN GENERAL.**—Paragraph (3) of section 416(g) is amended to read as follows:

“(3) **DISTRIBUTIONS DURING LAST YEAR BEFORE DETERMINATION DATE TAKEN INTO ACCOUNT.**—

“(A) **IN GENERAL.**—For purposes of determining—

“(i) the present value of the cumulative accrued benefit for any employee, or

“(ii) the amount of the account of any employee,

PUBLIC LAW 107-16—JUNE 7, 2001

such present value or amount shall be increased by the aggregate distributions made with respect to such employee under the plan during the 1-year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which if it had not been terminated would have been required to be included in an aggregation group.

“(B) 5-YEAR PERIOD IN CASE OF IN-SERVICE DISTRIBUTION.—In the case of any distribution made for a reason other than separation from service, death, or disability, subparagraph (A) shall be applied by substituting ‘5-year period’ for ‘1-year period’.”.

(2) BENEFITS NOT TAKEN INTO ACCOUNT.—Subparagraph (E) of section 416(g)(4) is amended—

(A) by striking “LAST 5 YEARS” in the heading and inserting “LAST YEAR BEFORE DETERMINATION DATE”; and

(B) by striking “5-year period” and inserting “1-year period”.

(d) DEFINITION OF TOP-HEAVY PLANS.—Paragraph (4) of section 416(g) (relating to other special rules for top-heavy plans) is amended by adding at the end the following new subparagraph:

“(H) CASH OR DEFERRED ARRANGEMENTS USING ALTERNATIVE METHODS OF MEETING NONDISCRIMINATION REQUIREMENTS.—The term ‘top-heavy plan’ shall not include a plan which consists solely of—

“(i) a cash or deferred arrangement which meets the requirements of section 401(k)(12), and

“(ii) matching contributions with respect to which the requirements of section 401(m)(11) are met.

If, but for this subparagraph, a plan would be treated as a top-heavy plan because it is a member of an aggregation group which is a top-heavy group, contributions under the plan may be taken into account in determining whether any other plan in the group meets the requirements of subsection (c)(2).”.

(e) FROZEN PLAN EXEMPT FROM MINIMUM BENEFIT REQUIREMENT.—Subparagraph (C) of section 416(c)(1) (relating to defined benefit plans) is amended—

(A) by striking “clause (ii)” in clause (i) and inserting “clause (ii) or (iii)”; and

(B) by adding at the end the following:

“(iii) EXCEPTION FOR FROZEN PLAN.—For purposes of determining an employee’s years of service with the employer, any service with the employer shall be disregarded to the extent that such service occurs during a plan year when the plan benefits (within the meaning of section 410(b)) no key employee or former key employee.”.

Applicability.
26 USC 416 note.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

SEC. 614. ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.

26 USC 404.

(a) IN GENERAL.—Section 404 (relating to deduction for contributions of an employer to an employees’ trust or annuity plan and compensation under a deferred payment plan) is amended by adding at the end the following new subsection:

“(n) ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.—Elective deferrals (as defined in section 402(g)(3)) shall not be subject to any limitation contained in paragraph (3), (7), or (9) of subsection (a), and such elective deferrals shall not be taken into account in applying any such limitation to any other contributions.”.

Applicability.
26 USC 404 note.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 2001.

PUBLIC LAW 107-16—JUNE 7, 2001

SEC. 615. REPEAL OF COORDINATION REQUIREMENTS FOR DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.

(a) **IN GENERAL.**—Subsection (c) of section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations), as amended by section 611, is amended to read as follows:

“(c) **LIMITATION.**—The maximum amount of the compensation of any one individual which may be deferred under subsection (a) during any taxable year shall not exceed the amount in effect under subsection (b)(2)(A) (as modified by any adjustment provided under subsection (b)(3)).”

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 457 note.

SEC. 616. DEDUCTION LIMITS.

(a) **MODIFICATION OF LIMITS.**—

(1) **STOCK BONUS AND PROFIT SHARING TRUSTS.**—

(A) **IN GENERAL.**—Subclause (I) of section 404(a)(3)(A)(i) (relating to stock bonus and profit sharing trusts) is amended by striking “15 percent” and inserting “25 percent”.

(B) **CONFORMING AMENDMENT.**—Subparagraph (C) of section 404(h)(1) is amended by striking “15 percent” each place it appears and inserting “25 percent”.

(2) **DEFINED CONTRIBUTION PLANS.**—

(A) **IN GENERAL.**—Clause (v) of section 404(a)(3)(A) (relating to stock bonus and profit sharing trusts) is amended to read as follows:

26 USC 404.

“(v) **DEFINED CONTRIBUTION PLANS SUBJECT TO THE FUNDING STANDARDS.**—Except as provided by the Secretary, a defined contribution plan which is subject to the funding standards of section 412 shall be treated in the same manner as a stock bonus or profit-sharing plan for purposes of this subparagraph.”

(B) **CONFORMING AMENDMENTS.**—

(i) Section 404(a)(1)(A) is amended by inserting “(other than a trust to which paragraph (3) applies)” after “pension trust”.

(ii) Section 404(h)(2) is amended by striking “stock bonus or profit-sharing trust” and inserting “trust subject to subsection (a)(3)(A)”.

(iii) The heading of section 404(h)(2) is amended by striking “STOCK BONUS AND PROFIT-SHARING TRUST” and inserting “CERTAIN TRUSTS”.

(b) **COMPENSATION.**—

(1) **IN GENERAL.**—Section 404(a) (relating to general rule) is amended by adding at the end the following:

“(12) **DEFINITION OF COMPENSATION.**—For purposes of paragraphs (3), (7), (8), and (9), the term ‘compensation’ shall include amounts treated as ‘participant’s compensation’ under subparagraph (C) or (D) of section 415(c)(3).”

(2) **CONFORMING AMENDMENTS.**—

(A) Subparagraph (B) of section 404(a)(3) is amended by striking the last sentence thereof.

(B) Clause (i) of section 4972(c)(6)(B) is amended by striking “(within the meaning of section 404(a))” and inserting “(within the meaning of section 404(a) and as adjusted under section 404(a)(12))”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 404 note.

PUBLIC LAW 107-16—JUNE 7, 2001

SEC. 617. OPTION TO TREAT ELECTIVE DEFERRALS AS AFTER-TAX ROTH CONTRIBUTIONS.

(a) **IN GENERAL.**—Subpart A of part I of subchapter D of chapter 1 (relating to deferred compensation, etc.) is amended by inserting after section 402 the following new section:

“SEC. 402A. OPTIONAL TREATMENT OF ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

“(a) **GENERAL RULE.**—If an applicable retirement plan includes a qualified Roth contribution program—

“(1) any designated Roth contribution made by an employee pursuant to the program shall be treated as an elective deferral for purposes of this chapter, except that such contribution shall not be excludable from gross income, and

“(2) such plan (and any arrangement which is part of such plan) shall not be treated as failing to meet any requirement of this chapter solely by reason of including such program.

“(b) **QUALIFIED ROTH CONTRIBUTION PROGRAM.**—For purposes of this section—

“(1) **IN GENERAL.**—The term ‘qualified Roth contribution program’ means a program under which an employee may elect to make designated Roth contributions in lieu of all or a portion of elective deferrals the employee is otherwise eligible to make under the applicable retirement plan.

“(2) **SEPARATE ACCOUNTING REQUIRED.**—A program shall not be treated as a qualified Roth contribution program unless the applicable retirement plan—

“(A) establishes separate accounts (‘designated Roth accounts’) for the designated Roth contributions of each employee and any earnings properly allocable to the contributions, and

“(B) maintains separate recordkeeping with respect to each account.

“(c) **DEFINITIONS AND RULES RELATING TO DESIGNATED ROTH CONTRIBUTIONS.**—For purposes of this section—

“(1) **DESIGNATED ROTH CONTRIBUTION.**—The term ‘designated Roth contribution’ means any elective deferral which—

“(A) is excludable from gross income of an employee without regard to this section, and

“(B) the employee designates (at such time and in such manner as the Secretary may prescribe) as not being so excludable.

“(2) **DESIGNATION LIMITS.**—The amount of elective deferrals which an employee may designate under paragraph (1) shall not exceed the excess (if any) of—

“(A) the maximum amount of elective deferrals excludable from gross income of the employee for the taxable year (without regard to this section), over

“(B) the aggregate amount of elective deferrals of the employee for the taxable year which the employee does not designate under paragraph (1).

“(3) **ROLLOVER CONTRIBUTIONS.**—

“(A) **IN GENERAL.**—A rollover contribution of any payment or distribution from a designated Roth account which is otherwise allowable under this chapter may be made only if the contribution is to—

“(i) another designated Roth account of the individual from whose account the payment or distribution was made, or

“(ii) a Roth IRA of such individual.

“(B) **COORDINATION WITH LIMIT.**—Any rollover contribution to a designated Roth account under subparagraph (A) shall not be taken into account for purposes of paragraph (1).

“(d) **DISTRIBUTION RULES.**—For purposes of this title—

PUBLIC LAW 107-16—JUNE 7, 2001

“(1) EXCLUSION.—Any qualified distribution from a designated Roth account shall not be includible in gross income.

“(2) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified distribution’ has the meaning given such term by section 408A(d)(2)(A) (without regard to clause (iv) thereof).

“(B) DISTRIBUTIONS WITHIN NONEXCLUSION PERIOD.—A payment or distribution from a designated Roth account shall not be treated as a qualified distribution if such payment or distribution is made within the 5-taxable-year period beginning with the earlier of—

“(i) the first taxable year for which the individual made a designated Roth contribution to any designated Roth account established for such individual under the same applicable retirement plan, or

“(ii) if a rollover contribution was made to such designated Roth account from a designated Roth account previously established for such individual under another applicable retirement plan, the first taxable year for which the individual made a designated Roth contribution to such previously established account.

“(C) DISTRIBUTIONS OF EXCESS DEFERRALS AND CONTRIBUTIONS AND EARNINGS THEREON.—The term ‘qualified distribution’ shall not include any distribution of any excess deferral under section 402(g)(2) or any excess contribution under section 401(k)(8), and any income on the excess deferral or contribution.

“(3) TREATMENT OF DISTRIBUTIONS OF CERTAIN EXCESS DEFERRALS.—Notwithstanding section 72, if any excess deferral under section 402(g)(2) attributable to a designated Roth contribution is not distributed on or before the 1st April 15 following the close of the taxable year in which such excess deferral is made, the amount of such excess deferral shall—

“(A) not be treated as investment in the contract, and

“(B) be included in gross income for the taxable year in which such excess is distributed.

“(4) AGGREGATION RULES.—Section 72 shall be applied separately with respect to distributions and payments from a designated Roth account and other distributions and payments from the plan.

“(e) OTHER DEFINITIONS.—For purposes of this section—

“(1) APPLICABLE RETIREMENT PLAN.—The term ‘applicable retirement plan’ means—

“(A) an employees’ trust described in section 401(a) which is exempt from tax under section 501(a), and

“(B) a plan under which amounts are contributed by an individual’s employer for an annuity contract described in section 403(b).

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means any elective deferral described in subparagraph (A) or (C) of section 402(g)(3).”.

(b) EXCESS DEFERRALS.—Section 402(g) (relating to limitation on exclusion for elective deferrals) is amended—

(1) by adding at the end of paragraph (1)(A) (as added by section 201(c)(1)) the following new sentence: “The preceding sentence shall not apply the portion of such excess as does not exceed the designated Roth contributions of the individual for the taxable year.”; and

(2) by inserting “(or would be included but for the last sentence thereof)” after “paragraph (1)” in paragraph (2)(A).

(c) ROLLOVERS.—Subparagraph (B) of section 402(c)(8) is amended by adding at the end the following:

26 USC 402.

PUBLIC LAW 107-16—JUNE 7, 2001

“If any portion of an eligible rollover distribution is attributable to payments or distributions from a designated Roth account (as defined in section 402A), an eligible retirement plan with respect to such portion shall include only another designated Roth account and a Roth IRA.”

(d) REPORTING REQUIREMENTS.—

26 USC 6051.

(1) W-2 INFORMATION.—Section 6051(a)(8) is amended by inserting “, including the amount of designated Roth contributions (as defined in section 402A)” before the comma at the end.

(2) INFORMATION.—Section 6047 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

“(f) DESIGNATED ROTH CONTRIBUTIONS.—The Secretary shall require the plan administrator of each applicable retirement plan (as defined in section 402A) to make such returns and reports regarding designated Roth contributions (as defined in section 402A) to the Secretary, participants and beneficiaries of the plan, and such other persons as the Secretary may prescribe.”

(e) CONFORMING AMENDMENTS.—

(1) Section 408A(e) is amended by adding after the first sentence the following new sentence: “Such term includes a rollover contribution described in section 402A(c)(3)(A).”

(2) The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 402 the following new item:

“Sec. 402A. Optional treatment of elective deferrals as Roth contributions.”

Applicability.
26 USC 402 note.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 618. NONREFUNDABLE CREDIT TO CERTAIN INDIVIDUALS FOR ELECTIVE DEFERRALS AND IRA CONTRIBUTIONS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

“SEC. 25B. ELECTIVE DEFERRALS AND IRA CONTRIBUTIONS BY CERTAIN INDIVIDUALS.

“(a) ALLOWANCE OF CREDIT.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the applicable percentage of so much of the qualified retirement savings contributions of the eligible individual for the taxable year as do not exceed \$2,000.

“(b) APPLICABLE PERCENTAGE.—For purposes of this section, the applicable percentage is the percentage determined in accordance with the following table:

| | | Adjusted Gross Income | | | | Applicable percentage |
|--------|----------|-----------------------|----------|---------------------|----------|-----------------------|
| | | Joint return | | Head of a household |  |  | All other cases |
| Over | Not over | Over | Not over | Over | Not over | |
| | \$30,000 | | \$22,500 | | \$15,000 | 50 |
| 30,000 | 32,500 | 22,500 | 24,375 | 15,000 | 16,250 | 20 |
| 32,500 | 50,000 | 24,375 | 37,500 | 16,250 | 25,000 | 10 |
| 50,000 | | 37,500 | | 25,000 | | 0 |

“(c) ELIGIBLE INDIVIDUAL.—For purposes of this section—

“(1) IN GENERAL.—The term ‘eligible individual’ means any individual if such individual has attained the age of 18 as of the close of the taxable year.

“(2) DEPENDENTS AND FULL-TIME STUDENTS NOT ELIGIBLE.—The term ‘eligible individual’ shall not include—

PUBLIC LAW 107-16—JUNE 7, 2001

“(A) any individual with respect to whom a deduction under section 151 is allowed to another taxpayer for a taxable year beginning in the calendar year in which such individual’s taxable year begins, and

“(B) any individual who is a student (as defined in section 151(c)(4)).

“(d) QUALIFIED RETIREMENT SAVINGS CONTRIBUTIONS.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified retirement savings contributions’ means, with respect to any taxable year, the sum of—

“(A) the amount of the qualified retirement contributions (as defined in section 219(e)) made by the eligible individual,

“(B) the amount of—

“(i) any elective deferrals (as defined in section 402(g)(3)) of such individual, and

“(ii) any elective deferral of compensation by such individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

“(C) the amount of voluntary employee contributions by such individual to any qualified retirement plan (as defined in section 4974(c)).

“(2) REDUCTION FOR CERTAIN DISTRIBUTIONS.—

“(A) IN GENERAL.—The qualified retirement savings contributions determined under paragraph (1) shall be reduced (but not below zero) by the sum of—

“(i) any distribution from a qualified retirement plan (as defined in section 4974(c)), or from an eligible deferred compensation plan (as defined in section 457(b)), received by the individual during the testing period which is includible in gross income, and

“(ii) any distribution from a Roth IRA or a Roth account received by the individual during the testing period which is not a qualified rollover contribution (as defined in section 408A(e)) to a Roth IRA or a rollover under section 402(c)(8)(B) to a Roth account.

“(B) TESTING PERIOD.—For purposes of subparagraph (A), the testing period, with respect to a taxable year, is the period which includes—

“(i) such taxable year,

“(ii) the 2 preceding taxable years, and

“(iii) the period after such taxable year and before the due date (including extensions) for filing the return of tax for such taxable year.

“(C) EXCEPTED DISTRIBUTIONS.—There shall not be taken into account under subparagraph (A)—

“(i) any distribution referred to in section 72(p), 401(k)(8), 401(m)(6), 402(g)(2), 404(k), or 408(d)(4), and

“(ii) any distribution to which section 408A(d)(3) applies.

“(D) TREATMENT OF DISTRIBUTIONS RECEIVED BY SPOUSE OF INDIVIDUAL.—For purposes of determining distributions received by an individual under subparagraph (A) for any taxable year, any distribution received by the spouse of such individual shall be treated as received by such individual if such individual and spouse file a joint return for such taxable year and for the taxable year during which the spouse receives the distribution.

“(e) ADJUSTED GROSS INCOME.—For purposes of this section, adjusted gross income shall be determined without regard to sections 911, 931, and 933.

“(f) INVESTMENT IN THE CONTRACT.—Notwithstanding any other provision of law, a qualified retirement savings contribution

PUBLIC LAW 107-16—JUNE 7, 2001

shall not fail to be included in determining the investment in the contract for purposes of section 72 by reason of the credit under this section.

“(g) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 2006.”.

(b) CREDIT ALLOWED AGAINST REGULAR TAX AND ALTERNATIVE MINIMUM TAX.—

26 USC 25B.

(1) IN GENERAL.—Section 25B, as added by subsection (a), is amended by inserting after subsection (f) the following new subsection:

“(g) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

“(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(2) the sum of the credits allowable under this subpart (other than this section and section 23) and section 27 for the taxable year.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 24(b)(3)(B), as amended by sections 201(b) and 203(d), is amended by striking “section 23” and inserting “sections 23 and 25B”.

(B) Section 25(e)(1)(C), as amended by section 201(b), is amended by inserting “25B,” after “24,”.

(C) Section 26(a)(1), as amended by sections 201(b) and 203, is amended by striking “and 24” and inserting “, 24, and 25B”.

(D) Section 904(h), as amended by sections 201(b) and 203, is amended by striking “and 24” and inserting “, 24, and 25B”.

(E) Section 1400C(d), as amended by sections 201(b) and 203, is amended by striking “and 24” and inserting “, 24, and 25B”.

(c) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1, as amended by section 432, is amended by inserting after the item relating to section 25A the following new item:

“Sec. 25B. Elective deferrals and IRA contributions by certain individuals.”.

Applicability.
26 USC 24 note.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 619. CREDIT FOR PENSION PLAN STARTUP COSTS OF SMALL EMPLOYERS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

“SEC. 45E. SMALL EMPLOYER PENSION PLAN STARTUP COSTS.

“(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible employer, the small employer pension plan startup cost credit determined under this section for any taxable year is an amount equal to 50 percent of the qualified startup costs paid or incurred by the taxpayer during the taxable year.

“(b) DOLLAR LIMITATION.—The amount of the credit determined under this section for any taxable year shall not exceed—

“(1) \$500 for the first credit year and each of the 2 taxable years immediately following the first credit year, and

“(2) zero for any other taxable year.

“(c) ELIGIBLE EMPLOYER.—For purposes of this section—

“(1) IN GENERAL.—The term ‘eligible employer’ has the meaning given such term by section 408(p)(2)(C)(i).

“(2) REQUIREMENT FOR NEW QUALIFIED EMPLOYER PLANS.—Such term shall not include an employer if, during the 3-taxable year period immediately preceding the 1st taxable year for which the credit under this section is otherwise allowable

PUBLIC LAW 107-16—JUNE 7, 2001

for a qualified employer plan of the employer, the employer or any member of any controlled group including the employer (or any predecessor of either) established or maintained a qualified employer plan with respect to which contributions were made, or benefits were accrued, for substantially the same employees as are in the qualified employer plan.

“(d) OTHER DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED STARTUP COSTS.—

“(A) IN GENERAL.—The term ‘qualified startup costs’ means any ordinary and necessary expenses of an eligible employer which are paid or incurred in connection with—

“(i) the establishment or administration of an eligible employer plan, or

“(ii) the retirement-related education of employees with respect to such plan.

“(B) PLAN MUST HAVE AT LEAST 1 PARTICIPANT.—Such term shall not include any expense in connection with a plan that does not have at least 1 employee eligible to participate who is not a highly compensated employee.

“(2) ELIGIBLE EMPLOYER PLAN.—The term ‘eligible employer plan’ means a qualified employer plan within the meaning of section 4972(d).

“(3) FIRST CREDIT YEAR.—The term ‘first credit year’ means—

“(A) the taxable year which includes the date that the eligible employer plan to which such costs relate becomes effective, or

“(B) at the election of the eligible employer, the taxable year preceding the taxable year referred to in subparagraph (A).

“(e) SPECIAL RULES.—For purposes of this section—

“(1) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52, or subsection (n) or (o) of section 414, shall be treated as one person. All eligible employer plans shall be treated as 1 eligible employer plan.

“(2) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowed for that portion of the qualified startup costs paid or incurred for the taxable year which is equal to the credit determined under subsection (a).

“(3) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.”.

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (defining current year business credit) is amended by striking “plus” at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting “, plus”, and by adding at the end the following new paragraph:

26 USC 38.

“(14) in the case of an eligible employer (as defined in section 45E(c)), the small employer pension plan startup cost credit determined under section 45E(a).”.

(c) CONFORMING AMENDMENTS.—

(1) Section 39(d) is amended by adding at the end the following new paragraph:

“(10) NO CARRYBACK OF SMALL EMPLOYER PENSION PLAN STARTUP COST CREDIT BEFORE JANUARY 1, 2002.—No portion of the unused business credit for any taxable year which is attributable to the small employer pension plan startup cost credit determined under section 45E may be carried back to a taxable year beginning before January 1, 2002.”.

(2) Subsection (c) of section 196 is amended by striking “and” at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting “, and”, and by adding at the end the following new paragraph:

PUBLIC LAW 107-16—JUNE 7, 2001

“(10) the small employer pension plan startup cost credit determined under section 45E(a).”.

(3) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 45E. Small employer pension plan startup costs.”.

Applicability.
26 USC 38 note.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to costs paid or incurred in taxable years beginning after December 31, 2001, with respect to qualified employer plans established after such date.

26 USC 7801
note.

SEC. 620. ELIMINATION OF USER FEE FOR REQUESTS TO IRS REGARDING PENSION PLANS.

(a) **ELIMINATION OF CERTAIN USER FEES.**—The Secretary of the Treasury or the Secretary’s delegate shall not require payment of user fees under the program established under section 10511 of the Revenue Act of 1987 for requests to the Internal Revenue Service for determination letters with respect to the qualified status of a pension benefit plan maintained solely by one or more eligible employers or any trust which is part of the plan. The preceding sentence shall not apply to any request—

(1) made after the later of—

(A) the fifth plan year the pension benefit plan is in existence; or

(B) the end of any remedial amendment period with respect to the plan beginning within the first 5 plan years; or

(2) made by the sponsor of any prototype or similar plan which the sponsor intends to market to participating employers.

(b) **PENSION BENEFIT PLAN.**—For purposes of this section, the term “pension benefit plan” means a pension, profit-sharing, stock bonus, annuity, or employee stock ownership plan.

(c) **ELIGIBLE EMPLOYER.**—For purposes of this section, the term “eligible employer” means an eligible employer (as defined in section 408(p)(2)(C)(i)(I) of the Internal Revenue Code of 1986) which has at least one employee who is not a highly compensated employee (as defined in section 414(q)) and is participating in the plan. The determination of whether an employer is an eligible employer under this section shall be made as of the date of the request described in subsection (a).

(d) **DETERMINATION OF AVERAGE FEES CHARGED.**—For purposes of any determination of average fees charged, any request to which subsection (a) applies shall not be taken into account.

Applicability.

(e) **EFFECTIVE DATE.**—The provisions of this section shall apply with respect to requests made after December 31, 2001.

SEC. 621. TREATMENT OF NONRESIDENT ALIENS ENGAGED IN INTERNATIONAL TRANSPORTATION SERVICES.

26 USC 861.

(a) **EXCLUSION FROM INCOME SOURCING RULES.**—The second sentence of section 861(a)(3) (relating to gross income from sources within the United States) is amended by striking “except for purposes of sections 79 and 105 and subchapter D,”.

Applicability.
26 USC 861 note.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to remuneration for services performed in plan years beginning after December 31, 2001.

Subtitle C—Enhancing Fairness for Women

SEC. 631. CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OVER.

(a) **IN GENERAL.**—Section 414 (relating to definitions and special rules) is amended by adding at the end the following new subsection:

PUBLIC LAW 107-16—JUNE 7, 2001

“(v) CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OVER.—

“(1) IN GENERAL.—An applicable employer plan shall not be treated as failing to meet any requirement of this title solely because the plan permits an eligible participant to make additional elective deferrals in any plan year.

“(2) LIMITATION ON AMOUNT OF ADDITIONAL DEFERRALS.—

“(A) IN GENERAL.—A plan shall not permit additional elective deferrals under paragraph (1) for any year in an amount greater than the lesser of—

“(i) the applicable dollar amount, or

“(ii) the excess (if any) of—

“(I) the participant’s compensation (as defined in section 415(c)(3)) for the year, over

“(II) any other elective deferrals of the participant for such year which are made without regard to this subsection.

“(B) APPLICABLE DOLLAR AMOUNT.—For purposes of this paragraph—

“(i) In the case of an applicable employer plan other than a plan described in section 401(k)(11) or 408(p), the applicable dollar amount shall be determined in accordance with the following table:

| “For taxable years beginning in: | The applicable dollar amount is: |
|---|---|
| 2002 | \$1,000 |
| 2003 | \$2,000 |
| 2004 | \$3,000 |
| 2005 | \$4,000 |
| 2006 and thereafter | \$5,000. |

“(ii) In the case of an applicable employer plan described in section 401(k)(11) or 408(p), the applicable dollar amount shall be determined in accordance with the following table:

| “For taxable years beginning in: | The applicable dollar amount is: |
|---|---|
| 2002 | \$500 |
| 2003 | \$1,000 |
| 2004 | \$1,500 |
| 2005 | \$2,000 |
| 2006 and thereafter | \$2,500. |

“(C) COST-OF-LIVING ADJUSTMENT.—In the case of a year beginning after December 31, 2006, the Secretary shall adjust annually the \$5,000 amount in subparagraph (B)(i) and the \$2,500 amount in subparagraph (B)(ii) for increases in the cost-of-living at the same time and in the same manner as adjustments under section 415(d); except that the base period taken into account shall be the calendar quarter beginning July 1, 2005, and any increase under this subparagraph which is not a multiple of \$500 shall be rounded to the next lower multiple of \$500.”

“(3) TREATMENT OF CONTRIBUTIONS.—In the case of any contribution to a plan under paragraph (1)—

“(A) such contribution shall not, with respect to the year in which the contribution is made—

“(i) be subject to any otherwise applicable limitation contained in section 402(g), 402(h), 403(b), 404(a), 404(h), 408(k), 408(p), 415, or 457, or

“(ii) be taken into account in applying such limitations to other contributions or benefits under such plan or any other such plan, and

PUBLIC LAW 107-16—JUNE 7, 2001

“(B) except as provided in paragraph (4), such plan shall not be treated as failing to meet the requirements of section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 403(b)(12), 408(k), 408(p), 408B, 410(b), or 416 by reason of the making of (or the right to make) such contribution.

“(4) APPLICATION OF NONDISCRIMINATION RULES.—

“(A) IN GENERAL.—An applicable employer plan shall be treated as failing to meet the nondiscrimination requirements under section 401(a)(4) with respect to benefits, rights, and features unless the plan allows all eligible participants to make the same election with respect to the additional elective deferrals under this subsection.

“(B) AGGREGATION.—For purposes of subparagraph (A), all plans maintained by employers who are treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as 1 plan.

“(5) ELIGIBLE PARTICIPANT.—For purposes of this subsection, the term ‘eligible participant’ means, with respect to any plan year, a participant in a plan—

“(A) who has attained the age of 50 before the close of the plan year, and

“(B) with respect to whom no other elective deferrals may (without regard to this subsection) be made to the plan for the plan year by reason of the application of any limitation or other restriction described in paragraph (3) or comparable limitation or restriction contained in the terms of the plan.

“(6) OTHER DEFINITIONS AND RULES.—For purposes of this subsection—

“(A) APPLICABLE EMPLOYER PLAN.—The term ‘applicable employer plan’ means—

“(i) an employees’ trust described in section 401(a) which is exempt from tax under section 501(a),

“(ii) a plan under which amounts are contributed by an individual’s employer for an annuity contract described in section 403(b),

“(iii) an eligible deferred compensation plan under section 457 of an eligible employer described in section 457(e)(1)(A), and

“(iv) an arrangement meeting the requirements of section 408 (k) or (p).

“(B) ELECTIVE DEFERRAL.—The term ‘elective deferral’ has the meaning given such term by subsection (u)(2)(C).

“(C) EXCEPTION FOR SECTION 457 PLANS.—This subsection shall not apply to an applicable employer plan described in subparagraph (A)(iii) for any year to which section 457(b)(3) applies.”.

Effective date.
26 USC 414 note.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions in taxable years beginning after December 31, 2001.

SEC. 632. EQUITABLE TREATMENT FOR CONTRIBUTIONS OF EMPLOYEES TO DEFINED CONTRIBUTION PLANS.

(a) EQUITABLE TREATMENT.—

26 USC 415.

(1) IN GENERAL.—Subparagraph (B) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking “25 percent” and inserting “100 percent”.

(2) APPLICATION TO SECTION 403(b).—Section 403(b) is amended—

(A) by striking “the exclusion allowance for such taxable year” in paragraph (1) and inserting “the applicable limit under section 415”,

(B) by striking paragraph (2), and

PUBLIC LAW 107-16—JUNE 7, 2001

(C) by inserting “or any amount received by a former employee after the fifth taxable year following the taxable year in which such employee was terminated” before the period at the end of the second sentence of paragraph (3).

(3) CONFORMING AMENDMENTS.—

(A) Subsection (f) of section 72 is amended by striking “section 403(b)(2)(D)(iii)” and inserting “section 403(b)(2)(D)(iii), as in effect before the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001”.

26 USC 72.

(B) Section 404(a)(10)(B) is amended by striking “, the exclusion allowance under section 403(b)(2),”.

(C) Section 415(a)(2) is amended by striking “, and the amount of the contribution for such portion shall reduce the exclusion allowance as provided in section 403(b)(2)”.

(D) Section 415(c)(3) is amended by adding at the end the following new subparagraph:

“(E) ANNUITY CONTRACTS.—In the case of an annuity contract described in section 403(b), the term ‘participant’s compensation’ means the participant’s includible compensation determined under section 403(b)(3).”.

(E) Section 415(c) is amended by striking paragraph (4).

(F) Section 415(c)(7) is amended to read as follows:

“(7) CERTAIN CONTRIBUTIONS BY CHURCH PLANS NOT TREATED AS EXCEEDING LIMIT.—

“(A) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant’s account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of \$10,000.

“(B) \$40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed \$40,000.

“(C) ANNUAL ADDITION.—For purposes of this paragraph, the term ‘annual addition’ has the meaning given such term by paragraph (2).”.

(G) Subparagraph (B) of section 402(g)(7) (as redesignated by section 611(c)(3)) is amended by inserting before the period at the end the following: “(as in effect before the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001”.

(H) Section 664(g) is amended—

(i) in paragraph (3)(E) by striking “limitations under section 415(c)” and inserting “applicable limitation under paragraph (7)”, and

(ii) by adding at the end the following new paragraph:

“(7) APPLICABLE LIMITATION.—

“(A) IN GENERAL.—For purposes of paragraph (3)(E), the applicable limitation under this paragraph with respect to a participant is an amount equal to the lesser of—

“(i) \$30,000, or

“(ii) 25 percent of the participant’s compensation (as defined in section 415(c)(3)).

“(B) COST-OF-LIVING ADJUSTMENT.—The Secretary shall adjust annually the \$30,000 amount under subparagraph

PUBLIC LAW 107-16—JUNE 7, 2001

(A)(i) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning October 1, 1993, and any increase under this subparagraph which is not a multiple of \$5,000 shall be rounded to the next lowest multiple of \$5,000.”

Applicability.
26 USC 72 note.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to years beginning after December 31, 2001.

26 USC 415.

(b) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—

(1) IN GENERAL.—Subsection (k) of section 415 is amended by adding at the end the following new paragraph:

“(4) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—For purposes of this section, any annuity contract described in section 403(b) for the benefit of a participant shall be treated as a defined contribution plan maintained by each employer with respect to which the participant has the control required under subsection (b) or (c) of section 414 (as modified by subsection (h)). For purposes of this section, any contribution by an employer to a simplified employee pension plan for an individual for a taxable year shall be treated as an employer contribution to a defined contribution plan for such individual for such year.”

26 USC 415 note.
Applicability.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendment made by paragraph (1) shall apply to limitation years beginning after December 31, 1999.

(B) EXCLUSION ALLOWANCE.—Effective for limitation years beginning in 2000, in the case of any annuity contract described in section 403(b) of the Internal Revenue Code of 1986, the amount of the contribution disqualified by reason of section 415(g) of such Code shall reduce the exclusion allowance as provided in section 403(b)(2) of such Code.

26 USC 403 note.

(3) ELECTION TO MODIFY SECTION 403(b) EXCLUSION ALLOWANCE TO CONFORM TO SECTION 415 MODIFICATION.—In the case of taxable years beginning after December 31, 1999, and before January 1, 2002, a plan may disregard the requirement in the regulations regarding the exclusion allowance under section 403(b)(2) of the Internal Revenue Code of 1986 that contributions to a defined benefit pension plan be treated as previously excluded amounts for purposes of the exclusion allowance.

(c) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Subparagraph (B) of section 457(b)(2) (relating to salary limitation on eligible deferred compensation plans) is amended by striking “33 $\frac{1}{3}$ percent” and inserting “100 percent”.

Applicability.
26 USC 457 note.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to years beginning after December 31, 2001.

SEC. 633. FASTER VESTING OF CERTAIN EMPLOYER MATCHING CONTRIBUTIONS.

(a) IN GENERAL.—Section 411(a) (relating to minimum vesting standards) is amended—

(1) in paragraph (2), by striking “A plan” and inserting “Except as provided in paragraph (12), a plan”; and

(2) by adding at the end the following:

“(12) FASTER VESTING FOR MATCHING CONTRIBUTIONS.—In the case of matching contributions (as defined in section 401(m)(4)(A)), paragraph (2) shall be applied—

“(A) by substituting ‘3 years’ for ‘5 years’ in subparagraph (A), and

“(B) by substituting the following table for the table contained in subparagraph (B):

PUBLIC LAW 107-16—JUNE 7, 2001

| “Years of service: | The nonforfeitable percentage is: |
|--------------------|-----------------------------------|
| 2 | 20 |
| 3 | 40 |
| 4 | 60 |
| 5 | 80 |
| 6 | 100.”. |

(b) AMENDMENT OF ERISA.—Section 203(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)) is amended—

(1) in paragraph (2), by striking “A plan” and inserting “Except as provided in paragraph (4), a plan”, and

(2) by adding at the end the following:

“(4) In the case of matching contributions (as defined in section 401(m)(4)(A) of the Internal Revenue Code of 1986), paragraph (2) shall be applied—

“(A) by substituting ‘3 years’ for ‘5 years’ in subparagraph (A), and

“(B) by substituting the following table for the table contained in subparagraph (B):

| “Years of service: | The nonforfeitable percentage is: |
|--------------------|-----------------------------------|
| 2 | 20 |
| 3 | 40 |
| 4 | 60 |
| 5 | 80 |
| 6 | 100.”. |

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions for plan years beginning after December 31, 2001.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified by the date of the enactment of this Act, the amendments made by this section shall not apply to contributions on behalf of employees covered by any such agreement for plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of the enactment); or

(ii) January 1, 2002; or

(B) January 1, 2006.

(3) SERVICE REQUIRED.—With respect to any plan, the amendments made by this section shall not apply to any employee before the date that such employee has 1 hour of service under such plan in any plan year to which the amendments made by this section apply.

26 USC 411 note.
Applicability.

SEC. 634. MODIFICATION TO MINIMUM DISTRIBUTION RULES.

The Secretary of the Treasury shall modify the life expectancy tables under the regulations relating to minimum distribution requirements under sections 401(a)(9), 408(a)(6) and (b)(3), 403(b)(10), and 457(d)(2) of the Internal Revenue Code to reflect current life expectancy.

SEC. 635. CLARIFICATION OF TAX TREATMENT OF DIVISION OF SECTION 457 PLAN BENEFITS UPON DIVORCE.

(a) IN GENERAL.—Section 414(p)(11) (relating to application of rules to governmental and church plans) is amended—

26 USC 414.

(1) by inserting “or an eligible deferred compensation plan (within the meaning of section 457(b))” after “subsection (e)”; and

(2) in the heading, by striking “GOVERNMENTAL AND CHURCH PLANS” and inserting “CERTAIN OTHER PLANS”.

PUBLIC LAW 107-16—JUNE 7, 2001

(b) **WAIVER OF CERTAIN DISTRIBUTION REQUIREMENTS.**—Paragraph (10) of section 414(p) is amended by striking “and section 409(d)” and inserting “section 409(d), and section 457(d)”.

(c) **TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.**—Subsection (p) of section 414 is amended by redesignating paragraph (12) as paragraph (13) and inserting after paragraph (11) the following new paragraph:

“(12) **TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.**—If a distribution or payment from an eligible deferred compensation plan described in section 457(b) is made pursuant to a qualified domestic relations order, rules similar to the rules of section 402(e)(1)(A) shall apply to such distribution or payment.”.

Applicability.
26 USC 414 note.

(d) **EFFECTIVE DATE.**—The amendment made by this section shall apply to transfers, distributions, and payments made after December 31, 2001.

SEC. 636. PROVISIONS RELATING TO HARDSHIP DISTRIBUTIONS.

(a) **SAFE HARBOR RELIEF.**—

(1) **IN GENERAL.**—The Secretary of the Treasury shall revise the regulations relating to hardship distributions under section 401(k)(2)(B)(i)(IV) of the Internal Revenue Code of 1986 to provide that the period an employee is prohibited from making elective and employee contributions in order for a distribution to be deemed necessary to satisfy financial need shall be equal to 6 months.

Applicability.

(2) **EFFECTIVE DATE.**—The revised regulations under this subsection shall apply to years beginning after December 31, 2001.

(b) **HARDSHIP DISTRIBUTIONS NOT TREATED AS ELIGIBLE ROLLOVER DISTRIBUTIONS.**—

(1) **MODIFICATION OF DEFINITION OF ELIGIBLE ROLLOVER.**—Subparagraph (C) of section 402(c)(4) (relating to eligible rollover distribution) is amended to read as follows:

“(C) any distribution which is made upon hardship of the employee.”.

Applicability.
26 USC 402 note.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall apply to distributions made after December 31, 2001.

SEC. 637. WAIVER OF TAX ON NONDEDUCTIBLE CONTRIBUTIONS FOR DOMESTIC OR SIMILAR WORKERS.

26 USC 4972.

(a) **IN GENERAL.**—Section 4972(c)(6) (relating to exceptions to nondeductible contributions), as amended by section 616, is amended by striking “and” at the end of subparagraph (A), by striking the period and inserting “, or” at the end of subparagraph (B), and by inserting after subparagraph (B) the following new subparagraph:

“(C) so much of the contributions to a simple retirement account (within the meaning of section 408(p)) or a simple plan (within the meaning of section 401(k)(11)) which are not deductible when contributed solely because such contributions are not made in connection with a trade or business of the employer.”.

(b) **EXCLUSION OF CERTAIN CONTRIBUTIONS.**—Section 4972(c)(6), as amended by subsection (a), is amended by adding at the end the following new sentence: “Subparagraph (C) shall not apply to contributions made on behalf of the employer or a member of the employer’s family (as defined in section 447(e)(1)).”.

26 USC 4972
note.

(c) **NO INFERENCE.**—Nothing in the amendments made by this section shall be construed to infer the proper treatment of nondeductible contributions under the laws in effect before such amendments.

Applicability.
26 USC 4972
note.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

PUBLIC LAW 107-16—JUNE 7, 2001

Subtitle D—Increasing Portability for Participants

SEC. 641. ROLLOVERS ALLOWED AMONG VARIOUS TYPES OF PLANS.

(a) ROLLOVERS FROM AND TO SECTION 457 PLANS.—

(1) ROLLOVERS FROM SECTION 457 PLANS.—

(A) IN GENERAL.—Section 457(e) (relating to other definitions and special rules) is amended by adding at the end the following:

“(16) ROLLOVER AMOUNTS.—

“(A) GENERAL RULE.—In the case of an eligible deferred compensation plan established and maintained by an employer described in subsection (e)(1)(A), if—

“(i) any portion of the balance to the credit of an employee in such plan is paid to such employee in an eligible rollover distribution (within the meaning of section 402(c)(4)),

“(ii) the employee transfers any portion of the property such employee receives in such distribution to an eligible retirement plan described in section 402(c)(8)(B), and

“(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then such distribution (to the extent so transferred) shall not be includible in gross income for the taxable year in which paid.

“(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A).

“(C) REPORTING.—Rollovers under this paragraph shall be reported to the Secretary in the same manner as rollovers from qualified retirement plans (as defined in section 4974(c)).”.

(B) DEFERRAL LIMIT DETERMINED WITHOUT REGARD TO ROLLOVER AMOUNTS.—Section 457(b)(2) (defining eligible deferred compensation plan) is amended by inserting “(other than rollover amounts)” after “taxable year”.

26 USC 457.

(C) DIRECT ROLLOVER.—Paragraph (1) of section 457(d) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by inserting after subparagraph (B) the following:

“(C) in the case of a plan maintained by an employer described in subsection (e)(1)(A), the plan meets requirements similar to the requirements of section 401(a)(31). Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of transfer.”.

(D) WITHHOLDING.—

(i) Paragraph (12) of section 3401(a) is amended by adding at the end the following:

“(E) under or to an eligible deferred compensation plan which, at the time of such payment, is a plan described in section 457(b) which is maintained by an eligible employer described in section 457(e)(1)(A), or”.

(ii) Paragraph (3) of section 3405(c) is amended to read as follows:

“(3) ELIGIBLE ROLLOVER DISTRIBUTION.—For purposes of this subsection, the term ‘eligible rollover distribution’ has the meaning given such term by section 402(f)(2)(A).”.

PUBLIC LAW 107-16—JUNE 7, 2001

(iii) LIABILITY FOR WITHHOLDING.—Subparagraph (B) of section 3405(d)(2) is amended by striking “or” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “, or”, and by adding at the end the following:

“(iv) section 457(b) and which is maintained by an eligible employer described in section 457(e)(1)(A).”.

(2) ROLLOVERS TO SECTION 457 PLANS.—

(A) IN GENERAL.—Section 402(c)(8)(B) (defining eligible retirement plan) is amended by striking “and” at the end of clause (iii), by striking the period at the end of clause (iv) and inserting “, and”, and by inserting after clause (iv) the following new clause:

“(v) an eligible deferred compensation plan described in section 457(b) which is maintained by an eligible employer described in section 457(e)(1)(A).”.

(B) SEPARATE ACCOUNTING.—Section 402(c) is amended by adding at the end the following new paragraph:

“(10) SEPARATE ACCOUNTING.—Unless a plan described in clause (v) of paragraph (8)(B) agrees to separately account for amounts rolled into such plan from eligible retirement plans not described in such clause, the plan described in such clause may not accept transfers or rollovers from such retirement plans.”.

(C) 10 PERCENT ADDITIONAL TAX.—Subsection (t) of section 72 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new paragraph:

“(9) SPECIAL RULE FOR ROLLOVERS TO SECTION 457 PLANS.—

For purposes of this subsection, a distribution from an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A) shall be treated as a distribution from a qualified retirement plan described in 4974(c)(1) to the extent that such distribution is attributable to an amount transferred to an eligible deferred compensation plan from a qualified retirement plan (as defined in section 4974(c)).”.

(b) ALLOWANCE OF ROLLOVERS FROM AND TO 403(b) PLANS.—

(1) ROLLOVERS FROM SECTION 403(b) PLANS.—Section 403(b)(8)(A)(ii) (relating to rollover amounts) is amended by striking “such distribution” and all that follows and inserting “such distribution to an eligible retirement plan described in section 402(c)(8)(B), and”.

(2) ROLLOVERS TO SECTION 403(b) PLANS.—Section 402(c)(8)(B) (defining eligible retirement plan), as amended by subsection (a), is amended by striking “and” at the end of clause (iv), by striking the period at the end of clause (v) and inserting “, and”, and by inserting after clause (v) the following new clause:

“(vi) an annuity contract described in section 403(b).”.

(c) EXPANDED EXPLANATION TO RECIPIENTS OF ROLLOVER DISTRIBUTIONS.—Paragraph (1) of section 402(f) (relating to written explanation to recipients of distributions eligible for rollover treatment) is amended by striking “and” at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting “, and”, and by adding at the end the following new subparagraph:

“(E) of the provisions under which distributions from the eligible retirement plan receiving the distribution may be subject to restrictions and tax consequences which are different from those applicable to distributions from the plan making such distribution.”.

(d) SPOUSAL ROLLOVERS.—Section 402(c)(9) (relating to rollover where spouse receives distribution after death of employee) is

PUBLIC LAW 107-16—JUNE 7, 2001

amended by striking “; except that” and all that follows up to the end period.

(e) CONFORMING AMENDMENTS.—

(1) Section 72(o)(4) is amended by striking “and 408(d)(3)” and inserting “403(b)(8), 408(d)(3), and 457(e)(16)”.

(2) Section 219(d)(2) is amended by striking “or 408(d)(3)” and inserting “408(d)(3), or 457(e)(16)”.

(3) Section 401(a)(31)(B) is amended by striking “and 403(a)(4)” and inserting “, 403(a)(4), 403(b)(8), and 457(e)(16)”.

(4) Subparagraph (A) of section 402(f)(2) is amended by striking “or paragraph (4) of section 403(a)” and inserting “, paragraph (4) of section 403(a), subparagraph (A) of section 403(b)(8), or subparagraph (A) of section 457(e)(16)”.

(5) Paragraph (1) of section 402(f) is amended by striking “from an eligible retirement plan”.

(6) Subparagraphs (A) and (B) of section 402(f)(1) are amended by striking “another eligible retirement plan” and inserting “an eligible retirement plan”.

26 USC 402.

(7) Subparagraph (B) of section 403(b)(8) is amended to read as follows:

“(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A), except that section 402(f) shall be applied to the payor in lieu of the plan administrator.”

(8) Section 408(a)(1) is amended by striking “or 403(b)(8),” and inserting “403(b)(8), or 457(e)(16)”.

(9) Subparagraphs (A) and (B) of section 415(b)(2) are each amended by striking “and 408(d)(3)” and inserting “403(b)(8), 408(d)(3), and 457(e)(16)”.

(10) Section 415(c)(2) is amended by striking “and 408(d)(3)” and inserting “408(d)(3), and 457(e)(16)”.

(11) Section 4973(b)(1)(A) is amended by striking “or 408(d)(3)” and inserting “408(d)(3), or 457(e)(16)”.

(f) EFFECTIVE DATE; SPECIAL RULE.—

26 USC 402 note.

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

Applicability.

(2) REASONABLE NOTICE.—No penalty shall be imposed on a plan for the failure to provide the information required by the amendment made by subsection (c) with respect to any distribution made before the date that is 90 days after the date on which the Secretary of the Treasury issues a safe harbor rollover notice after the date of the enactment of this Act, if the administrator of such plan makes a reasonable attempt to comply with such requirement.

(3) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of any amendment made by this section.

SEC. 642. ROLLOVERS OF IRAS INTO WORKPLACE RETIREMENT PLANS.

(a) IN GENERAL.—Subparagraph (A) of section 408(d)(3) (relating to rollover amounts) is amended by adding “or” at the end of clause (i), by striking clauses (ii) and (iii), and by adding at the end the following:

“(ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan for the benefit of such individual not later than the 60th day after the date on which the payment or distribution is received, except that the maximum amount which may be paid into such plan may not

Deadline.

PUBLIC LAW 107-16—JUNE 7, 2001

exceed the portion of the amount received which is includible in gross income (determined without regard to this paragraph).

For purposes of clause (ii), the term ‘eligible retirement plan’ means an eligible retirement plan described in clause (iii), (iv), (v), or (vi) of section 402(c)(8)(B).”

(b) CONFORMING AMENDMENTS.—

26 USC 403.

(1) Paragraph (1) of section 403(b) is amended by striking “section 408(d)(3)(A)(iii)” and inserting “section 408(d)(3)(A)(ii)”.

(2) Clause (i) of section 408(d)(3)(D) is amended by striking “(i), (ii), or (iii)” and inserting “(i) or (ii)”.

(3) Subparagraph (G) of section 408(d)(3) is amended to read as follows:

“(G) SIMPLE RETIREMENT ACCOUNTS.—In the case of any payment or distribution out of a simple retirement account (as defined in subsection (p)) to which section 72(t)(6) applies, this paragraph shall not apply unless such payment or distribution is paid into another simple retirement account.”.

26 USC 408 note.
Applicability.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of the amendments made by this section.

SEC. 643. ROLLOVERS OF AFTER-TAX CONTRIBUTIONS.

(a) ROLLOVERS FROM EXEMPT TRUSTS.—Paragraph (2) of section 402(c) (relating to maximum amount which may be rolled over) is amended by adding at the end the following: “The preceding sentence shall not apply to such distribution to the extent—

“(A) such portion is transferred in a direct trustee-to-trustee transfer to a qualified trust which is part of a plan which is a defined contribution plan and which agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

“(B) such portion is transferred to an eligible retirement plan described in clause (i) or (ii) of paragraph (8)(B).”.

(b) OPTIONAL DIRECT TRANSFER OF ELIGIBLE ROLLOVER DISTRIBUTIONS.—Subparagraph (B) of section 401(a)(31) (relating to limitation) is amended by adding at the end the following: “The preceding sentence shall not apply to such distribution if the plan to which such distribution is transferred—

“(i) agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

“(ii) is an eligible retirement plan described in clause (i) or (ii) of section 402(c)(8)(B).”.

(c) RULES FOR APPLYING SECTION 72 TO IRAS.—Paragraph (3) of section 408(d) (relating to special rules for applying section 72) is amended by inserting at the end the following:

“(H) APPLICATION OF SECTION 72.—

“(i) IN GENERAL.—If—

PUBLIC LAW 107-16—JUNE 7, 2001

“(I) a distribution is made from an individual retirement plan, and

“(II) a rollover contribution is made to an eligible retirement plan described in section 402(c)(8)(B)(iii), (iv), (v), or (vi) with respect to all or part of such distribution,

then, notwithstanding paragraph (2), the rules of clause (ii) shall apply for purposes of applying section 72.

“(ii) APPLICABLE RULES.—In the case of a distribution described in clause (i)—

“(I) section 72 shall be applied separately to such distribution,

“(II) notwithstanding the pro rata allocation of income on, and investment in, the contract to distributions under section 72, the portion of such distribution rolled over to an eligible retirement plan described in clause (i) shall be treated as from income on the contract (to the extent of the aggregate income on the contract from all individual retirement plans of the distributee), and

“(III) appropriate adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2001.

Applicability.
26 USC 401 note.

SEC. 644. HARDSHIP EXCEPTION TO 60-DAY RULE.

(a) EXEMPT TRUSTS.—Paragraph (3) of section 402(c) (relating to transfer must be made within 60 days of receipt) is amended to read as follows:

“(3) TRANSFER MUST BE MADE WITHIN 60 DAYS OF RECEIPT.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the distributee received the property distributed.

“(B) HARDSHIP EXCEPTION.—The Secretary may waive the 60-day requirement under subparagraph (A) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.”.

(b) IRAS.—Paragraph (3) of section 408(d) (relating to rollover contributions), as amended by section 643, is amended by adding after subparagraph (H) the following new subparagraph:

26 USC 408.

“(I) WAIVER OF 60-DAY REQUIREMENT.—The Secretary may waive the 60-day requirement under subparagraphs (A) and (D) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

26 USC 402 note.

SEC. 645. TREATMENT OF FORMS OF DISTRIBUTION.

(a) PLAN TRANSFERS.—

(1) AMENDMENT OF INTERNAL REVENUE CODE.—Paragraph (6) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended by adding at the end the following:

“(D) PLAN TRANSFERS.—

“(i) IN GENERAL.—A defined contribution plan (in this subparagraph referred to as the ‘transferee plan’) shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan

PUBLIC LAW 107-16—JUNE 7, 2001

does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this subparagraph referred to as the ‘transferor plan’) to the extent that—

“(I) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan,

“(II) the terms of both the transferor plan and the transferee plan authorize the transfer described in subclause (I),

“(III) the transfer described in subclause (I) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan,

“(IV) the election described in subclause (III) was made after the participant or beneficiary received a notice describing the consequences of making the election, and

“(V) the transferee plan allows the participant or beneficiary described in subclause (III) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

“(ii) SPECIAL RULE FOR MERGERS, ETC.—Clause (i) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

“(E) ELIMINATION OF FORM OF DISTRIBUTION.—Except to the extent provided in regulations, a defined contribution plan shall not be treated as failing to meet the requirements of this section merely because of the elimination of a form of distribution previously available thereunder. This subparagraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

“(i) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated, and

“(ii) such single sum payment is based on the same or greater portion of the participant’s account as the form of distribution being eliminated.”.

(2) AMENDMENT OF ERISA.—Section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)) is amended by adding at the end the following:

“(4)(A) A defined contribution plan (in this subparagraph referred to as the ‘transferee plan’) shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this subparagraph referred to as the ‘transferor plan’) to the extent that—

“(i) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan;

“(ii) the terms of both the transferor plan and the transferee plan authorize the transfer described in clause (i);

PUBLIC LAW 107-16—JUNE 7, 2001

“(iii) the transfer described in clause (i) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan;

“(iv) the election described in clause (iii) was made after the participant or beneficiary received a notice describing the consequences of making the election; and

“(v) the transferee plan allows the participant or beneficiary described in clause (iii) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

“(B) Subparagraph (A) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

“(5) Except to the extent provided in regulations promulgated by the Secretary of the Treasury, a defined contribution plan shall not be treated as failing to meet the requirements of this subsection merely because of the elimination of a form of distribution previously available thereunder. This paragraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

“(A) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated; and

“(B) such single sum payment is based on the same or greater portion of the participant’s account as the form of distribution being eliminated.”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 411 note.

(b) REGULATIONS.—

(1) AMENDMENT OF INTERNAL REVENUE CODE.—Paragraph (6)(B) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended by inserting after the second sentence the following: “The Secretary shall by regulations provide that this subparagraph shall not apply to any plan amendment which reduces or eliminates benefits or subsidies which create significant burdens or complexities for the plan and plan participants, unless such amendment adversely affects the rights of any participant in a more than de minimis manner.”.

(2) AMENDMENT OF ERISA.—Section 204(g)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)(2)) is amended by inserting after the second sentence the following: “The Secretary of the Treasury shall by regulations provide that this paragraph shall not apply to any plan amendment which reduces or eliminates benefits or subsidies which create significant burdens or complexities for the plan and plan participants, unless such amendment adversely affects the rights of any participant in a more than de minimis manner.”.

(3) SECRETARY DIRECTED.—Not later than December 31, 2003, the Secretary of the Treasury is directed to issue regulations under section 411(d)(6) of the Internal Revenue Code of 1986 and section 204(g) of the Employee Retirement Income Security Act of 1974, including the regulations required by the amendment made by this subsection. Such regulations shall apply to plan years beginning after December 31, 2003, or such earlier date as is specified by the Secretary of the Treasury.

Deadline.
26 USC 411 note.

Effective date.
Applicability.

SEC. 646. RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS.

(a) MODIFICATION OF SAME DESK EXCEPTION.—

(1) SECTION 401(k).—

(A) Section 401(k)(2)(B)(i)(I) (relating to qualified cash or deferred arrangements) is amended by striking “separa-

PUBLIC LAW 107-16—JUNE 7, 2001

tion from service” and inserting “severance from employment”.

(B) Subparagraph (A) of section 401(k)(10) (relating to distributions upon termination of plan or disposition of assets or subsidiary) is amended to read as follows:

“(A) IN GENERAL.—An event described in this subparagraph is the termination of the plan without establishment or maintenance of another defined contribution plan (other than an employee stock ownership plan as defined in section 4975(e)(7)).”.

(C) Section 401(k)(10) is amended—

(i) in subparagraph (B)—

(I) by striking “An event” in clause (i) and inserting “A termination”; and

(II) by striking “the event” in clause (i) and inserting “the termination”;

(ii) by striking subparagraph (C); and

(iii) by striking “OR DISPOSITION OF ASSETS OR SUBSIDIARY” in the heading.

(2) SECTION 403(b).—

(A) Paragraphs (7)(A)(ii) and (11)(A) of section 403(b) are each amended by striking “separates from service” and inserting “has a severance from employment”.

(B) The heading for paragraph (11) of section 403(b) is amended by striking “SEPARATION FROM SERVICE” and inserting “SEVERANCE FROM EMPLOYMENT”.

(3) SECTION 457.—Clause (ii) of section 457(d)(1)(A) is amended by striking “is separated from service” and inserting “has a severance from employment”.

26 USC 401 note.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

SEC. 647. PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS.

26 USC 403.

(a) SECTION 403(b) PLANS.—Subsection (b) of section 403 is amended by adding at the end the following new paragraph:

“(13) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

“(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

“(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.”.

(b) SECTION 457 PLANS.—Subsection (e) of section 457, as amended by section 641, is amended by adding after paragraph (16) the following new paragraph:

“(17) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

“(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

“(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.”.

Applicability.
26 USC 403 note.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to trustee-to-trustee transfers after December 31, 2001.

SEC. 648. EMPLOYERS MAY DISREGARD ROLLOVERS FOR PURPOSES OF CASH-OUT AMOUNTS.

(a) QUALIFIED PLANS.—

PUBLIC LAW 107-16—JUNE 7, 2001

(1) AMENDMENT OF INTERNAL REVENUE CODE.—Section 411(a)(11) (relating to restrictions on certain mandatory distributions) is amended by adding at the end the following:

“(D) SPECIAL RULE FOR ROLLOVER CONTRIBUTIONS.—

A plan shall not fail to meet the requirements of this paragraph if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term ‘rollover contributions’ means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16).”

(2) AMENDMENT OF ERISA.—Section 203(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(c)) is amended by adding at the end the following:

“(4) A plan shall not fail to meet the requirements of this subsection if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term ‘rollover contributions’ means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Internal Revenue Code of 1986.”

(b) ELIGIBLE DEFERRED COMPENSATION PLANS.—Clause (i) of section 457(e)(9)(A) is amended by striking “such amount” and inserting “the portion of such amount which is not attributable to rollover contributions (as defined in section 411(a)(11)(D))”.

26 USC 457.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

Applicability.
26 USC 411 note.

SEC. 649. MINIMUM DISTRIBUTION AND INCLUSION REQUIREMENTS FOR SECTION 457 PLANS.

(a) MINIMUM DISTRIBUTION REQUIREMENTS.—Paragraph (2) of section 457(d) (relating to distribution requirements) is amended to read as follows:

“(2) MINIMUM DISTRIBUTION REQUIREMENTS.—A plan meets the minimum distribution requirements of this paragraph if such plan meets the requirements of section 401(a)(9).”

(b) INCLUSION IN GROSS INCOME.—

(1) YEAR OF INCLUSION.—Subsection (a) of section 457 (relating to year of inclusion in gross income) is amended to read as follows:

“(a) YEAR OF INCLUSION IN GROSS INCOME.—

“(1) IN GENERAL.—Any amount of compensation deferred under an eligible deferred compensation plan, and any income attributable to the amounts so deferred, shall be includible in gross income only for the taxable year in which such compensation or other income—

“(A) is paid to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(A), and

“(B) is paid or otherwise made available to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(B).

“(2) SPECIAL RULE FOR ROLLOVER AMOUNTS.—To the extent provided in section 72(t)(9), section 72(t) shall apply to any amount includible in gross income under this subsection.”

(2) CONFORMING AMENDMENTS.—

(A) So much of paragraph (9) of section 457(e) as precedes subparagraph (A) is amended to read as follows:

“(9) BENEFITS OF TAX EXEMPT ORGANIZATION PLANS NOT TREATED AS MADE AVAILABLE BY REASON OF CERTAIN ELECTIONS,

PUBLIC LAW 107-16—JUNE 7, 2001

ETC.—In the case of an eligible deferred compensation plan of an employer described in subsection (e)(1)(B)—”.

(B) Section 457(d) is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE FOR GOVERNMENT PLAN.—An eligible deferred compensation plan of an employer described in subsection (e)(1)(A) shall not be treated as failing to meet the requirements of this subsection solely by reason of making a distribution described in subsection (e)(9)(A).”.

Applicability.
26 USC 457 note.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to distributions after December 31, 2001.

Subtitle E—Strengthening Pension Security and Enforcement

PART I—GENERAL PROVISIONS

SEC. 651. REPEAL OF 160 PERCENT OF CURRENT LIABILITY FUNDING LIMIT.

(a) AMENDMENTS TO INTERNAL REVENUE CODE.—Section 412(c)(7) (relating to full-funding limitation) is amended—

(1) by striking “the applicable percentage” in subparagraph (A)(i)(I) and inserting “in the case of plan years beginning before January 1, 2004, the applicable percentage”; and

(2) by amending subparagraph (F) to read as follows:

“(F) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

| “In the case of any plan year beginning in— | The applicable percentage is— |
|---|-------------------------------|
| 2002 | 165 |
| 2003 | 170.”. |

26 USC 412.

(b) AMENDMENT OF ERISA.—Section 302(c)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1082(c)(7)) is amended—

(1) by striking “the applicable percentage” in subparagraph (A)(i)(I) and inserting “in the case of plan years beginning before January 1, 2004, the applicable percentage”, and

(2) by amending subparagraph (F) to read as follows:

“(F) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

| “In the case of any plan year beginning in calendar year— | The applicable percentage is— |
|---|-------------------------------|
| 2002 | 165 |
| 2003 | 170.”. |

Applicability.
26 USC 412 note.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

SEC. 652. MAXIMUM CONTRIBUTION DEDUCTION RULES MODIFIED AND APPLIED TO ALL DEFINED BENEFIT PLANS.

(a) IN GENERAL.—Subparagraph (D) of section 404(a)(1) (relating to special rule in case of certain plans) is amended to read as follows:

“(D) SPECIAL RULE IN CASE OF CERTAIN PLANS.—

“(i) IN GENERAL.—In the case of any defined benefit plan, except as provided in regulations, the maximum amount deductible under the limitations of this paragraph shall not be less than the unfunded current liability determined under section 412(l).

“(ii) PLANS WITH 100 OR LESS PARTICIPANTS.—For purposes of this subparagraph, in the case of a plan which has 100 or less participants for the plan year, unfunded current liability shall not include the liability

PUBLIC LAW 107-16—JUNE 7, 2001

attributable to benefit increases for highly compensated employees (as defined in section 414(q)) resulting from a plan amendment which is made or becomes effective, whichever is later, within the last 2 years.

“(iii) **RULE FOR DETERMINING NUMBER OF PARTICIPANTS.**—For purposes of determining the number of plan participants, all defined benefit plans maintained by the same employer (or any member of such employer’s controlled group (within the meaning of section 412(1)(8)(C))) shall be treated as one plan, but only employees of such member or employer shall be taken into account.

“(iv) **PLANS MAINTAINED BY PROFESSIONAL SERVICE EMPLOYERS.**—In the case of a plan which, subject to section 4041 of the Employee Retirement Income Security Act of 1974, terminates during the plan year, clause (i) shall be applied by substituting for unfunded current liability the amount required to make the plan sufficient for benefit liabilities (within the meaning of section 4041(d) of such Act).”

(b) **CONFORMING AMENDMENT.**—Paragraph (6) of section 4972(c), as amended by sections 616 and 637, is amended—

26 USC 4972.

(1) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively,

(2) by striking the first sentence following subparagraph (B) (as so redesignated),

(3) by striking “subparagraph (B)” in the next to last sentence and inserting “subparagraph (A)”, and

(4) by striking “Subparagraph (C)” in the last sentence and inserting “Subparagraph (B)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

Applicability.
26 USC 404 note.

SEC. 653. EXCISE TAX RELIEF FOR SOUND PENSION FUNDING.

(a) **IN GENERAL.**—Subsection (c) of section 4972 (relating to nondeductible contributions) is amended by adding at the end the following new paragraph:

“(7) **DEFINED BENEFIT PLAN EXCEPTION.**—In determining the amount of nondeductible contributions for any taxable year, an employer may elect for such year not to take into account any contributions to a defined benefit plan except to the extent that such contributions exceed the full-funding limitation (as defined in section 412(c)(7), determined without regard to subparagraph (A)(i)(I) thereof). For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to defined contribution plans and then to amounts described in this paragraph. If an employer makes an election under this paragraph for a taxable year, paragraph (6) shall not apply to such employer for such taxable year.”

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 4972
note.

SEC. 654. TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) **COMPENSATION LIMIT.**—

(1) **IN GENERAL.**—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

“(11) **SPECIAL LIMITATION RULE FOR GOVERNMENTAL AND MULTIEMPLOYER PLANS.**—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as

PUBLIC LAW 107-16—JUNE 7, 2001

defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply.”.

26 USC 415.

(2) CONFORMING AMENDMENT.—Section 415(b)(7) (relating to benefits under certain collectively bargained plans) is amended by inserting “(other than a multiemployer plan)” after “defined benefit plan” in the matter preceding subparagraph (A).

(b) COMBINING AND AGGREGATION OF PLANS.—

(1) COMBINING OF PLANS.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

“(3) EXCEPTION FOR MULTIEMPLOYER PLANS.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated—

“(A) with any other plan which is not a multiemployer plan for purposes of applying subsection (b)(1)(B) to such other plan, or

“(B) with any other multiemployer plan for purposes of applying the limitations established in this section.”.

(2) CONFORMING AMENDMENT FOR AGGREGATION OF PLANS.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking “The Secretary” and inserting “Except as provided in subsection (f)(3), the Secretary”.

Applicability.
26 USC 415 note.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

SEC. 655. PROTECTION OF INVESTMENT OF EMPLOYEE CONTRIBUTIONS TO 401(k) PLANS.

29 USC 1107
note.

(a) IN GENERAL.—Section 1524(b) of the Taxpayer Relief Act of 1997 is amended to read as follows:

“(b) EFFECTIVE DATE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to elective deferrals for plan years beginning after December 31, 1998.

“(2) NONAPPLICATION TO PREVIOUSLY ACQUIRED PROPERTY.—The amendments made by this section shall not apply to any elective deferral which is invested in assets consisting of qualifying employer securities, qualifying employer real property, or both, if such assets were acquired before January 1, 1999.”.

29 USC 1107
note.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply as if included in the provision of the Taxpayer Relief Act of 1997 to which it relates.

SEC. 656. PROHIBITED ALLOCATIONS OF STOCK IN S CORPORATION ESOP.

(a) IN GENERAL.—Section 409 (relating to qualifications for tax credit employee stock ownership plans) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

“(p) PROHIBITED ALLOCATIONS OF SECURITIES IN AN S CORPORATION.—

“(1) IN GENERAL.—An employee stock ownership plan holding employer securities consisting of stock in an S corporation shall provide that no portion of the assets of the plan attributable to (or allocable in lieu of) such employer securities may, during a nonallocation year, accrue (or be allocated directly or indirectly under any plan of the employer meeting the requirements of section 401(a)) for the benefit of any disqualified person.

“(2) FAILURE TO MEET REQUIREMENTS.—

“(A) IN GENERAL.—If a plan fails to meet the requirements of paragraph (1), the plan shall be treated as having distributed to any disqualified person the amount allocated

PUBLIC LAW 107-16—JUNE 7, 2001

to the account of such person in violation of paragraph (1) at the time of such allocation.

“(B) CROSS REFERENCE.—

“For excise tax relating to violations of paragraph (1) and ownership of synthetic equity, see section 4979A.

“(3) NONALLOCATION YEAR.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘nonallocation year’ means any plan year of an employee stock ownership plan if, at any time during such plan year—

“(i) such plan holds employer securities consisting of stock in an S corporation, and

“(ii) disqualified persons own at least 50 percent of the number of shares of stock in the S corporation.

“(B) ATTRIBUTION RULES.—For purposes of subparagraph (A)—

“(i) IN GENERAL.—The rules of section 318(a) shall apply for purposes of determining ownership, except that—

Applicability.

“(I) in applying paragraph (1) thereof, the members of an individual’s family shall include members of the family described in paragraph (4)(D), and

“(II) paragraph (4) thereof shall not apply.

“(ii) DEEMED-OWNED SHARES.—Notwithstanding the employee trust exception in section 318(a)(2)(B)(i), an individual shall be treated as owning deemed-owned shares of the individual.

Solely for purposes of applying paragraph (5), this subparagraph shall be applied after the attribution rules of paragraph (5) have been applied.

“(4) DISQUALIFIED PERSON.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘disqualified person’ means any person if—

“(i) the aggregate number of deemed-owned shares of such person and the members of such person’s family is at least 20 percent of the number of deemed-owned shares of stock in the S corporation, or

“(ii) in the case of a person not described in clause (i), the number of deemed-owned shares of such person is at least 10 percent of the number of deemed-owned shares of stock in such corporation.

“(B) TREATMENT OF FAMILY MEMBERS.—In the case of a disqualified person described in subparagraph (A)(i), any member of such person’s family with deemed-owned shares shall be treated as a disqualified person if not otherwise treated as a disqualified person under subparagraph (A).

“(C) DEEMED-OWNED SHARES.—

“(i) IN GENERAL.—The term ‘deemed-owned shares’ means, with respect to any person—

“(I) the stock in the S corporation constituting employer securities of an employee stock ownership plan which is allocated to such person under the plan, and

“(II) such person’s share of the stock in such corporation which is held by such plan but which is not allocated under the plan to participants.

“(ii) PERSON’S SHARE OF UNALLOCATED STOCK.—For purposes of clause (i)(II), a person’s share of unallocated S corporation stock held by such plan is the amount of the unallocated stock which would be allocated to such person if the unallocated stock were allocated to all participants in the same proportions as the most recent stock allocation under the plan.

PUBLIC LAW 107-16—JUNE 7, 2001

“(D) MEMBER OF FAMILY.—For purposes of this paragraph, the term ‘member of the family’ means, with respect to any individual—

“(i) the spouse of the individual,

“(ii) an ancestor or lineal descendant of the individual or the individual’s spouse,

“(iii) a brother or sister of the individual or the individual’s spouse and any lineal descendant of the brother or sister, and

“(iv) the spouse of any individual described in clause (ii) or (iii).

A spouse of an individual who is legally separated from such individual under a decree of divorce or separate maintenance shall not be treated as such individual’s spouse for purposes of this subparagraph.

“(5) TREATMENT OF SYNTHETIC EQUITY.—For purposes of paragraphs (3) and (4), in the case of a person who owns synthetic equity in the S corporation, except to the extent provided in regulations, the shares of stock in such corporation on which such synthetic equity is based shall be treated as outstanding stock in such corporation and deemed-owned shares of such person if such treatment of synthetic equity of 1 or more such persons results in—

“(A) the treatment of any person as a disqualified person, or

“(B) the treatment of any year as a nonallocation year. For purposes of this paragraph, synthetic equity shall be treated as owned by a person in the same manner as stock is treated as owned by a person under the rules of paragraphs (2) and (3) of section 318(a). If, without regard to this paragraph, a person is treated as a disqualified person or a year is treated as a nonallocation year, this paragraph shall not be construed to result in the person or year not being so treated.

“(6) DEFINITIONS.—For purposes of this subsection—

“(A) EMPLOYEE STOCK OWNERSHIP PLAN.—The term ‘employee stock ownership plan’ has the meaning given such term by section 4975(e)(7).

“(B) EMPLOYER SECURITIES.—The term ‘employer security’ has the meaning given such term by section 409(l).

“(C) SYNTHETIC EQUITY.—The term ‘synthetic equity’ means any stock option, warrant, restricted stock, deferred issuance stock right, or similar interest or right that gives the holder the right to acquire or receive stock of the S corporation in the future. Except to the extent provided in regulations, synthetic equity also includes a stock appreciation right, phantom stock unit, or similar right to a future cash payment based on the value of such stock or appreciation in such value.

“(7) REGULATIONS AND GUIDANCE.—

“(A) IN GENERAL.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.

“(B) AVOIDANCE OR EVASION.—The Secretary may, by regulation or other guidance of general applicability, provide that a nonallocation year occurs in any case in which the principal purpose of the ownership structure of an S corporation constitutes an avoidance or evasion of this subsection.”.

(b) COORDINATION WITH SECTION 4975(e)(7).—The last sentence of section 4975(e)(7) (defining employee stock ownership plan) is amended by inserting “, section 409(p),” after “409(n)”.

26 USC 4975.

(c) EXCISE TAX.—

(1) APPLICATION OF TAX.—Subsection (a) of section 4979A (relating to tax on certain prohibited allocations of employer securities) is amended—

PUBLIC LAW 107-16—JUNE 7, 2001

(A) by striking “or” at the end of paragraph (1), and
 (B) by striking all that follows paragraph (2) and
 inserting the following:

“(3) there is any allocation of employer securities which
 violates the provisions of section 409(p), or a nonallocation
 year described in subsection (e)(2)(C) with respect to an
 employee stock ownership plan, or

“(4) any synthetic equity is owned by a disqualified person
 in any nonallocation year,
 there is hereby imposed a tax on such allocation or ownership
 equal to 50 percent of the amount involved.”

(2) LIABILITY.—Section 4979A(c) (defining liability for tax)
 is amended to read as follows:

“(c) LIABILITY FOR TAX.—The tax imposed by this section shall
 be paid—

“(1) in the case of an allocation referred to in paragraph
 (1) or (2) of subsection (a), by—

“(A) the employer sponsoring such plan, or

“(B) the eligible worker-owned cooperative,
 which made the written statement described in section
 664(g)(1)(E) or in section 1042(b)(3)(B) (as the case may be),
 and

“(2) in the case of an allocation or ownership referred
 to in paragraph (3) or (4) of subsection (a), by the S corporation
 the stock in which was so allocated or owned.”

(3) DEFINITIONS.—Section 4979A(e) (relating to definitions)
 is amended to read as follows:

“(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this
 section—

“(1) DEFINITIONS.—Except as provided in paragraph (2),
 terms used in this section have the same respective meanings
 as when used in sections 409 and 4978.

“(2) SPECIAL RULES RELATING TO TAX IMPOSED BY REASON
 OF PARAGRAPH (3) OR (4) OF SUBSECTION (a).—

“(A) PROHIBITED ALLOCATIONS.—The amount involved
 with respect to any tax imposed by reason of subsection
 (a)(3) is the amount allocated to the account of any person
 in violation of section 409(p)(1).

“(B) SYNTHETIC EQUITY.—The amount involved with
 respect to any tax imposed by reason of subsection (a)(4)
 is the value of the shares on which the synthetic equity
 is based.

“(C) SPECIAL RULE DURING FIRST NONALLOCATION
 YEAR.—For purposes of subparagraph (A), the amount
 involved for the first nonallocation year of any employee
 stock ownership plan shall be determined by taking into
 account the total value of all the deemed-owned shares
 of all disqualified persons with respect to such plan.

“(D) STATUTE OF LIMITATIONS.—The statutory period
 for the assessment of any tax imposed by this section
 by reason of paragraph (3) or (4) of subsection (a) shall
 not expire before the date which is 3 years from the later
 of—

“(i) the allocation or ownership referred to in such
 paragraph giving rise to such tax, or

“(ii) the date on which the Secretary is notified
 of such allocation or ownership.”

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section
 shall apply to plan years beginning after December 31, 2004.

(2) EXCEPTION FOR CERTAIN PLANS.—In the case of any—

(A) employee stock ownership plan established after
 March 14, 2001, or

(B) employee stock ownership plan established on or
 before such date if employer securities held by the plan

Applicability.
 26 USC 409 note.

PUBLIC LAW 107-16—JUNE 7, 2001

consist of stock in a corporation with respect to which an election under section 1362(a) of the Internal Revenue Code of 1986 is not in effect on such date, the amendments made by this section shall apply to plan years ending after March 14, 2001.

SEC. 657. AUTOMATIC ROLLOVERS OF CERTAIN MANDATORY DISTRIBUTIONS.**(a) DIRECT TRANSFERS OF MANDATORY DISTRIBUTIONS.—**

26 USC 401.

(1) **IN GENERAL.**—Section 401(a)(31) (relating to optional direct transfer of eligible rollover distributions), as amended by section 643, is amended by redesignating subparagraphs (B), (C), and (D) as subparagraphs (C), (D), and (E), respectively, and by inserting after subparagraph (A) the following new subparagraph:

“(B) CERTAIN MANDATORY DISTRIBUTIONS.—

“(i) IN GENERAL.—In case of a trust which is part of an eligible plan, such trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that if—

“(I) a distribution described in clause (ii) in excess of \$1,000 is made, and

“(II) the distributee does not make an election under subparagraph (A) and does not elect to receive the distribution directly,

the plan administrator shall make such transfer to an individual retirement plan of a designated trustee or issuer and shall notify the distributee in writing (either separately or as part of the notice under section 402(f)) that the distribution may be transferred to another individual retirement plan.

“(ii) ELIGIBLE PLAN.—For purposes of clause (i), the term ‘eligible plan’ means a plan which provides that any nonforfeitable accrued benefit for which the present value (as determined under section 411(a)(11)) does not exceed \$5,000 shall be immediately distributed to the participant.”.

(2) CONFORMING AMENDMENTS.—

(A) The heading of section 401(a)(31) is amended by striking “OPTIONAL DIRECT” and inserting “DIRECT”.

(B) Section 401(a)(31)(C), as redesignated by paragraph (1), is amended by striking “Subparagraph (A)” and inserting “Subparagraphs (A) and (B)”.

(b) NOTICE REQUIREMENT.—Subparagraph (A) of section 402(f)(1) is amended by inserting before the comma at the end the following: “and that the automatic distribution by direct transfer applies to certain distributions in accordance with section 401(a)(31)(B)”.

(c) FIDUCIARY RULES.—

(1) IN GENERAL.—Section 404(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104(c)) is amended by adding at the end the following new paragraph:

“(3) In the case of a pension plan which makes a transfer to an individual retirement account or annuity of a designated trustee or issuer under section 401(a)(31)(B) of the Internal Revenue Code of 1986, the participant or beneficiary shall, for purposes of paragraph (1), be treated as exercising control over the assets in the account or annuity upon—

“(A) the earlier of the earlier of—

“(i) a rollover of all or a portion of the amount to another individual retirement account or annuity; or

“(ii) one year after the transfer is made; or

“(B) if the transfer is made in a manner consistent with guidance provided by the Secretary.”.

PUBLIC LAW 107-16—JUNE 7, 2001

(2) REGULATIONS.—

(A) **AUTOMATIC ROLLOVER SAFE HARBOR.**—Not later than 3 years after the date of enactment of this Act, the Secretary of Labor shall prescribe regulations providing for safe harbors under which the designation of an institution and investment of funds in accordance with section 401(a)(31)(B) of the Internal Revenue Code of 1986 is deemed to satisfy the fiduciary requirements of section 404(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104(a)).

26 USC 401 note.
Deadline.

(B) **USE OF LOW-COST INDIVIDUAL RETIREMENT PLANS.**—The Secretary of the Treasury and the Secretary of Labor may provide, and shall give consideration to providing, special relief with respect to the use of low-cost individual retirement plans for purposes of transfers under section 401(a)(31)(B) of the Internal Revenue Code of 1986 and for other uses that promote the preservation of assets for retirement income purposes.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions made after final regulations implementing subsection (c)(2)(A) are prescribed.

Applicability.
26 USC 401 note.

SEC. 658. CLARIFICATION OF TREATMENT OF CONTRIBUTIONS TO MULTIEMPLOYER PLAN.

26 USC 404 note.

(a) **NOT CONSIDERED METHOD OF ACCOUNTING.**—For purposes of section 446 of the Internal Revenue Code of 1986, a determination under section 404(a)(6) of such Code regarding the taxable year with respect to which a contribution to a multiemployer pension plan is deemed made shall not be treated as a method of accounting of the taxpayer. No deduction shall be allowed for any taxable year for any contribution to a multiemployer pension plan with respect to which a deduction was previously allowed.

(b) **REGULATIONS.**—The Secretary of the Treasury shall promulgate such regulations as necessary to clarify that a taxpayer shall not be allowed an aggregate amount of deductions for contributions to a multiemployer pension plan which exceeds the amount of such contributions made or deemed made under section 404(a)(6) of the Internal Revenue Code of 1986 to such plan.

(c) **EFFECTIVE DATE.**—Subsection (a), and any regulations promulgated under subsection (b), shall be effective for years ending after the date of the enactment of this Act.

**PART II—TREATMENT OF PLAN AMENDMENTS
REDUCING FUTURE BENEFIT ACCRUALS**

SEC. 659. EXCISE TAX ON FAILURE TO PROVIDE NOTICE BY DEFINED BENEFIT PLANS SIGNIFICANTLY REDUCING FUTURE BENEFIT ACCRUALS.

(a) **AMENDMENT OF INTERNAL REVENUE CODE.**—

(1) **IN GENERAL.**—Chapter 43 (relating to qualified pension, etc., plans) is amended by adding at the end the following new section:

“SEC. 4980F. FAILURE OF APPLICABLE PLANS REDUCING BENEFIT ACCRUALS TO SATISFY NOTICE REQUIREMENTS.

“(a) **IMPOSITION OF TAX.**—There is hereby imposed a tax on the failure of any applicable pension plan to meet the requirements of subsection (e) with respect to any applicable individual.

“(b) **AMOUNT OF TAX.**—

“(1) **IN GENERAL.**—The amount of the tax imposed by subsection (a) on any failure with respect to any applicable individual shall be \$100 for each day in the noncompliance period with respect to such failure.

“(2) **NONCOMPLIANCE PERIOD.**—For purposes of this section, the term ‘noncompliance period’ means, with respect to any

PUBLIC LAW 107-16—JUNE 7, 2001

failure, the period beginning on the date the failure first occurs and ending on the date the notice to which the failure relates is provided or the failure is otherwise corrected.

“(c) LIMITATIONS ON AMOUNT OF TAX.—

“(1) TAX NOT TO APPLY WHERE FAILURE NOT DISCOVERED AND REASONABLE DILIGENCE EXERCISED.—No tax shall be imposed by subsection (a) on any failure during any period for which it is established to the satisfaction of the Secretary that any person subject to liability for the tax under subsection (d) did not know that the failure existed and exercised reasonable diligence to meet the requirements of subsection (e).

“(2) TAX NOT TO APPLY TO FAILURES CORRECTED WITHIN 30 DAYS.—No tax shall be imposed by subsection (a) on any failure if—

“(A) any person subject to liability for the tax under subsection (d) exercised reasonable diligence to meet the requirements of subsection (e), and

“(B) such person provides the notice described in subsection (e) during the 30-day period beginning on the first date such person knew, or exercising reasonable diligence would have known, that such failure existed.

“(3) OVERALL LIMITATION FOR UNINTENTIONAL FAILURES.—

“(A) IN GENERAL.—If the person subject to liability for tax under subsection (d) exercised reasonable diligence to meet the requirements of subsection (e), the tax imposed by subsection (a) for failures during the taxable year of the employer (or, in the case of a multiemployer plan, the taxable year of the trust forming part of the plan) shall not exceed \$500,000. For purposes of the preceding sentence, all multiemployer plans of which the same trust forms a part shall be treated as 1 plan.

“(B) TAXABLE YEARS IN THE CASE OF CERTAIN CONTROLLED GROUPS.—For purposes of this paragraph, if all persons who are treated as a single employer for purposes of this section do not have the same taxable year, the taxable years taken into account shall be determined under principles similar to the principles of section 1561.

“(4) WAIVER BY SECRETARY.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that the payment of such tax would be excessive or otherwise inequitable relative to the failure involved.

“(d) LIABILITY FOR TAX.—The following shall be liable for the tax imposed by subsection (a):

“(1) In the case of a plan other than a multiemployer plan, the employer.

“(2) In the case of a multiemployer plan, the plan.

“(e) NOTICE REQUIREMENTS FOR PLANS SIGNIFICANTLY REDUCING BENEFIT ACCRUALS.—

“(1) IN GENERAL.—If an applicable pension plan is amended to provide for a significant reduction in the rate of future benefit accrual, the plan administrator shall provide written notice to each applicable individual (and to each employee organization representing applicable individuals).

“(2) NOTICE.—The notice required by paragraph (1) shall be written in a manner calculated to be understood by the average plan participant and shall provide sufficient information (as determined in accordance with regulations prescribed by the Secretary) to allow applicable individuals to understand the effect of the plan amendment. The Secretary may provide a simplified form of notice for, or exempt from any notice requirement, a plan—

“(A) which has fewer than 100 participants who have accrued a benefit under the plan, or

PUBLIC LAW 107-16—JUNE 7, 2001

“(B) which offers participants the option to choose between the new benefit formula and the old benefit formula.

“(3) TIMING OF NOTICE.—Except as provided in regulations, the notice required by paragraph (1) shall be provided within a reasonable time before the effective date of the plan amendment.

“(4) DESIGNEES.—Any notice under paragraph (1) may be provided to a person designated, in writing, by the person to which it would otherwise be provided.

“(5) NOTICE BEFORE ADOPTION OF AMENDMENT.—A plan shall not be treated as failing to meet the requirements of paragraph (1) merely because notice is provided before the adoption of the plan amendment if no material modification of the amendment occurs before the amendment is adopted.

“(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) APPLICABLE INDIVIDUAL.—The term ‘applicable individual’ means, with respect to any plan amendment—

“(A) each participant in the plan, and

“(B) any beneficiary who is an alternate payee (within the meaning of section 414(p)(8)) under an applicable qualified domestic relations order (within the meaning of section 414(p)(1)(A)),

whose rate of future benefit accrual under the plan may reasonably be expected to be significantly reduced by such plan amendment.

“(2) APPLICABLE PENSION PLAN.—The term ‘applicable pension plan’ means—

“(A) any defined benefit plan, or

“(B) an individual account plan which is subject to the funding standards of section 412.

Such term shall not include a governmental plan (within the meaning of section 414(d)) or a church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made.

“(3) EARLY RETIREMENT.—A plan amendment which eliminates or significantly reduces any early retirement benefit or retirement-type subsidy (within the meaning of section 411(d)(6)(B)(i)) shall be treated as having the effect of significantly reducing the rate of future benefit accrual.

“(g) NEW TECHNOLOGIES.—The Secretary may by regulations allow any notice under subsection (e) to be provided by using new technologies.”

(2) CLERICAL AMENDMENT.—The table of sections for chapter 43 is amended by adding at the end the following new item:

“Sec. 4980F. Failure of applicable plans reducing benefit accruals to satisfy notice requirements.”

(b) AMENDMENT OF ERISA.—Subsection (h) of section 204 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054) is amended to read as follows:

“(h)(1) An applicable pension plan may not be amended so as to provide for a significant reduction in the rate of future benefit accrual unless the plan administrator provides the notice described in paragraph (2) to each applicable individual (and to each employee organization representing applicable individuals).

“(2) The notice required by paragraph (1) shall be written in a manner calculated to be understood by the average plan participant and shall provide sufficient information (as determined in accordance with regulations prescribed by the Secretary of the Treasury) to allow applicable individuals to understand the effect of the plan amendment. The Secretary of the Treasury may provide a simplified form of notice for, or exempt from any notice requirement, a plan—

PUBLIC LAW 107-16—JUNE 7, 2001

“(A) which has fewer than 100 participants who have accrued a benefit under the plan, or

“(B) which offers participants the option to choose between the new benefit formula and the old benefit formula.

“(3) Except as provided in regulations prescribed by the Secretary of the Treasury, the notice required by paragraph (1) shall be provided within a reasonable time before the effective date of the plan amendment.

“(4) Any notice under paragraph (1) may be provided to a person designated, in writing, by the person to which it would otherwise be provided.

“(5) A plan shall not be treated as failing to meet the requirements of paragraph (1) merely because notice is provided before the adoption of the plan amendment if no material modification of the amendment occurs before the amendment is adopted.

“(6)(A) In the case of any egregious failure to meet any requirement of this subsection with respect to any plan amendment, the provisions of the applicable pension plan shall be applied as if such plan amendment entitled all applicable individuals to the greater of—

“(i) the benefits to which they would have been entitled without regard to such amendment, or

“(ii) the benefits under the plan with regard to such amendment.

“(B) For purposes of subparagraph (A), there is an egregious failure to meet the requirements of this subsection if such failure is within the control of the plan sponsor and is—

“(i) an intentional failure (including any failure to promptly provide the required notice or information after the plan administrator discovers an unintentional failure to meet the requirements of this subsection),

“(ii) a failure to provide most of the individuals with most of the information they are entitled to receive under this subsection, or

“(iii) a failure which is determined to be egregious under regulations prescribed by the Secretary of the Treasury.

“(7) The Secretary of the Treasury may by regulations allow any notice under this subsection to be provided by using new technologies.

“(8) For purposes of this subsection—

“(A) The term ‘applicable individual’ means, with respect to any plan amendment—

“(i) each participant in the plan; and

“(ii) any beneficiary who is an alternate payee (within the meaning of section 206(d)(3)(K)) under an applicable qualified domestic relations order (within the meaning of section 206(d)(3)(B)(i)),

whose rate of future benefit accrual under the plan may reasonably be expected to be significantly reduced by such plan amendment.

“(B) The term ‘applicable pension plan’ means—

“(i) any defined benefit plan; or

“(ii) an individual account plan which is subject to the funding standards of section 412 of the Internal Revenue Code of 1986.

“(9) For purposes of this subsection, a plan amendment which eliminates or significantly reduces any early retirement benefit or retirement-type subsidy (within the meaning of subsection (g)(2)(A)) shall be treated as having the effect of significantly reducing the rate of future benefit accrual.”.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan amendments taking effect on or after the date of the enactment of this Act.

PUBLIC LAW 107-16—JUNE 7, 2001

(2) TRANSITION.—Until such time as the Secretary of the Treasury issues regulations under sections 4980F(e)(2) and (3) of the Internal Revenue Code of 1986, and section 204(h) of the Employee Retirement Income Security Act of 1974, as added by the amendments made by this section, a plan shall be treated as meeting the requirements of such sections if it makes a good faith effort to comply with such requirements.

(3) SPECIAL NOTICE RULE.—

(A) IN GENERAL.—The period for providing any notice required by the amendments made by this section shall not end before the date which is 3 months after the date of the enactment of this Act.

(B) REASONABLE NOTICE.—The amendments made by this section shall not apply to any plan amendment taking effect on or after the date of the enactment of this Act if, before April 25, 2001, notice was provided to participants and beneficiaries adversely affected by the plan amendment (or their representatives) which was reasonably expected to notify them of the nature and effective date of the plan amendment.

Subtitle F—Reducing Regulatory Burdens

SEC. 661. MODIFICATION OF TIMING OF PLAN VALUATIONS.

(a) IN GENERAL.—Paragraph (9) of section 412(c) (relating to annual valuation) is amended to read as follows: 26 USC 412.

“(9) ANNUAL VALUATION.—

“(A) IN GENERAL.—For purposes of this section, a determination of experience gains and losses and a valuation of the plan’s liability shall be made not less frequently than once every year, except that such determination shall be made more frequently to the extent required in particular cases under regulations prescribed by the Secretary.

“(B) VALUATION DATE.—

“(i) CURRENT YEAR.—Except as provided in clause (ii), the valuation referred to in subparagraph (A) shall be made as of a date within the plan year to which the valuation refers or within one month prior to the beginning of such year.

“(ii) USE OF PRIOR YEAR VALUATION.—The valuation referred to in subparagraph (A) may be made as of a date within the plan year prior to the year to which the valuation refers if, as of such date, the value of the assets of the plan are not less than 125 percent of the plan’s current liability (as defined in paragraph (7)(B)).

“(iii) ADJUSTMENTS.—Information under clause (ii) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.”.

(b) AMENDMENT OF ERISA.—Paragraph (9) of section 302(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(c)) is amended— 29 USC 1082.

(1) by inserting “(A)” after “(9)”, and

(2) by adding at the end the following:

“(B)(i) Except as provided in clause (ii), the valuation referred to in subparagraph (A) shall be made as of a date within the plan year to which the valuation refers or within one month prior to the beginning of such year.

“(ii) The valuation referred to in subparagraph (A) may be made as of a date within the plan year prior to the year to which the valuation refers if, as of such date, the value of the assets of the plan are not less than 125 percent of the plan’s current liability (as defined in paragraph (7)(B)).

PUBLIC LAW 107-16—JUNE 7, 2001

“(iii) Information under clause (ii) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.”

Applicability.
26 USC 412 note.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

SEC. 662. ESOP DIVIDENDS MAY BE REINVESTED WITHOUT LOSS OF DIVIDEND DEDUCTION.

(a) **IN GENERAL.**—Section 404(k)(2)(A) (defining applicable dividends) is amended by striking “or” at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

“(iii) is, at the election of such participants or their beneficiaries—

“(I) payable as provided in clause (i) or (ii),

or

“(II) paid to the plan and reinvested in qualifying employer securities, or”.

(b) **STANDARDS FOR DISALLOWANCE.**—Section 404(k)(5)(A) (relating to disallowance of deduction) is amended by inserting “avoidance or” before “evasion”.

Applicability.
26 USC 404 note.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 663. REPEAL OF TRANSITION RULE RELATING TO CERTAIN HIGHLY COMPENSATED EMPLOYEES.

26 USC 414 note.

(a) **IN GENERAL.**—Paragraph (4) of section 1114(c) of the Tax Reform Act of 1986 is hereby repealed.

Applicability.
26 USC 414 note.

(b) **EFFECTIVE DATE.**—The repeal made by subsection (a) shall apply to plan years beginning after December 31, 2001.

SEC. 664. EMPLOYEES OF TAX-EXEMPT ENTITIES.

(a) **IN GENERAL.**—The Secretary of the Treasury shall modify Treasury Regulations section 1.410(b)-6(g) to provide that employees of an organization described in section 403(b)(1)(A)(i) of the Internal Revenue Code of 1986 who are eligible to make contributions under section 403(b) of such Code pursuant to a salary reduction agreement may be treated as excludable with respect to a plan under section 401(k) or (m) of such Code that is provided under the same general arrangement as a plan under such section 401(k), if—

(1) no employee of an organization described in section 403(b)(1)(A)(i) of such Code is eligible to participate in such section 401(k) plan or section 401(m) plan; and

(2) 95 percent of the employees who are not employees of an organization described in section 403(b)(1)(A)(i) of such Code are eligible to participate in such plan under such section 401(k) or (m).

(b) **EFFECTIVE DATE.**—The modification required by subsection (a) shall apply as of the same date set forth in section 1426(b) of the Small Business Job Protection Act of 1996.

SEC. 665. CLARIFICATION OF TREATMENT OF EMPLOYER-PROVIDED RETIREMENT ADVICE.

(a) **IN GENERAL.**—Subsection (a) of section 132 (relating to exclusion from gross income) is amended by striking “or” at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting “, or”, and by adding at the end the following new paragraph:

“(7) qualified retirement planning services.”.

(b) **QUALIFIED RETIREMENT PLANNING SERVICES DEFINED.**—Section 132 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following:

“(m) **QUALIFIED RETIREMENT PLANNING SERVICES.**—

“(1) **IN GENERAL.**—For purposes of this section, the term ‘qualified retirement planning services’ means any retirement

PUBLIC LAW 107-16—JUNE 7, 2001

planning advice or information provided to an employee and his spouse by an employer maintaining a qualified employer plan.

“(2) NONDISCRIMINATION RULE.—Subsection (a)(7) shall apply in the case of highly compensated employees only if such services are available on substantially the same terms to each member of the group of employees normally provided education and information regarding the employer’s qualified employer plan.

“(3) QUALIFIED EMPLOYER PLAN.—For purposes of this subsection, the term ‘qualified employer plan’ means a plan, contract, pension, or account described in section 219(g)(5).”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 132 note.

SEC. 666. REPEAL OF THE MULTIPLE USE TEST.

(a) IN GENERAL.—Paragraph (9) of section 401(m) is amended to read as follows:

“(9) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and subsection (k), including regulations permitting appropriate aggregation of plans and contributions.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 2001.

Applicability.
26 USC 401 note.

Subtitle G—Miscellaneous Provisions**SEC. 671. TAX TREATMENT AND INFORMATION REQUIREMENTS OF ALASKA NATIVE SETTLEMENT TRUSTS.**

(a) TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.—Subpart A of part I of subchapter J of chapter 1 (relating to general rules for taxation of trusts and estates) is amended by adding at the end the following new section:

“SEC. 646. TAX TREATMENT OF ELECTING ALASKA NATIVE SETTLEMENT TRUSTS.

“(a) IN GENERAL.—If an election under this section is in effect with respect to any Settlement Trust, the provisions of this section shall apply in determining the income tax treatment of the Settlement Trust and its beneficiaries with respect to the Settlement Trust.

“(b) TAXATION OF INCOME OF TRUST.—Except as provided in subsection (f)(1)(B)(ii)—

“(1) IN GENERAL.—There is hereby imposed on the taxable income of an electing Settlement Trust, other than its net capital gain, a tax at the lowest rate specified in section 1(c).

“(2) CAPITAL GAIN.—In the case of an electing Settlement Trust with a net capital gain for the taxable year, a tax is hereby imposed on such gain at the rate of tax which would apply to such gain if the taxpayer were subject to a tax on its other taxable income at only the lowest rate specified in section 1(c).

Any such tax shall be in lieu of the income tax otherwise imposed by this chapter on such income or gain.

“(c) ONE-TIME ELECTION.—

“(1) IN GENERAL.—A Settlement Trust may elect to have the provisions of this section apply to the trust and its beneficiaries.

“(2) TIME AND METHOD OF ELECTION.—An election under paragraph (1) shall be made by the trustee of such trust—

“(A) on or before the due date (including extensions) for filing the Settlement Trust’s return of tax for the first taxable year of such trust ending after the date of the enactment of this section, and

PUBLIC LAW 107-16—JUNE 7, 2001

“(B) by attaching to such return of tax a statement specifically providing for such election.

“(3) PERIOD ELECTION IN EFFECT.—Except as provided in subsection (f), an election under this subsection—

“(A) shall apply to the first taxable year described in paragraph (2)(A) and all subsequent taxable years, and

“(B) may not be revoked once it is made.

“(d) CONTRIBUTIONS TO TRUST.—

“(1) BENEFICIARIES OF ELECTING TRUST NOT TAXED ON CONTRIBUTIONS.—In the case of an electing Settlement Trust, no amount shall be includible in the gross income of a beneficiary of such trust by reason of a contribution to such trust.

“(2) EARNINGS AND PROFITS.—The earnings and profits of the sponsoring Native Corporation shall not be reduced on account of any contribution to such Settlement Trust.

“(e) TAX TREATMENT OF DISTRIBUTIONS TO BENEFICIARIES.—Amounts distributed by an electing Settlement Trust during any taxable year shall be considered as having the following characteristics in the hands of the recipient beneficiary:

“(1) First, as amounts excludable from gross income for the taxable year to the extent of the taxable income of such trust for such taxable year (decreased by any income tax paid by the trust with respect to the income) plus any amount excluded from gross income of the trust under section 103.

“(2) Second, as amounts excludable from gross income to the extent of the amount described in paragraph (1) for all taxable years for which an election is in effect under subsection (c) with respect to the trust, and not previously taken into account under paragraph (1).

“(3) Third, as amounts distributed by the sponsoring Native Corporation with respect to its stock (within the meaning of section 301(a)) during such taxable year and taxable to the recipient beneficiary as amounts described in section 301(c)(1), to the extent of current or accumulated earnings and profits of the sponsoring Native Corporation as of the close of such taxable year after proper adjustment is made for all distributions made by the sponsoring Native Corporation during such taxable year.

“(4) Fourth, as amounts distributed by the trust in excess of the distributable net income of such trust for such taxable year.

Amounts distributed to which paragraph (3) applies shall not be treated as a corporate distribution subject to section 311(b), and for purposes of determining the amount of a distribution for purposes of paragraph (3) and the basis to the recipients, section 643(e) and not section 301 (b) or (d) shall apply.

“(f) SPECIAL RULES WHERE TRANSFER RESTRICTIONS MODIFIED.—

“(1) TRANSFER OF BENEFICIAL INTERESTS.—If, at any time, a beneficial interest in an electing Settlement Trust may be disposed of to a person in a manner which would not be permitted by section 7(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(h)) if such interest were Settlement Common Stock—

“(A) no election may be made under subsection (c) with respect to such trust, and

“(B) if such an election is in effect as of such time—

“(i) such election shall cease to apply as of the first day of the taxable year in which such disposition is first permitted,

“(ii) the provisions of this section shall not apply to such trust for such taxable year and all taxable years thereafter, and

“(iii) the distributable net income of such trust shall be increased by the current or accumulated earn-

PUBLIC LAW 107-16—JUNE 7, 2001

ings and profits of the sponsoring Native Corporation as of the close of such taxable year after proper adjustment is made for all distributions made by the sponsoring Native Corporation during such taxable year.

In no event shall the increase under clause (iii) exceed the fair market value of the trust's assets as of the date the beneficial interest of the trust first becomes so disposable. The earnings and profits of the sponsoring Native Corporation shall be adjusted as of the last day of such taxable year by the amount of earnings and profits so included in the distributable net income of the trust.

“(2) STOCK IN CORPORATION.—If—

“(A) stock in the sponsoring Native Corporation may be disposed of to a person in a manner which would not be permitted by section 7(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(h)) if such stock were Settlement Common Stock, and

“(B) at any time after such disposition of stock is first permitted, such corporation transfers assets to a Settlement Trust,

paragraph (1)(B) shall be applied to such trust on and after the date of the transfer in the same manner as if the trust permitted dispositions of beneficial interests in the trust in a manner not permitted by such section 7(h).

“(3) CERTAIN DISTRIBUTIONS.—For purposes of this section, the surrender of an interest in a Native Corporation or an electing Settlement Trust in order to accomplish the whole or partial redemption of the interest of a shareholder or beneficiary in such corporation or trust, or to accomplish the whole or partial liquidation of such corporation or trust, shall be deemed to be a transfer permitted by section 7(h) of the Alaska Native Claims Settlement Act.

“(g) TAXABLE INCOME.—For purposes of this title, the taxable income of an electing Settlement Trust shall be determined under section 641(b) without regard to any deduction under section 651 or 661.

“(h) DEFINITIONS.—For purposes of this section—

“(1) ELECTING SETTLEMENT TRUST.—The term ‘electing Settlement Trust’ means a Settlement Trust which has made the election, effective for a taxable year, described in subsection (c).

“(2) NATIVE CORPORATION.—The term ‘Native Corporation’ has the meaning given such term by section 3(m) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)).

“(3) SETTLEMENT COMMON STOCK.—The term ‘Settlement Common Stock’ has the meaning given such term by section 3(p) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(p)).

“(4) SETTLEMENT TRUST.—The term ‘Settlement Trust’ means a trust that constitutes a settlement trust under section 3(t) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(t)).

“(5) SPONSORING NATIVE CORPORATION.—The term ‘sponsoring Native Corporation’ means the Native Corporation which transfers assets to an electing Settlement Trust.

“(i) SPECIAL LOSS DISALLOWANCE RULE.—Any loss that would otherwise be recognized by a shareholder upon a disposition of a share of stock of a sponsoring Native Corporation shall be reduced (but not below zero) by the per share loss adjustment factor. The per share loss adjustment factor shall be the aggregate of all contributions to all electing Settlement Trusts sponsored by such Native Corporation made on or after the first day each trust is treated as an electing Settlement Trust expressed on a per share basis and determined as of the day of each such contribution.

PUBLIC LAW 107-16—JUNE 7, 2001

“(j) CROSS REFERENCE.—

“For information required with respect to electing Settlement Trusts and sponsoring Native Corporations, see section 6039H.”.

(b) REPORTING.—Subpart A of part III of subchapter A of chapter 61 of subtitle F (relating to information concerning persons subject to special provisions) is amended by inserting after section 6039G the following new section:

“SEC. 6039H. INFORMATION WITH RESPECT TO ALASKA NATIVE SETTLEMENT TRUSTS AND SPONSORING NATIVE CORPORATIONS.

“(a) REQUIREMENT.—The fiduciary of an electing Settlement Trust (as defined in section 646(h)(1)) shall include with the return of income of the trust a statement containing the information required under subsection (c).

“(b) APPLICATION WITH OTHER REQUIREMENTS.—The filing of any statement under this section shall be in lieu of the reporting requirements under section 6034A to furnish any statement to a beneficiary regarding amounts distributed to such beneficiary (and such other reporting rules as the Secretary deems appropriate).

“(c) REQUIRED INFORMATION.—The information required under this subsection shall include—

“(1) the amount of distributions made during the taxable year to each beneficiary,

“(2) the treatment of such distribution under the applicable provision of section 646, including the amount that is excludable from the recipient beneficiary’s gross income under section 646, and

“(3) the amount (if any) of any distribution during such year that is deemed to have been made by the sponsoring Native Corporation (as defined in section 646(h)(5)).

“(d) SPONSORING NATIVE CORPORATION.—

“(1) IN GENERAL.—The electing Settlement Trust shall, on or before the date on which the statement under subsection (a) is required to be filed, furnish such statement to the sponsoring Native Corporation (as so defined).

“(2) DISTRIBUTEES.—The sponsoring Native Corporation shall furnish each recipient of a distribution described in section 646(e)(3) a statement containing the amount deemed to have been distributed to such recipient by such corporation for the taxable year.”.

(c) CLERICAL AMENDMENT.—

(1) The table of sections for subpart A of part I of subchapter J of chapter 1 of such Code is amended by adding at the end the following new item:

“Sec. 646. Tax treatment of electing Alaska Native Settlement Trusts.”.

(2) The table of sections for subpart A of part III of subchapter A of chapter 61 of subtitle F of such Code is amended by inserting after the item relating to section 6039G the following new item:

“Sec. 6039H. Information with respect to Alaska Native Settlement Trusts and sponsoring Native Corporations.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act and to contributions made to electing Settlement Trusts for such year or any subsequent year.

Applicability.
26 USC 646 note.

TITLE VII—ALTERNATIVE MINIMUM TAX

SEC. 701. INCREASE IN ALTERNATIVE MINIMUM TAX EXEMPTION.

(a) IN GENERAL.—

PUBLIC LAW 107-16—JUNE 7, 2001

(1) Subparagraph (A) of section 55(d)(1) (relating to exemption amount for taxpayers other than corporations) is amended by striking “\$45,000” and inserting “\$45,000 (\$49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)”.

(2) Subparagraph (B) of section 55(d)(1) (relating to exemption amount for taxpayers other than corporations) is amended by striking “\$33,750” and inserting “\$33,750 (\$35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)”.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 55(d) is amended by striking “and” at the end of subparagraph (B), by striking subparagraph (C), and by inserting after subparagraph (B) the following new subparagraphs:

“(C) 50 percent of the dollar amount applicable under paragraph (1)(A) in the case of a married individual who files a separate return, and

“(D) \$22,500 in the case of an estate or trust.”

(2) Subparagraph (C) of section 55(d)(3) is amended by striking “paragraph (1)(C)” and inserting “subparagraph (C) or (D) of paragraph (1)”.

(3) The last sentence of section 55(d)(3) is amended—

(A) by striking “paragraph (1)(C)(i)” and inserting “paragraph (1)(C)”; and

(B) by striking “\$165,000 or (ii) \$22,500” and inserting “the minimum amount of such income (as so determined) for which the exemption amount under paragraph (1)(C) is zero, or (ii) such exemption amount (determined without regard to this paragraph)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

Applicability.
26 USC 55 note.

TITLE VIII—OTHER PROVISIONS

SEC. 801. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

26 USC 6655
note.

Notwithstanding section 6655 of the Internal Revenue Code of 1986—

(1) 100 percent of the amount of any required installment of corporate estimated tax which is otherwise due in September 2001 shall not be due until October 1, 2001; and

(2) 20 percent of the amount of any required installment of corporate estimated tax which is otherwise due in September 2004 shall not be due until October 1, 2004.

SEC. 802. EXPANSION OF AUTHORITY TO POSTPONE CERTAIN TAX-RELATED DEADLINES BY REASON OF PRESIDENTIALLY DECLARED DISASTER.

(a) IN GENERAL.—Section 7508A(a) (relating to authority to postpone certain tax-related deadlines by reason of presidentially declared disaster) is amended by striking “90 days” and inserting “120 days”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

26 USC 7508A
note.

SEC. 803. NO FEDERAL INCOME TAX ON RESTITUTION RECEIVED BY VICTIMS OF THE NAZI REGIME OR THEIR HEIRS OR ESTATES.

26 USC note
prec. 101.

(a) IN GENERAL.—For purposes of the Internal Revenue Code of 1986, any excludable restitution payments received by an eligible individual (or the individual’s heirs or estate) and any excludable interest—

(1) shall not be included in gross income; and

(2) shall not be taken into account for purposes of applying any provision of such Code which takes into account excludable

PUBLIC LAW 107-16—JUNE 7, 2001

income in computing adjusted gross income, including section 86 of such Code (relating to taxation of Social Security benefits). For purposes of such Code, the basis of any property received by an eligible individual (or the individual's heirs or estate) as part of an excludable restitution payment shall be the fair market value of such property as of the time of the receipt.

(b) **ELIGIBLE INDIVIDUAL.**—For purposes of this section, the term “eligible individual” means a person who was persecuted on the basis of race, religion, physical or mental disability, or sexual orientation by Nazi Germany, any other Axis regime, or any other Nazi-controlled or Nazi-allied country.

(c) **EXCLUDABLE RESTITUTION PAYMENT.**—For purposes of this section, the term “excludable restitution payment” means any payment or distribution to an individual (or the individual's heirs or estate) which—

(1) is payable by reason of the individual's status as an eligible individual, including any amount payable by any foreign country, the United States of America, or any other foreign or domestic entity, or a fund established by any such country or entity, any amount payable as a result of a final resolution of a legal action, and any amount payable under a law providing for payments or restitution of property;

(2) constitutes the direct or indirect return of, or compensation or reparation for, assets stolen or hidden from, or otherwise lost to, the individual before, during, or immediately after World War II by reason of the individual's status as an eligible individual, including any proceeds of insurance under policies issued on eligible individuals by European insurance companies immediately before and during World War II; or

(3) consists of interest which is payable as part of any payment or distribution described in paragraph (1) or (2).

(d) **EXCLUDABLE INTEREST.**—For purposes of this section, the term “excludable interest” means any interest earned by—

(1) escrow accounts or settlement funds established pursuant to the settlement of the action entitled “In re: Holocaust Victim Assets Litigation,” (E.D.N.Y.) C.A. No. 96-4849,

(2) funds to benefit eligible individuals or their heirs created by the International Commission on Holocaust Insurance Claims as a result of the Agreement between the Government of the United States of America and the Government of the Federal Republic of Germany concerning the Foundation “Remembrance, Responsibility, and Future,” dated July 17, 2000, or

(3) similar funds subject to the administration of the United States courts created to provide excludable restitution payments to eligible individuals (or eligible individuals' heirs or estates).

(e) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—This section shall apply to any amount received on or after January 1, 2000.

(2) **NO INFERENCE.**—Nothing in this Act shall be construed to create any inference with respect to the proper tax treatment of any amount received before January 1, 2000.

TITLE IX—COMPLIANCE WITH CONGRESSIONAL BUDGET ACT

26 USC 1 note.

SEC. 901. SUNSET OF PROVISIONS OF ACT.

(a) **IN GENERAL.**—All provisions of, and amendments made by, this Act shall not apply—

(1) to taxable, plan, or limitation years beginning after December 31, 2010, or

PUBLIC LAW 107-16—JUNE 7, 2001

(2) in the case of title V, to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010.

(b) APPLICATION OF CERTAIN LAWS.—The Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 shall be applied and administered to years, estates, gifts, and transfers described in subsection (a) as if the provisions and amendments described in subsection (a) had never been enacted.

Approved June 7, 2001.

LEGISLATIVE HISTORY—H.R. 1836:

HOUSE REPORTS: No. 107-84 (Comm. of Conference).

CONGRESSIONAL RECORD, Vol. 147 (2001):

May 16, considered and passed House.

May 17, 21-23, considered and passed Senate, amended.

May 25, House agreed to conference report.

May 26, Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

June 7, Presidential remarks.

REVENUE ACTS

PUBLIC LAW 107-134—JAN. 23, 2002

Public Law 107-134
107th Congress

An Act

Jan. 23, 2002
[H.R. 2884]

To amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*Victims of
Terrorism Tax
Relief Act of
2001.
26 USC 1 note.**SECTION 1. SHORT TITLE; ETC.**(a) **SHORT TITLE.**—This Act may be cited as the “Victims of Terrorism Tax Relief Act of 2001”.(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.(c) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—VICTIMS OF TERRORISM TAX RELIEF**Subtitle A—Relief Provisions for Victims of Terrorist Attacks**

Sec. 101. Income taxes of victims of terrorist attacks.

Sec. 102. Exclusion of certain death benefits.

Sec. 103. Estate tax reduction.

Sec. 104. Payments by charitable organizations treated as exempt payments.

Sec. 105. Exclusion of certain cancellations of indebtedness.

Subtitle B—Other Relief Provisions

Sec. 111. Exclusion for disaster relief payments.

Sec. 112. Authority to postpone certain deadlines and required actions.

Sec. 113. Application of certain provisions to terroristic or military actions.

Sec. 114. Clarification of due date for airline excise tax deposits.

Sec. 115. Treatment of certain structured settlement payments.

Sec. 116. Personal exemption deduction for certain disability trusts.

TITLE II—DISCLOSURE OF TAX INFORMATION IN TERRORISM AND NATIONAL SECURITY INVESTIGATIONS

Sec. 201. Disclosure of tax information in terrorism and national security investigations.

TITLE III—NO IMPACT ON SOCIAL SECURITY TRUST FUNDS

Sec. 301. No impact on social security trust funds.

TITLE I—VICTIMS OF TERRORISM TAX RELIEF**Subtitle A—Relief Provisions for Victims of Terrorist Attacks****SEC. 101. INCOME TAXES OF VICTIMS OF TERRORIST ATTACKS.**

26 USC 692.

(a) **IN GENERAL.**—Section 692 (relating to income taxes of members of Armed Forces on death) is amended by adding at the end the following new subsection:“(d) **INDIVIDUALS DYING AS A RESULT OF CERTAIN ATTACKS.**—“(1) **IN GENERAL.**—In the case of a specified terrorist victim, any tax imposed by this chapter shall not apply—

“(A) with respect to the taxable year in which falls the date of death, and

PUBLIC LAW 107-134—JAN. 23, 2002

“(B) with respect to any prior taxable year in the period beginning with the last taxable year ending before the taxable year in which the wounds, injury, or illness referred to in paragraph (3) were incurred.

“(2) \$10,000 MINIMUM BENEFIT.—If, but for this paragraph, the amount of tax not imposed by paragraph (1) with respect to a specified terrorist victim is less than \$10,000, then such victim shall be treated as having made a payment against the tax imposed by this chapter for such victim’s last taxable year in an amount equal to the excess of \$10,000 over the amount of tax not so imposed.

“(3) TAXATION OF CERTAIN BENEFITS.—Subject to such rules as the Secretary may prescribe, paragraph (1) shall not apply to the amount of any tax imposed by this chapter which would be computed by only taking into account the items of income, gain, or other amounts attributable to—

“(A) deferred compensation which would have been payable after death if the individual had died other than as a specified terrorist victim, or

“(B) amounts payable in the taxable year which would not have been payable in such taxable year but for an action taken after September 11, 2001.

“(4) SPECIFIED TERRORIST VICTIM.—For purposes of this subsection, the term ‘specified terrorist victim’ means any decedent—

“(A) who dies as a result of wounds or injury incurred as a result of the terrorist attacks against the United States on April 19, 1995, or September 11, 2001, or

“(B) who dies as a result of illness incurred as a result of an attack involving anthrax occurring on or after September 11, 2001, and before January 1, 2002.

Such term shall not include any individual identified by the Attorney General to have been a participant or conspirator in any such attack or a representative of such an individual.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 5(b)(1) is amended by inserting “and victims of certain terrorist attacks” before “on death”.

(2) Section 6013(f)(2)(B) is amended by inserting “and victims of certain terrorist attacks” before “on death”.

(c) CLERICAL AMENDMENTS.—

(1) The heading of section 692 is amended to read as follows: 26 USC 692.

“SEC. 692. INCOME TAXES OF MEMBERS OF ARMED FORCES AND VICTIMS OF CERTAIN TERRORIST ATTACKS ON DEATH.”.

(2) The item relating to section 692 in the table of sections for part II of subchapter J of chapter 1 is amended to read as follows:

“Sec. 692. Income taxes of members of Armed Forces and victims of certain terrorist attacks on death.”.

(d) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending before, on, or after September 11, 2001.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendments made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

26 USC 692 note.
Applicability.

PUBLIC LAW 107-134—JAN. 23, 2002

SEC. 102. EXCLUSION OF CERTAIN DEATH BENEFITS.

(a) IN GENERAL.—Section 101 (relating to certain death benefits) is amended by adding at the end the following new subsection:

“(i) CERTAIN EMPLOYEE DEATH BENEFITS PAYABLE BY REASON OF DEATH OF CERTAIN TERRORIST VICTIMS.—

“(1) IN GENERAL.—Gross income does not include amounts (whether in a single sum or otherwise) paid by an employer by reason of the death of an employee who is a specified terrorist victim (as defined in section 692(d)(4)).

“(2) LIMITATION.—

“(A) IN GENERAL.—Subject to such rules as the Secretary may prescribe, paragraph (1) shall not apply to amounts which would have been payable after death if the individual had died other than as a specified terrorist victim (as so defined).

“(B) EXCEPTION.—Subparagraph (A) shall not apply to incidental death benefits paid from a plan described in section 401(a) and exempt from tax under section 501(a).

“(3) TREATMENT OF SELF-EMPLOYED INDIVIDUALS.—For purposes of paragraph (1), the term ‘employee’ includes a self-employed individual (as defined in section 401(c)(1)).”.

(b) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending before, on, or after September 11, 2001.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendments made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

26 USC 101 note.
Applicability.

SEC. 103. ESTATE TAX REDUCTION.

(a) IN GENERAL.—Section 2201 is amended to read as follows:

“SEC. 2201. COMBAT ZONE-RELATED DEATHS OF MEMBERS OF THE ARMED FORCES AND DEATHS OF VICTIMS OF CERTAIN TERRORIST ATTACKS.

“(a) IN GENERAL.—Unless the executor elects not to have this section apply, in applying sections 2001 and 2101 to the estate of a qualified decedent, the rate schedule set forth in subsection (c) shall be deemed to be the rate schedule set forth in section 2001(c).

“(b) QUALIFIED DECEDENT.—For purposes of this section, the term ‘qualified decedent’ means—

“(1) any citizen or resident of the United States dying while in active service of the Armed Forces of the United States, if such decedent—

“(A) was killed in action while serving in a combat zone, as determined under section 112(c), or

“(B) died as a result of wounds, disease, or injury suffered while serving in a combat zone (as determined under section 112(c)), and while in the line of duty, by reason of a hazard to which such decedent was subjected as an incident of such service, and

“(2) any specified terrorist victim (as defined in section 692(d)(4)).

“(c) RATE SCHEDULE.—

26 USC 2201.

“If the amount with respect to which the tentative tax to be computed is:

Not over \$150,000 1 percent of the amount by which such amount exceeds \$100,000.

PUBLIC LAW 107-134—JAN. 23, 2002

| “If the amount with respect to which the tentative tax to be computed is: | The tentative tax is: |
|--|--|
| Over \$150,000 but not over \$200,000 | \$500 plus 2 percent of the excess over \$150,000. |
| Over \$200,000 but not over \$300,000 | \$1,500 plus 3 percent of the excess over \$200,000. |
| Over \$300,000 but not over \$500,000 | \$4,500 plus 4 percent of the excess over \$300,000. |
| Over \$500,000 but not over \$700,000 | \$12,500 plus 5 percent of the excess over \$500,000. |
| Over \$700,000 but not over \$900,000 | \$22,500 plus 6 percent of the excess over \$700,000. |
| Over \$900,000 but not over \$1,100,000 | \$34,500 plus 7 percent of the excess over \$900,000. |
| Over \$1,100,000 but not over \$1,600,000 | \$48,500 plus 8 percent of the excess over \$1,100,000. |
| Over \$1,600,000 but not over \$2,100,000 | \$88,500 plus 9 percent of the excess over \$1,600,000. |
| Over \$2,100,000 but not over \$2,600,000 | \$133,500 plus 10 percent of the excess over \$2,100,000. |
| Over \$2,600,000 but not over \$3,100,000 | \$183,500 plus 11 percent of the excess over \$2,600,000. |
| Over \$3,100,000 but not over \$3,600,000 | \$238,500 plus 12 percent of the excess over \$3,100,000. |
| Over \$3,600,000 but not over \$4,100,000 | \$298,500 plus 13 percent of the excess over \$3,600,000. |
| Over \$4,100,000 but not over \$5,100,000 | \$363,500 plus 14 percent of the excess over \$4,100,000. |
| Over \$5,100,000 but not over \$6,100,000 | \$503,500 plus 15 percent of the excess over \$5,100,000. |
| Over \$6,100,000 but not over \$7,100,000 | \$653,500 plus 16 percent of the excess over \$6,100,000. |
| Over \$7,100,000 but not over \$8,100,000 | \$813,500 plus 17 percent of the excess over \$7,100,000. |
| Over \$8,100,000 but not over \$9,100,000 | \$983,500 plus 18 percent of the excess over \$8,100,000. |
| Over \$9,100,000 but not over \$10,100,000 | \$1,163,500 plus 19 percent of the excess over \$9,100,000. |
| Over \$10,100,000 | \$1,353,500 plus 20 percent of the excess over \$10,100,000. |

“(d) DETERMINATION OF UNIFIED CREDIT.—In the case of an estate to which this section applies, subsection (a) shall not apply in determining the credit under section 2010.”

26 USC 2011.

(b) CONFORMING AMENDMENTS.—

(1) Section 2011 is amended by striking subsection (d) and by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(2) Section 2053(d)(3)(B) is amended by striking “section 2011(e)” and inserting “section 2011(d)”.

Ante, p. 75.

(3) Paragraph (9) of section 532(c) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(c) CLERICAL AMENDMENT.—The item relating to section 2201 in the table of sections for subchapter C of chapter 11 is amended to read as follows:

“Sec. 2201. Combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks.”

26 USC 2011 note. Applicability.

(d) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents—

(A) dying on or after September 11, 2001; and

(B) in the case of individuals dying as a result of the April 19, 1995, terrorist attack, dying on or after April 19, 1995.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendments made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

PUBLIC LAW 107-134—JAN. 23, 2002

26 USC 501 note. **SEC. 104. PAYMENTS BY CHARITABLE ORGANIZATIONS TREATED AS EXEMPT PAYMENTS.**

(a) IN GENERAL.—For purposes of the Internal Revenue Code of 1986—

Anthrax.

(1) payments made by an organization described in section 501(c)(3) of such Code by reason of the death, injury, wounding, or illness of an individual incurred as the result of the terrorist attacks against the United States on September 11, 2001, or an attack involving anthrax occurring on or after September 11, 2001, and before January 1, 2002, shall be treated as related to the purpose or function constituting the basis for such organization's exemption under section 501 of such Code if such payments are made in good faith using a reasonable and objective formula which is consistently applied; and

(2) in the case of a private foundation (as defined in section 509 of such Code), any payment described in paragraph (1) shall not be treated as made to a disqualified person for purposes of section 4941 of such Code.

Applicability.

(b) EFFECTIVE DATE.—This section shall apply to payments made on or after September 11, 2001.

26 USC 108 note. **SEC. 105. EXCLUSION OF CERTAIN CANCELLATIONS OF INDEBTEDNESS.**

(a) IN GENERAL.—For purposes of the Internal Revenue Code of 1986—

Anthrax.

(1) gross income shall not include any amount which (but for this section) would be includible in gross income by reason of the discharge (in whole or in part) of indebtedness of any taxpayer if the discharge is by reason of the death of an individual incurred as the result of the terrorist attacks against the United States on September 11, 2001, or as the result of illness incurred as a result of an attack involving anthrax occurring on or after September 11, 2001, and before January 1, 2002; and

(2) return requirements under section 6050P of such Code shall not apply to any discharge described in paragraph (1).

Applicability.

(b) EFFECTIVE DATE.—This section shall apply to discharges made on or after September 11, 2001, and before January 1, 2002.

Subtitle B—Other Relief Provisions

SEC. 111. EXCLUSION FOR DISASTER RELIEF PAYMENTS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by redesignating section 139 as section 140 and inserting after section 138 the following new section:

“SEC. 139. DISASTER RELIEF PAYMENTS.

“(a) GENERAL RULE.—Gross income shall not include any amount received by an individual as a qualified disaster relief payment.

“(b) QUALIFIED DISASTER RELIEF PAYMENT DEFINED.—For purposes of this section, the term ‘qualified disaster relief payment’ means any amount paid to or for the benefit of an individual—

“(1) to reimburse or pay reasonable and necessary personal, family, living, or funeral expenses incurred as a result of a qualified disaster,

“(2) to reimburse or pay reasonable and necessary expenses incurred for the repair or rehabilitation of a personal residence or repair or replacement of its contents to the extent that the need for such repair, rehabilitation, or replacement is attributable to a qualified disaster,

“(3) by a person engaged in the furnishing or sale of transportation as a common carrier by reason of the death

PUBLIC LAW 107-134—JAN. 23, 2002

or personal physical injuries incurred as a result of a qualified disaster, or

“(4) if such amount is paid by a Federal, State, or local government, or agency or instrumentality thereof, in connection with a qualified disaster in order to promote the general welfare,

but only to the extent any expense compensated by such payment is not otherwise compensated for by insurance or otherwise.

“(c) QUALIFIED DISASTER DEFINED.—For purposes of this section, the term ‘qualified disaster’ means—

“(1) a disaster which results from a terroristic or military action (as defined in section 692(c)(2)),

“(2) a Presidentially declared disaster (as defined in section 1033(h)(3)),

“(3) a disaster which results from an accident involving a common carrier, or from any other event, which is determined by the Secretary to be of a catastrophic nature, or

“(4) with respect to amounts described in subsection (b)(4), a disaster which is determined by an applicable Federal, State, or local authority (as determined by the Secretary) to warrant assistance from the Federal, State, or local government or agency or instrumentality thereof.

“(d) COORDINATION WITH EMPLOYMENT TAXES.—For purposes of chapter 2 and subtitle C, a qualified disaster relief payment shall not be treated as net earnings from self-employment, wages, or compensation subject to tax.

“(e) NO RELIEF FOR CERTAIN INDIVIDUALS.—Subsections (a) and (f) shall not apply with respect to any individual identified by the Attorney General to have been a participant or conspirator in a terroristic action (as so defined), or a representative of such individual.

“(f) EXCLUSION OF CERTAIN ADDITIONAL PAYMENTS.—Gross income shall not include any amount received as payment under section 406 of the Air Transportation Safety and System Stabilization Act.”.

(b) CONFORMING AMENDMENTS.—The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 139 and inserting the following new items:

“Sec. 139. Disaster relief payments.

“Sec. 140. Cross references to other Acts.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 11, 2001.

Applicability.
26 USC 139 note.

SEC. 112. AUTHORITY TO POSTPONE CERTAIN DEADLINES AND REQUIRED ACTIONS.

(a) EXPANSION OF AUTHORITY RELATING TO DISASTERS AND TERRORISTIC OR MILITARY ACTIONS.—Section 7508A is amended to read as follows:

26 USC 7508A.

“SEC. 7508A. AUTHORITY TO POSTPONE CERTAIN DEADLINES BY REASON OF PRESIDENTIALLY DECLARED DISASTER OR TERRORISTIC OR MILITARY ACTIONS.

“(a) IN GENERAL.—In the case of a taxpayer determined by the Secretary to be affected by a Presidentially declared disaster (as defined in section 1033(h)(3)) or a terroristic or military action (as defined in section 692(c)(2)), the Secretary may specify a period of up to 1 year that may be disregarded in determining, under the internal revenue laws, in respect of any tax liability of such taxpayer—

“(1) whether any of the acts described in paragraph (1) of section 7508(a) were performed within the time prescribed therefor (determined without regard to extension under any other provision of this subtitle for periods after the date (determined by the Secretary) of such disaster or action),

PUBLIC LAW 107-134—JAN. 23, 2002

“(2) the amount of any interest, penalty, additional amount, or addition to the tax for periods after such date, and

“(3) the amount of any credit or refund.

“(b) SPECIAL RULES REGARDING PENSIONS, ETC.—In the case of a pension or other employee benefit plan, or any sponsor, administrator, participant, beneficiary, or other person with respect to such plan, affected by a disaster or action described in subsection (a), the Secretary may specify a period of up to 1 year which may be disregarded in determining the date by which any action is required or permitted to be completed under this title. No plan shall be treated as failing to be operated in accordance with the terms of the plan solely as the result of disregarding any period by reason of the preceding sentence.

Applicability.

“(c) SPECIAL RULES FOR OVERPAYMENTS.—The rules of section 7508(b) shall apply for purposes of this section.”.

26 USC 7508.

(b) CLARIFICATION OF SCOPE OF ACTS SECRETARY MAY POSTPONE.—Section 7508(a)(1)(K) (relating to time to be disregarded) is amended by striking “in regulations prescribed under this section”.

(c) CONFORMING AMENDMENTS TO ERISA.—

(1) Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131 et seq.) is amended by adding at the end the following new section:

29 USC 1148.

“SEC. 518. AUTHORITY TO POSTPONE CERTAIN DEADLINES BY REASON OF PRESIDENTIALLY DECLARED DISASTER OR TERRORISTIC OR MILITARY ACTIONS.

“In the case of a pension or other employee benefit plan, or any sponsor, administrator, participant, beneficiary, or other person with respect to such plan, affected by a Presidentially declared disaster (as defined in section 1033(h)(3) of the Internal Revenue Code of 1986) or a terroristic or military action (as defined in section 692(c)(2) of such Code), the Secretary may, notwithstanding any other provision of law, prescribe, by notice or otherwise, a period of up to 1 year which may be disregarded in determining the date by which any action is required or permitted to be completed under this Act. No plan shall be treated as failing to be operated in accordance with the terms of the plan solely as the result of disregarding any period by reason of the preceding sentence.”.

(2) Section 4002 of Employee Retirement Income Security Act of 1974 (29 U.S.C. 1302) is amended by adding at the end the following new subsection:

“(i) SPECIAL RULES REGARDING DISASTERS, ETC.—In the case of a pension or other employee benefit plan, or any sponsor, administrator, participant, beneficiary, or other person with respect to such plan, affected by a Presidentially declared disaster (as defined in section 1033(h)(3) of the Internal Revenue Code of 1986) or a terroristic or military action (as defined in section 692(c)(2) of such Code), the corporation may, notwithstanding any other provision of law, prescribe, by notice or otherwise, a period of up to 1 year which may be disregarded in determining the date by which any action is required or permitted to be completed under this Act. No plan shall be treated as failing to be operated in accordance with the terms of the plan solely as the result of disregarding any period by reason of the preceding sentence.”.

(d) ADDITIONAL CONFORMING AMENDMENTS.—

26 USC 6404.

(1) Section 6404 is amended—

(A) by striking subsection (h);

(B) by redesignating subsection (i) as subsection (h);

and

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

PUBLIC LAW 107-134—JAN. 23, 2002

“(i) CROSS REFERENCE.—

“For authority to suspend running of interest, etc. by reason of Presidentially declared disaster or terroristic or military action, see section 7508A.”.

(2) Section 6081(c) is amended to read as follows:

26 USC 6081.

“(c) CROSS REFERENCES.—

“For time for performing certain acts postponed by reason of war, see section 7508, and by reason of Presidentially declared disaster or terroristic or military action, see section 7508A.”.

(3) Section 6161(d) is amended by adding at the end the following new paragraph:

“(3) POSTPONEMENT OF CERTAIN ACTS.—

“For time for performing certain acts postponed by reason of war, see section 7508, and by reason of Presidentially declared disaster or terroristic or military action, see section 7508A.”.

(e) CLERICAL AMENDMENTS.—

(1) The item relating to section 7508A in the table of sections for chapter 77 is amended to read as follows:

“Sec. 7508A. Authority to postpone certain deadlines by reason of Presidentially declared disaster or terroristic or military actions.”.

(2) The table of contents for the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 517 the following new item:

“Sec. 518. Authority to postpone certain deadlines by reason of Presidentially declared disaster or terroristic or military actions.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to disasters and terroristic or military actions occurring on or after September 11, 2001, with respect to any action of the Secretary of the Treasury, the Secretary of Labor, or the Pension Benefit Guaranty Corporation occurring on or after the date of the enactment of this Act.

Applicability.
26 USC 6081
note.

SEC. 113. APPLICATION OF CERTAIN PROVISIONS TO TERRORISTIC OR MILITARY ACTIONS.

(a) DISABILITY INCOME.—Section 104(a)(5) (relating to compensation for injuries or sickness) is amended by striking “a violent attack” and all that follows through the period and inserting “a terroristic or military action (as defined in section 692(c)(2)).”.

(b) EXEMPTION FROM INCOME TAX FOR CERTAIN MILITARY OR CIVILIAN EMPLOYEES.—Section 692(c) is amended—

(1) by striking “outside the United States” in paragraph (1); and

(2) by striking “SUSTAINED OVERSEAS” in the heading.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 11, 2001.

Applicability.
26 USC 104 note.

SEC. 114. CLARIFICATION OF DUE DATE FOR AIRLINE EXCISE TAX DEPOSITS.

(a) IN GENERAL.—Paragraph (3) of section 301(a) of the Air Transportation Safety and System Stabilization Act (Public Law 107-42) is amended to read as follows:

“(3) AIRLINE-RELATED DEPOSIT.—For purposes of this subsection, the term ‘airline-related deposit’ means any deposit of taxes imposed by subchapter C of chapter 33 of such Code (relating to transportation by air).”.

49 USC 40101
note.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 301 of the Air Transportation Safety and System Stabilization Act (Public Law 107-42).

49 USC 40101
note.

PUBLIC LAW 107-134—JAN. 23, 2002

SEC. 115. TREATMENT OF CERTAIN STRUCTURED SETTLEMENT PAYMENTS.

(a) **IN GENERAL.**—Subtitle E is amended by adding at the end the following new chapter:

“CHAPTER 55—STRUCTURED SETTLEMENT FACTORING TRANSACTIONS

“Sec. 5891. Structured settlement factoring transactions.

“SEC. 5891. STRUCTURED SETTLEMENT FACTORING TRANSACTIONS.

“(a) **IMPOSITION OF TAX.**—There is hereby imposed on any person who acquires directly or indirectly structured settlement payment rights in a structured settlement factoring transaction a tax equal to 40 percent of the factoring discount as determined under subsection (c)(4) with respect to such factoring transaction.

“(b) **EXCEPTION FOR CERTAIN APPROVED TRANSACTIONS.**—

“(1) **IN GENERAL.**—The tax under subsection (a) shall not apply in the case of a structured settlement factoring transaction in which the transfer of structured settlement payment rights is approved in advance in a qualified order.

“(2) **QUALIFIED ORDER.**—For purposes of this section, the term ‘qualified order’ means a final order, judgment, or decree which—

“(A) finds that the transfer described in paragraph (1)—

“(i) does not contravene any Federal or State statute or the order of any court or responsible administrative authority, and

“(ii) is in the best interest of the payee, taking into account the welfare and support of the payee’s dependents, and

“(B) is issued—

“(i) under the authority of an applicable State statute by an applicable State court, or

“(ii) by the responsible administrative authority (if any) which has exclusive jurisdiction over the underlying action or proceeding which was resolved by means of the structured settlement.

“(3) **APPLICABLE STATE STATUTE.**—For purposes of this section, the term ‘applicable State statute’ means a statute providing for the entry of an order, judgment, or decree described in paragraph (2)(A) which is enacted by—

“(A) the State in which the payee of the structured settlement is domiciled, or

“(B) if there is no statute described in subparagraph (A), the State in which either the party to the structured settlement (including an assignee under a qualified assignment under section 130) or the person issuing the funding asset for the structured settlement is domiciled or has its principal place of business.

“(4) **APPLICABLE STATE COURT.**—For purposes of this section—

“(A) **IN GENERAL.**—The term ‘applicable State court’ means, with respect to any applicable State statute, a court of the State which enacted such statute.

“(B) **SPECIAL RULE.**—In the case of an applicable State statute described in paragraph (3)(B), such term also includes a court of the State in which the payee of the structured settlement is domiciled.

“(5) **QUALIFIED ORDER DISPOSITIVE.**—A qualified order shall be treated as dispositive for purposes of the exception under this subsection.

“(c) **DEFINITIONS.**—For purposes of this section—

PUBLIC LAW 107-134—JAN. 23, 2002

“(1) STRUCTURED SETTLEMENT.—The term ‘structured settlement’ means an arrangement—

“(A) which is established by—

“(i) suit or agreement for the periodic payment of damages excludable from the gross income of the recipient under section 104(a)(2), or

“(ii) agreement for the periodic payment of compensation under any workers’ compensation law excludable from the gross income of the recipient under section 104(a)(1), and

“(B) under which the periodic payments are—

“(i) of the character described in subparagraphs (A) and (B) of section 130(c)(2), and

“(ii) payable by a person who is a party to the suit or agreement or to the workers’ compensation claim or by a person who has assumed the liability for such periodic payments under a qualified assignment in accordance with section 130.

“(2) STRUCTURED SETTLEMENT PAYMENT RIGHTS.—The term ‘structured settlement payment rights’ means rights to receive payments under a structured settlement.

“(3) STRUCTURED SETTLEMENT FACTORING TRANSACTION.—

“(A) IN GENERAL.—The term ‘structured settlement factoring transaction’ means a transfer of structured settlement payment rights (including portions of structured settlement payments) made for consideration by means of sale, assignment, pledge, or other form of encumbrance or alienation for consideration.

“(B) EXCEPTION.—Such term shall not include—

“(i) the creation or perfection of a security interest in structured settlement payment rights under a blanket security agreement entered into with an insured depository institution in the absence of any action to redirect the structured settlement payments to such institution (or agent or successor thereof) or otherwise to enforce such blanket security interest as against the structured settlement payment rights, or

“(ii) a subsequent transfer of structured settlement payment rights acquired in a structured settlement factoring transaction.

“(4) FACTORING DISCOUNT.—The term ‘factoring discount’ means an amount equal to the excess of—

“(A) the aggregate undiscounted amount of structured settlement payments being acquired in the structured settlement factoring transaction, over

“(B) the total amount actually paid by the acquirer to the person from whom such structured settlement payments are acquired.

“(5) RESPONSIBLE ADMINISTRATIVE AUTHORITY.—The term ‘responsible administrative authority’ means the administrative authority which had jurisdiction over the underlying action or proceeding which was resolved by means of the structured settlement.

“(6) STATE.—The term ‘State’ includes the Commonwealth of Puerto Rico and any possession of the United States.

“(d) COORDINATION WITH OTHER PROVISIONS.—

“(1) IN GENERAL.—If the applicable requirements of sections 72, 104(a)(1), 104(a)(2), 130, and 461(h) were satisfied at the time the structured settlement involving structured settlement payment rights was entered into, the subsequent occurrence of a structured settlement factoring transaction shall not affect the application of the provisions of such sections to the parties to the structured settlement (including an assignee under a qualified assignment under section 130) in any taxable year.

PUBLIC LAW 107-134—JAN. 23, 2002

“(2) NO WITHHOLDING OF TAX.—The provisions of section 3405 regarding withholding of tax shall not apply to the person making the payments in the event of a structured settlement factoring transaction.”

(b) CLERICAL AMENDMENT.—The table of chapters for subtitle E is amended by adding at the end the following new item:

“Chapter 55. Structured settlement factoring transactions.”

26 USC 5891
note.
Applicability.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than the provisions of section 5891(d) of the Internal Revenue Code of 1986, as added by this section) shall apply to structured settlement factoring transactions (as defined in section 5891(c) of such Code (as so added)) entered into on or after the 30th day following the date of the enactment of this Act.

Applicability.

(2) CLARIFICATION OF EXISTING LAW.—Section 5891(d) of such Code (as so added) shall apply to structured settlement factoring transactions (as defined in section 5891(c) of such Code (as so added)) entered into before, on, or after such 30th day.

(3) TRANSITION RULE.—In the case of a structured settlement factoring transaction entered into during the period beginning on the 30th day following the date of the enactment of this Act and ending on July 1, 2002, no tax shall be imposed under section 5891(a) of such Code if—

(A) the structured settlement payee is domiciled in a State (or possession of the United States) which has not enacted a statute providing that the structured settlement factoring transaction is ineffective unless the transaction has been approved by an order, judgment, or decree of a court (or where applicable, a responsible administrative authority) which finds that such transaction—

(i) does not contravene any Federal or State statute or the order of any court (or responsible administrative authority); and

(ii) is in the best interest of the structured settlement payee or is appropriate in light of a hardship faced by the payee; and

(B) the person acquiring the structured settlement payment rights discloses to the structured settlement payee in advance of the structured settlement factoring transaction the amounts and due dates of the payments to be transferred, the aggregate amount to be transferred, the consideration to be received by the structured settlement payee for the transferred payments, the discounted present value of the transferred payments (including the present value as determined in the manner described in section 7520 of such Code), and the expenses required under the terms of the structured settlement factoring transaction to be paid by the structured settlement payee or deducted from the proceeds of such transaction.

SEC. 116. PERSONAL EXEMPTION DEDUCTION FOR CERTAIN DISABILITY TRUSTS.

26 USC 642.

(a) IN GENERAL.—Subsection (b) of section 642 (relating to deduction for personal exemption) is amended to read as follows:

“(b) DEDUCTION FOR PERSONAL EXEMPTION.—

“(1) ESTATES.—An estate shall be allowed a deduction of \$600.

“(2) TRUSTS.—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, a trust shall be allowed a deduction of \$100.

PUBLIC LAW 107-134—JAN. 23, 2002

“(B) TRUSTS DISTRIBUTING INCOME CURRENTLY.—A trust which, under its governing instrument, is required to distribute all of its income currently shall be allowed a deduction of \$300.

“(C) DISABILITY TRUSTS.—

“(i) IN GENERAL.—A qualified disability trust shall be allowed a deduction equal to the exemption amount under section 151(d), determined—

“(I) by treating such trust as an individual described in section 151(d)(3)(C)(iii), and

“(II) by applying section 67(e) (without the reference to section 642(b)) for purposes of determining the adjusted gross income of the trust.

“(ii) QUALIFIED DISABILITY TRUST.—For purposes of clause (i), the term ‘qualified disability trust’ means any trust if—

“(I) such trust is a disability trust described in subsection (c)(2)(B)(iv) of section 1917 of the Social Security Act (42 U.S.C. 1396p), and

“(II) all of the beneficiaries of the trust as of the close of the taxable year are determined by the Commissioner of Social Security to have been disabled (within the meaning of section 1614(a)(3) of the Social Security Act, 42 U.S.C. 1382c(a)(3)) for some portion of such year.

A trust shall not fail to meet the requirements of subclause (II) merely because the corpus of the trust may revert to a person who is not so disabled after the trust ceases to have any beneficiary who is so disabled.

“(3) DEDUCTIONS IN LIEU OF PERSONAL EXEMPTION.—The deductions allowed by this subsection shall be in lieu of the deductions allowed under section 151 (relating to deduction for personal exemption).”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending on or after September 11, 2001.

Applicability.
26 USC 642 note.

TITLE II—DISCLOSURE OF TAX INFORMATION IN TERRORISM AND NATIONAL SECURITY INVESTIGATIONS

SEC. 201. DISCLOSURE OF TAX INFORMATION IN TERRORISM AND NATIONAL SECURITY INVESTIGATIONS.

(a) DISCLOSURE WITHOUT A REQUEST OF INFORMATION RELATING TO TERRORIST ACTIVITIES, ETC.—Paragraph (3) of section 6103(i) (relating to disclosure of return information to apprise appropriate officials of criminal activities or emergency circumstances) is amended by adding at the end the following new subparagraph:

26 USC 6103.
26 USC 6103.

“(C) TERRORIST ACTIVITIES, ETC.—

“(i) IN GENERAL.—Except as provided in paragraph (6), the Secretary may disclose in writing return information (other than taxpayer return information) that may be related to a terrorist incident, threat, or activity to the extent necessary to apprise the head of the appropriate Federal law enforcement agency responsible for investigating or responding to such terrorist incident, threat, or activity. The head of the agency may disclose such return information to officers and employees of such agency to the extent necessary to investigate or respond to such terrorist incident, threat, or activity.

PUBLIC LAW 107-134—JAN. 23, 2002

“(ii) DISCLOSURE TO THE DEPARTMENT OF JUSTICE.—Returns and taxpayer return information may also be disclosed to the Attorney General under clause (i) to the extent necessary for, and solely for use in preparing, an application under paragraph (7)(D).

“(iii) TAXPAYER IDENTITY.—For purposes of this subparagraph, a taxpayer’s identity shall not be treated as taxpayer return information.

“(iv) TERMINATION.—No disclosure may be made under this subparagraph after December 31, 2003.”.

(b) DISCLOSURE UPON REQUEST OF INFORMATION RELATING TO TERRORIST ACTIVITIES, ETC.—Subsection (i) of section 6103 (relating to disclosure to Federal officers or employees for administration of Federal laws not relating to tax administration) is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

“(7) DISCLOSURE UPON REQUEST OF INFORMATION RELATING TO TERRORIST ACTIVITIES, ETC.—

“(A) DISCLOSURE TO LAW ENFORCEMENT AGENCIES.—

“(i) IN GENERAL.—Except as provided in paragraph (6), upon receipt by the Secretary of a written request which meets the requirements of clause (iii), the Secretary may disclose return information (other than taxpayer return information) to officers and employees of any Federal law enforcement agency who are personally and directly engaged in the response to or investigation of any terrorist incident, threat, or activity.

“(ii) DISCLOSURE TO STATE AND LOCAL LAW ENFORCEMENT AGENCIES.—The head of any Federal law enforcement agency may disclose return information obtained under clause (i) to officers and employees of any State or local law enforcement agency but only if such agency is part of a team with the Federal law enforcement agency in such response or investigation and such information is disclosed only to officers and employees who are personally and directly engaged in such response or investigation.

“(iii) REQUIREMENTS.—A request meets the requirements of this clause if—

“(I) the request is made by the head of any Federal law enforcement agency (or his delegate) involved in the response to or investigation of any terrorist incident, threat, or activity, and

“(II) the request sets forth the specific reason or reasons why such disclosure may be relevant to a terrorist incident, threat, or activity.

“(iv) LIMITATION ON USE OF INFORMATION.—Information disclosed under this subparagraph shall be solely for the use of the officers and employees to whom such information is disclosed in such response or investigation.

“(B) DISCLOSURE TO INTELLIGENCE AGENCIES.—

“(i) IN GENERAL.—Except as provided in paragraph (6), upon receipt by the Secretary of a written request which meets the requirements of clause (ii), the Secretary may disclose return information (other than taxpayer return information) to those officers and employees of the Department of Justice, the Department of the Treasury, and other Federal intelligence agencies who are personally and directly engaged in the collection or analysis of intelligence and counterintelligence information or investigation concerning any terrorist incident, threat, or activity. For purposes of the preceding sentence, the information disclosed under the preceding sentence shall be solely for the use of such

PUBLIC LAW 107-134—JAN. 23, 2002

officers and employees in such investigation, collection, or analysis.

“(ii) REQUIREMENTS.—A request meets the requirements of this subparagraph if the request—

“(I) is made by an individual described in clause (iii), and

“(II) sets forth the specific reason or reasons why such disclosure may be relevant to a terrorist incident, threat, or activity.

“(iii) REQUESTING INDIVIDUALS.—An individual described in this subparagraph is an individual—

“(I) who is an officer or employee of the Department of Justice or the Department of the Treasury who is appointed by the President with the advice and consent of the Senate or who is the Director of the United States Secret Service, and

“(II) who is responsible for the collection and analysis of intelligence and counterintelligence information concerning any terrorist incident, threat, or activity.

“(iv) TAXPAYER IDENTITY.—For purposes of this subparagraph, a taxpayer’s identity shall not be treated as taxpayer return information.

“(C) DISCLOSURE UNDER EX PARTE ORDERS.—

“(i) IN GENERAL.—Except as provided in paragraph (6), any return or return information with respect to any specified taxable period or periods shall, pursuant to and upon the grant of an ex parte order by a Federal district court judge or magistrate under clause (ii), be open (but only to the extent necessary as provided in such order) to inspection by, or disclosure to, officers and employees of any Federal law enforcement agency or Federal intelligence agency who are personally and directly engaged in any investigation, response to, or analysis of intelligence and counterintelligence information concerning any terrorist incident, threat, or activity. Return or return information opened to inspection or disclosure pursuant to the preceding sentence shall be solely for the use of such officers and employees in the investigation, response, or analysis, and in any judicial, administrative, or grand jury proceedings, pertaining to such terrorist incident, threat, or activity.

“(ii) APPLICATION FOR ORDER.—The Attorney General, the Deputy Attorney General, the Associate Attorney General, any Assistant Attorney General, or any United States attorney may authorize an application to a Federal district court judge or magistrate for the order referred to in clause (i). Upon such application, such judge or magistrate may grant such order if he determines on the basis of the facts submitted by the applicant that—

“(I) there is reasonable cause to believe, based upon information believed to be reliable, that the return or return information may be relevant to a matter relating to such terrorist incident, threat, or activity, and

“(II) the return or return information is sought exclusively for use in a Federal investigation, analysis, or proceeding concerning any terrorist incident, threat, or activity.

“(D) SPECIAL RULE FOR EX PARTE DISCLOSURE BY THE IRS.—

PUBLIC LAW 107-134—JAN. 23, 2002

“(i) IN GENERAL.—Except as provided in paragraph (6), the Secretary may authorize an application to a Federal district court judge or magistrate for the order referred to in subparagraph (C)(i). Upon such application, such judge or magistrate may grant such order if he determines on the basis of the facts submitted by the applicant that the requirements of subparagraph (C)(ii)(I) are met.

“(ii) LIMITATION ON USE OF INFORMATION.—Information disclosed under clause (i)—

“(I) may be disclosed only to the extent necessary to apprise the head of the appropriate Federal law enforcement agency responsible for investigating or responding to a terrorist incident, threat, or activity, and

“(II) shall be solely for use in a Federal investigation, analysis, or proceeding concerning any terrorist incident, threat, or activity.

The head of such Federal agency may disclose such information to officers and employees of such agency to the extent necessary to investigate or respond to such terrorist incident, threat, or activity.

“(E) TERMINATION.—No disclosure may be made under this paragraph after December 31, 2003.”.

(c) CONFORMING AMENDMENTS.—

26 USC 6103.

(1) Section 6103(a)(2) is amended by inserting “any local law enforcement agency receiving information under subsection (i)(7)(A),” after “State.”.

(2) Section 6103(b) is amended by adding at the end the following new paragraph:

“(11) TERRORIST INCIDENT, THREAT, OR ACTIVITY.—The term ‘terrorist incident, threat, or activity’ means an incident, threat, or activity involving an act of domestic terrorism (as defined in section 2331(5) of title 18, United States Code) or international terrorism (as defined in section 2331(1) of such title).”.

(3) The heading of section 6103(i)(3) is amended by inserting “OR TERRORIST” after “CRIMINAL”.

(4) Paragraph (4) of section 6103(i) is amended—

(A) in subparagraph (A) by inserting “or (7)(C)” after “paragraph (1)”; and

(B) in subparagraph (B) by striking “or (3)(A)” and inserting “(3)(A) or (C), or (7)”.

(5) Paragraph (6) of section 6103(i) is amended—

(A) by striking “(3)(A)” and inserting “(3)(A) or (C)”; and

(B) by striking “or (7)” and inserting “(7), or (8)”.

(6) Section 6103(p)(3) is amended—

(A) in subparagraph (A) by striking “(7)(A)(ii)” and inserting “(8)(A)(ii)”; and

(B) in subparagraph (C) by striking “(i)(3)(B)(i)” and inserting “(i)(3)(B)(i) or (7)(A)(ii)”.

(7) Section 6103(p)(4) is amended—

(A) in the matter preceding subparagraph (A)—

(i) by striking “or (5),” the first place it appears and inserting “(5), or (7),”; and

(ii) by striking “(i)(3)(B)(i),” and inserting “(i)(3)(B)(i) or (7)(A)(ii),”; and

(B) in subparagraph (F)(ii) by striking “or (5),” the first place it appears and inserting “(5) or (7),”.

26 USC 6103.

(8) Section 6103(p)(6)(B)(i) is amended by striking “(i)(7)(A)(ii)” and inserting “(i)(8)(A)(ii)”.

(9) Section 6105(b) is amended—

(A) by striking “or” at the end of paragraph (2);

(B) by striking “paragraphs (1) or (2)” in paragraph (3) and inserting “paragraph (1), (2), or (3)”;

PUBLIC LAW 107-134—JAN. 23, 2002

(C) by redesignating paragraph (3) as paragraph (4);
and

(D) by inserting after paragraph (2) the following new paragraph:

“(3) to the disclosure of tax convention information on the same terms as return information may be disclosed under paragraph (3)(C) or (7) of section 6103(i), except that in the case of tax convention information provided by a foreign government, no disclosure may be made under this paragraph without the written consent of the foreign government, or”.

(10) Section 7213(a)(2) is amended by striking “(i)(3)(B)(i),” and inserting “(i)(3)(B)(i) or (7)(A)(ii),”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made on or after the date of the enactment of this Act.

Applicability.
26 USC 6103
note.

TITLE III—NO IMPACT ON SOCIAL SECURITY TRUST FUNDS

SEC. 301. NO IMPACT ON SOCIAL SECURITY TRUST FUNDS.

42 USC 401 note.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.

Approved January 23, 2002.

LEGISLATIVE HISTORY—H.R. 2884 (S. 1440):

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 13, considered and passed House.

Nov. 16, considered and passed Senate, amended.

Dec. 13, House concurred in Senate amendments with an amendment.

Dec. 20, Senate concurred in House amendment with an amendment. House concurred in Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 38 (2002):

Jan. 23, Presidential remarks.

SMALL BUSINESS ACTS

PUBLIC LAW 107-50—OCT. 15, 2001

Public Law 107-50
107th Congress

An Act

To reauthorize the Small Business Technology Transfer Program, and for other purposes.

Oct. 15, 2001
[H.R. 1860]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Business Technology Transfer Program Reauthorization Act of 2001”.

SEC. 2. EXTENSION OF PROGRAM AND EXPENDITURE AMOUNTS.

(a) **IN GENERAL.**—Section 9(n)(1) of the Small Business Act (15 U.S.C. 638(n)(1)) is amended to read as follows:

“(1) **REQUIRED EXPENDITURE AMOUNTS.**—

“(A) **IN GENERAL.**—With respect to each fiscal year through fiscal year 2009, each Federal agency that has an extramural budget for research, or research and development, in excess of \$1,000,000,000 for that fiscal year, shall expend with small business concerns not less than the percentage of that extramural budget specified in subparagraph (B), specifically in connection with STTR programs that meet the requirements of this section and any policy directives and regulations issued under this section.

“(B) **EXPENDITURE AMOUNTS.**—The percentage of the extramural budget required to be expended by an agency in accordance with subparagraph (A) shall be—

“(i) 0.15 percent for each fiscal year through fiscal year 2003; and

“(ii) 0.3 percent for fiscal year 2004 and each fiscal year thereafter.”.

(b) **CONFORMING AMENDMENT.**—Section 9 of the Small Business Act (15 U.S.C. 638) is amended in subsections (b)(4) and (e)(6), by striking “pilot” each place it appears.

SEC. 3. INCREASE IN AUTHORIZED PHASE II AWARDS.

(a) **IN GENERAL.**—Section 9(p)(2)(B)(ix) of the Small Business Act (15 U.S.C. 638(p)(2)(B)(ix)) is amended—

(1) by striking “\$500,000” and inserting “\$750,000”; and

(2) by inserting before the semicolon at the end the following: “, and shorter or longer periods of time to be approved at the discretion of the awarding agency where appropriate for a particular project”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall be effective beginning in fiscal year 2004.

SEC. 4. AGENCY OUTREACH.

Section 9(o) of the Small Business Act (15 U.S.C. 638(o)) is amended—

(1) in paragraph (12), by striking “and” at the end;

(2) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(14) implement an outreach program to research institutions and small business concerns for the purpose of enhancing its STTR program, in conjunction with any such outreach done for purposes of the SBIR program; and”.

Small Business
Technology
Transfer
Program
Reauthorization
Act of 2001.
15 USC 631 note.

15 USC 631 note.

PUBLIC LAW 107-50—OCT. 15, 2001

SEC. 5. POLICY DIRECTIVE MODIFICATIONS.

Section 9(p) of the Small Business Act (15 U.S.C. 638(p)) is amended by adding at the end the following:

Deadline.

“(3) MODIFICATIONS.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policy directive issued pursuant to this subsection to clarify that the rights provided for under paragraph (2)(B)(v) apply to all Federal funding awards under this section, including the first phase (as described in subsection (e)(6)(A)), the second phase (as described in subsection (e)(6)(B)), and the third phase (as described in subsection (e)(6)(C)).”.

SEC. 6. STTR PROGRAM DATA COLLECTION.

(a) IN GENERAL.—Section 9(o) of the Small Business Act (15 U.S.C. 638(o)), as amended by this Act, is amended by adding at the end the following:

“(15) collect, and maintain in a common format in accordance with subsection (v), such information from awardees as is necessary to assess the STTR program, including information necessary to maintain the database described in subsection (k).”.

(b) DATABASE.—Section 9(k) of the Small Business Act (15 U.S.C. 638(k)) is amended—

(1) in paragraph (1)—

(A) by inserting “or STTR” after “SBIR” each place it appears;

(B) in subparagraph (C), by striking “and” at the end;

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

(D) by adding at the end the following:

“(E) with respect to assistance under the STTR program only—

“(i) whether the small business concern or the research institution initiated their collaboration on each assisted STTR project;

“(ii) whether the small business concern or the research institution originated any technology relating to the assisted STTR project;

“(iii) the length of time it took to negotiate any licensing agreement between the small business concern and the research institution under each assisted STTR project; and

“(iv) how the proceeds from commercialization, marketing, or sale of technology resulting from each assisted STTR project were allocated (by percentage) between the small business concern and the research institution.”; and

(2) in paragraph (2)—

(A) by inserting “or an STTR program pursuant to subsection (n)(1)” after “(f)(1)”;

(B) by striking “solely for SBIR” and inserting “exclusively for SBIR and STTR”;

(C) in subparagraph (A)(iii), by inserting “and STTR” after “SBIR”; and

(D) in subparagraph (D), by inserting “or STTR” after “SBIR”.

(c) SIMPLIFIED REPORTING REQUIREMENTS.—Section 9(v) of the Small Business Act (15 U.S.C. 638(v)) is amended by inserting “or STTR” after “SBIR” each place it appears.

(d) REPORTS TO CONGRESS.—Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended by striking “and (o)(9),” and inserting “, (o)(9), and (o)(15), the number of proposals received from, and the number and total amount of awards to, HUBZone small business concerns under each of the SBIR and STTR programs,”.

PUBLIC LAW 107-50—OCT. 15, 2001

SEC. 7. STTR PROGRAM-WIDE MODEL AGREEMENT FOR INTELLECTUAL PROPERTY RIGHTS.

(a) **DEVELOPMENT OF MODEL AGREEMENT.**—Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

“(w) **STTR MODEL AGREEMENT FOR INTELLECTUAL PROPERTY RIGHTS.**—

“(1) **IN GENERAL.**—The Administrator shall promulgate regulations establishing a single model agreement for use in the STTR program that allocates between small business concerns and research institutions intellectual property rights and rights, if any, to carry out follow-on research, development, or commercialization.

Regulations.

“(2) **OPPORTUNITY FOR COMMENT.**—In promulgating regulations under paragraph (1), the Administrator shall provide to affected agencies, small business concerns, research institutions, and other interested parties the opportunity to submit written comments.”.

(b) **ADOPTION OF MODEL AGREEMENT BY FEDERAL AGENCIES.**—Section 9(o)(11) of the Small Business Act (15 U.S.C. 638(o)(11)) is amended by striking “develop a model agreement not later than July 31, 1993, to be approved by the Administration,” and inserting “adopt the agreement developed by the Administrator under subsection (w) as the agency’s model agreement”.

SEC. 8. FAST PROGRAM ASSISTANCE TO WOMEN-OWNED AND MINORITY-OWNED SMALL BUSINESS CONCERNS AND CONCERNS LOCATED IN AREAS NOT PARTICIPATING IN SBIR AND STTR.

(a) **SELECTION CONSIDERATION.**—Section 34(c)(2)(B) of the Small Business Act (15 U.S.C. 657d(c)(2)(B)) is amended—

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

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

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

“(vi) whether the proposal addresses the needs of small business concerns—

“(I) owned and controlled by women;

“(II) owned and controlled by minorities; and

“(III) located in areas that have historically not participated in the SBIR and STTR programs.”.

(b) **REGULATIONS.**—Section 34(c)(4) of the Small Business Act (15 U.S.C. 657d(c)(4)) is amended by adding at the end the following: “The Administrator shall promulgate regulations establishing standards for the consideration of proposals under paragraph (2), including standards regarding each of the considerations identified in paragraph (2)(B).”.

Approved October 15, 2001.

LEGISLATIVE HISTORY—H.R. 1860 (S. 856):

HOUSE REPORTS: No. 107-213, Pt. 1 (Comm. on Small Business).

SENATE REPORTS: No. 107-54 accompanying S. 856 (Comm. on Small Business).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 24, considered and passed House.

Sept. 26, considered and passed Senate.

SMALL BUSINESS ACTS

PUBLIC LAW 107-100—DEC. 21, 2001

Public Law 107-100
107th Congress

An Act

Dec. 21, 2001
[S. 1196]

To amend the Small Business Investment Act of 1958, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Small Business
Investment
Company
Amendments Act
of 2001.
15 USC 661 note.

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Business Investment Company Amendments Act of 2001”.

SEC. 2. SUBSIDY FEES.

(a) **IN GENERAL.**—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended—

(1) in subsection (b)—

(A) by striking “of not more than 1 percent per year”;

(B) by inserting “which amount may not exceed 1.38 percent per year, and” before “which shall be paid”; and

(C) by striking “September 30, 2000” and inserting “September 30, 2001”; and

(2) in subsection (g)(2)—

(A) by striking “of not more than 1 percent per year”;

(B) by inserting “which amount may not exceed 1.38 percent per year, and” before “which shall be paid”; and

(C) by striking “September 30, 2000” and inserting “September 30, 2001”.

15 USC 683 note.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall become effective on October 1, 2001.

SEC. 3. CONFLICTS OF INTEREST.

Section 312 of the Small Business Investment Act of 1958 (15 U.S.C. 687d) is amended by striking “(including disclosure in the locality most directly affected by the transaction)”.

SEC. 4. PENALTIES FOR FALSE STATEMENTS.

(a) **CRIMINAL PENALTIES.**—Section 1014 of title 18, United States Code, is amended by inserting “, as defined in section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662), or the Small Business Administration in connection with any provision of that Act” after “small business investment company”.

(b) **CIVIL PENALTIES.**—Section 951 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833a) is amended—

(1) by redesignating subsections (d) through (g) as subsections (e) through (h), respectively; and

(2) in subsection (c)—

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

(B) in paragraph (2)—

(i) by striking “1341;” and inserting “1341”; and

(ii) by striking “institution.” and inserting “institution; or”;

(C) by inserting immediately after paragraph (2) the following:

“(3) section 16(a) of the Small Business Act (15 U.S.C. 645(a)).”; and

(D) by striking “This section shall” and inserting the following:

“(d) **EFFECTIVE DATE.**—This section shall”.

PUBLIC LAW 107-100—DEC. 21, 2001

SEC. 5. REMOVAL OR SUSPENSION OF MANAGEMENT OFFICIALS.

Section 313 of the Small Business Investment Act of 1958 (15 U.S.C. 687e) is amended to read as follows:

“SEC. 313. REMOVAL OR SUSPENSION OF MANAGEMENT OFFICIALS.

“(a) DEFINITION OF ‘MANAGEMENT OFFICIAL’.—In this section, the term ‘management official’ means an officer, director, general partner, manager, employee, agent, or other participant in the management or conduct of the affairs of a licensee.

“(b) REMOVAL OF MANAGEMENT OFFICIALS.—

“(1) NOTICE OF REMOVAL.—The Administrator may serve upon any management official a written notice of its intention to remove that management official whenever, in the opinion of the Administrator—

“(A) such management official—

“(i) has willfully and knowingly committed any substantial violation of—

“(I) this Act;

“(II) any regulation issued under this Act; or

“(III) a cease-and-desist order which has become final; or

“(ii) has willfully and knowingly committed or engaged in any act, omission, or practice which constitutes a substantial breach of a fiduciary duty of that person as a management official; and

“(B) the violation or breach of fiduciary duty is one involving personal dishonesty on the part of such management official.

“(2) CONTENTS OF NOTICE.—A notice of intention to remove a management official, as provided in paragraph (1), shall contain a statement of the facts constituting grounds therefor, and shall fix a time and place at which a hearing will be held thereon.

“(3) HEARINGS.—

“(A) TIMING.—A hearing described in paragraph (2) shall be fixed for a date not earlier than 30 days nor later than 60 days after the date of service of notice of the hearing, unless an earlier or a later date is set by the Administrator at the request of—

“(i) the management official, and for good cause shown; or

“(ii) the Attorney General of the United States.

“(B) CONSENT.—Unless the management official shall appear at a hearing described in this paragraph in person or by a duly authorized representative, that management official shall be deemed to have consented to the issuance of an order of removal under paragraph (1).

“(4) ISSUANCE OF ORDER OF REMOVAL.—

“(A) IN GENERAL.—In the event of consent under paragraph (3)(B), or if upon the record made at a hearing described in this subsection, the Administrator finds that any of the grounds specified in the notice of removal has been established, the Administrator may issue such orders of removal from office as the Administrator deems appropriate.

“(B) EFFECTIVENESS.—An order under subparagraph (A) shall—

“(i) become effective at the expiration of 30 days after the date of service upon the subject licensee and the management official concerned (except in the case of an order issued upon consent as described in paragraph (3)(B), which shall become effective at the time specified in such order); and

“(ii) remain effective and enforceable, except to such extent as it is stayed, modified, terminated, or

PUBLIC LAW 107-100—DEC. 21, 2001

set aside by action of the Administrator or a reviewing court in accordance with this section.

“(c) AUTHORITY TO SUSPEND OR PROHIBIT PARTICIPATION.—

“(1) IN GENERAL.—The Administrator may, if the Administrator deems it necessary for the protection of the licensee or the interests of the Administration, suspend from office or prohibit from further participation in any manner in the management or conduct of the affairs of the licensee, or both, any management official referred to in subsection (b)(1), by written notice to such effect served upon the management official.

“(2) EFFECTIVENESS.—A suspension or prohibition under paragraph (1)—

“(A) shall become effective upon service of notice under paragraph (1); and

“(B) unless stayed by a court in proceedings authorized by paragraph (3), shall remain in effect—

“(i) pending the completion of the administrative proceedings pursuant to a notice of intention to remove served under subsection (b); and

“(ii) until such time as the Administrator shall dismiss the charges specified in the notice, or, if an order of removal or prohibition is issued against the management official, until the effective date of any such order.

Deadline.

“(3) JUDICIAL REVIEW.—Not later than 10 days after any management official has been suspended from office or prohibited from participation in the management or conduct of the affairs of a licensee, or both, under paragraph (1), that management official may apply to the United States district court for the judicial district in which the home office of the licensee is located, or the United States District Court for the District of Columbia, for a stay of the suspension or prohibition pending the completion of the administrative proceedings pursuant to a notice of intent to remove served upon the management official under subsection (b), and such court shall have jurisdiction to stay such action.

“(d) AUTHORITY TO SUSPEND ON CRIMINAL CHARGES.—

“(1) IN GENERAL.—Whenever a management official is charged in any information, indictment, or complaint authorized by a United States attorney, with the commission of or participation in a felony involving dishonesty or breach of trust, the Administrator may, by written notice served upon that management official, suspend that management official from office or prohibit that management official from further participation in any manner in the management or conduct of the affairs of the licensee, or both.

“(2) EFFECTIVENESS.—A suspension or prohibition under paragraph (1) shall remain in effect until the subject information, indictment, or complaint is finally disposed of, or until terminated by the Administrator.

“(3) AUTHORITY UPON CONVICTION.—If a judgment of conviction with respect to an offense described in paragraph (1) is entered against a management official, then at such time as the judgment is not subject to further appellate review, the Administrator may issue and serve upon the management official an order removing that management official, which removal shall become effective upon service of a copy of the order upon the licensee.

“(4) AUTHORITY UPON DISMISSAL OR OTHER DISPOSITION.—A finding of not guilty or other disposition of charges described in paragraph (1) shall not preclude the Administrator from thereafter instituting proceedings to suspend or remove the management official from office, or to pro-

PUBLIC LAW 107-100—DEC. 21, 2001

hibit the management official from participation in the management or conduct of the affairs of the licensee, or both, pursuant to subsection (b) or (c).

“(e) NOTIFICATION TO LICENSEES.—Copies of each notice required to be served on a management official under this section shall also be served upon the interested licensee.

“(f) PROCEDURAL PROVISIONS; JUDICIAL REVIEW.—

“(1) HEARING VENUE.—Any hearing provided for in this section shall be—

“(A) held in the Federal judicial district or in the territory in which the principal office of the licensee is located, unless the party afforded the hearing consents to another place; and

“(B) conducted in accordance with the provisions of chapter 5 of title 5, United States Code.

“(2) ISSUANCE OF ORDERS.—After a hearing provided for in this section, and not later than 90 days after the Administrator has notified the parties that the case has been submitted for final decision, the Administrator shall render a decision in the matter (which shall include findings of fact upon which its decision is predicated), and shall issue and cause to be served upon each party to the proceeding an order or orders consistent with the provisions of this section. Deadline.

“(3) AUTHORITY TO MODIFY ORDERS.—The Administrator may modify, terminate, or set aside any order issued under this section—

“(A) at any time, upon such notice, and in such manner as the Administrator deems proper, unless a petition for review is timely filed in a court of appeals of the United States, as provided in paragraph (4)(B), and thereafter until the record in the proceeding has been filed in accordance with paragraph (4)(C); and

“(B) upon such filing of the record, with permission of the court.

“(4) JUDICIAL REVIEW.—

“(A) IN GENERAL.—Judicial review of an order issued under this section shall be exclusively as provided in this subsection.

“(B) PETITION FOR REVIEW.—Any party to a hearing provided for in this section may obtain a review of any order issued pursuant to paragraph (2) (other than an order issued with the consent of the management official concerned, or an order issued under subsection (d)), by filing in the court of appeals of the United States for the circuit in which the principal office of the licensee is located, or in the United States Court of Appeals for the District of Columbia Circuit, not later than 30 days after the date of service of such order, a written petition praying that the order of the Administrator be modified, terminated, or set aside. Deadline.

“(C) NOTIFICATION TO ADMINISTRATION.—A copy of a petition filed under subparagraph (B) shall be forthwith transmitted by the clerk of the court to the Administrator, and thereupon the Administrator shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code.

“(D) COURT JURISDICTION.—Upon the filing of a petition under subparagraph (A)—

“(i) the court shall have jurisdiction, which, upon the filing of the record under subparagraph (C), shall be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the Administrator, except as provided in the last sentence of paragraph (3)(B);

PUBLIC LAW 107-100—DEC. 21, 2001

“(ii) review of such proceedings shall be had as provided in chapter 7 of title 5, United States Code; and

“(iii) the judgment and decree of the court shall be final, except that the judgment and decree shall be subject to review by the Supreme Court of the United States upon certiorari, as provided in section 1254 of title 28, United States Code.

“(E) JUDICIAL REVIEW NOT A STAY.—The commencement of proceedings for judicial review under this paragraph shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Administrator under this section.”.

SEC. 6. REDUCTION OF FEES.**(a) TWO-YEAR REDUCTION OF SECTION 7(a) FEES.—**

(1) **GUARANTEE FEES.**—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended by adding at the end the following:

“(C) **TWO-YEAR REDUCTION IN FEES.**—With respect to loans approved during the 2-year period beginning on October 1, 2002, the guarantee fee under subparagraph (A) shall be as follows:

“(i) A guarantee fee equal to 1 percent of the deferred participation share of a total loan amount that is not more than \$150,000.

“(ii) A guarantee fee equal to 2.5 percent of the deferred participation share of a total loan amount that is more than \$150,000, but not more than \$700,000.

“(iii) A guarantee fee equal to 3.5 percent of the deferred participation share of a total loan amount that is more than \$700,000.”.

(2) **ANNUAL FEES.**—Section 7(a)(23)(A) of the Small Business Act (15 U.S.C. 636(a)(23)(A)) is amended by adding at the end the following: “With respect to loans approved during the 2-year period beginning on October 1, 2002, the annual fee assessed and collected under the preceding sentence shall be in an amount equal to 0.25 percent of the outstanding balance of the deferred participation share of the loan.”.

(b) REDUCTION OF SECTION 504 FEES.—Section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is amended—

(1) in subsection (b)(7)(A)—

(A) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and moving the margins 2 ems to the right;

(B) by striking “not exceed the lesser” and inserting “not exceed—

“(i) the lesser”; and

(C) by adding at the end the following:

“(ii) 50 percent of the amount established under clause (i) in the case of a loan made during the 2-year period beginning on October 1, 2002, for the life of the loan; and”; and

(2) by adding at the end the following:

“(i) **TWO-YEAR WAIVER OF FEES.**—The Administration may not assess or collect any up front guarantee fee with respect to loans made under this title during the 2-year period beginning on October 1, 2002.”.

15 USC 636 note.

(c) **BUDGETARY TREATMENT OF LOANS AND FINANCINGS.**—Assistance made available under any loan made or approved by the Small Business Administration under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) or financings made under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), during the 2-year period beginning on October 1, 2002,

PUBLIC LAW 107-100—DEC. 21, 2001

shall be treated as separate programs of the Small Business Administration for purposes of the Federal Credit Reform Act of 1990 only.

(d) USE OF FUNDS.—The amendments made by this section to section 503 of the Small Business Investment Act of 1958, shall be effective only to the extent that funds are made available under appropriations Acts, which funds shall be utilized by the Administrator to offset the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) of such amendments. 15 USC 697 note.

(e) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 2002. 15 USC 697 note.

Approved December 21, 2001.

LEGISLATIVE HISTORY—S. 1196:

SENATE REPORTS: No. 107-55 (Comm. on Small Business and Entrepreneurship).
CONGRESSIONAL RECORD, Vol. 147 (2001):

Nov. 15, considered and passed Senate.

Nov. 16, considered and passed House, amended.

Dec. 7, Senate concurred in House amendment with an amendment.

Dec. 11, House concurred in Senate amendment.

SMALL BUSINESS ACTS

PUBLIC LAW 107-118—JAN. 11, 2002

Public Law 107-118
107th Congress

An Act

To provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such Act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

Jan. 11, 2002
[H.R. 2869]

Small Business
Liability Relief
and Brownfields
Revitalization
Act.
42 USC 9601
note.

Small Business
Liability
Protection Act.

42 USC 9601
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Business Liability Relief and Brownfields Revitalization Act”.

**TITLE I—SMALL BUSINESS LIABILITY
PROTECTION**

SEC. 101. SHORT TITLE.

This title may be cited as the “Small Business Liability Protection Act”.

SEC. 102. SMALL BUSINESS LIABILITY RELIEF.

(a) EXEMPTIONS.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding at the end the following new subsections:

“(o) DE MICROMIS EXEMPTION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), a person shall not be liable, with respect to response costs at a facility on the National Priorities List, under this Act if liability is based solely on paragraph (3) or (4) of subsection (a), and the person, except as provided in paragraph (4) of this subsection, can demonstrate that—

“(A) the total amount of the material containing hazardous substances that the person arranged for disposal or treatment of, arranged with a transporter for transport for disposal or treatment of, or accepted for transport for disposal or treatment, at the facility was less than 110 gallons of liquid materials or less than 200 pounds of solid materials (or such greater or lesser amounts as the Administrator may determine by regulation); and

“(B) all or part of the disposal, treatment, or transport concerned occurred before April 1, 2001.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply in a case in which—

“(A) the President determines that—

“(i) the materials containing hazardous substances referred to in paragraph (1) have contributed significantly or could contribute significantly, either individually or in the aggregate, to the cost of the response action or natural resource restoration with respect to the facility; or

“(ii) the person has failed to comply with an information request or administrative subpoena issued by the President under this Act or has impeded or

PUBLIC LAW 107-118—JAN. 11, 2002

is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the facility; or

“(B) a person has been convicted of a criminal violation for the conduct to which the exemption would apply, and that conviction has not been vitiated on appeal or otherwise.

“(3) NO JUDICIAL REVIEW.—A determination by the President under paragraph (2)(A) shall not be subject to judicial review.

“(4) NONGOVERNMENTAL THIRD-PARTY CONTRIBUTION ACTIONS.—In the case of a contribution action, with respect to response costs at a facility on the National Priorities List, brought by a party, other than a Federal, State, or local government, under this Act, the burden of proof shall be on the party bringing the action to demonstrate that the conditions described in paragraph (1)(A) and (B) of this subsection are not met.

“(p) MUNICIPAL SOLID WASTE EXEMPTION.—

“(1) IN GENERAL.—Except as provided in paragraph (2) of this subsection, a person shall not be liable, with respect to response costs at a facility on the National Priorities List, under paragraph (3) of subsection (a) for municipal solid waste disposed of at a facility if the person, except as provided in paragraph (5) of this subsection, can demonstrate that the person is—

“(A) an owner, operator, or lessee of residential property from which all of the person’s municipal solid waste was generated with respect to the facility;

“(B) a business entity (including a parent, subsidiary, or affiliate of the entity) that, during its 3 taxable years preceding the date of transmittal of written notification from the President of its potential liability under this section, employed on average not more than 100 full-time individuals, or the equivalent thereof, and that is a small business concern (within the meaning of the Small Business Act (15 U.S.C. 631 et seq.)) from which was generated all of the municipal solid waste attributable to the entity with respect to the facility; or

“(C) an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code that, during its taxable year preceding the date of transmittal of written notification from the President of its potential liability under this section, employed not more than 100 paid individuals at the location from which was generated all of the municipal solid waste attributable to the organization with respect to the facility.

For purposes of this subsection, the term ‘affiliate’ has the meaning of that term provided in the definition of ‘small business concern’ in regulations promulgated by the Small Business Administration in accordance with the Small Business Act (15 U.S.C. 631 et seq.).

“(2) EXCEPTION.—Paragraph (1) shall not apply in a case in which the President determines that—

“(A) the municipal solid waste referred to in paragraph (1) has contributed significantly or could contribute significantly, either individually or in the aggregate, to the cost of the response action or natural resource restoration with respect to the facility;

“(B) the person has failed to comply with an information request or administrative subpoena issued by the President under this Act; or

PUBLIC LAW 107-118—JAN. 11, 2002

“(C) the person has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the facility.

“(3) NO JUDICIAL REVIEW.—A determination by the President under paragraph (2) shall not be subject to judicial review.

“(4) DEFINITION OF MUNICIPAL SOLID WASTE.—

“(A) IN GENERAL.—For purposes of this subsection, the term ‘municipal solid waste’ means waste material—

“(i) generated by a household (including a single or multifamily residence); and

“(ii) generated by a commercial, industrial, or institutional entity, to the extent that the waste material—

“(I) is essentially the same as waste normally generated by a household;

“(II) is collected and disposed of with other municipal solid waste as part of normal municipal solid waste collection services; and

“(III) contains a relative quantity of hazardous substances no greater than the relative quantity of hazardous substances contained in waste material generated by a typical single-family household.

“(B) EXAMPLES.—Examples of municipal solid waste under subparagraph (A) include food and yard waste, paper, clothing, appliances, consumer product packaging, disposable diapers, office supplies, cosmetics, glass and metal food containers, elementary or secondary school science laboratory waste, and household hazardous waste.

“(C) EXCLUSIONS.—The term ‘municipal solid waste’ does not include—

“(i) combustion ash generated by resource recovery facilities or municipal incinerators; or

“(ii) waste material from manufacturing or processing operations (including pollution control operations) that is not essentially the same as waste normally generated by households.

“(5) BURDEN OF PROOF.—In the case of an action, with respect to response costs at a facility on the National Priorities List, brought under section 107 or 113 by—

“(A) a party, other than a Federal, State, or local government, with respect to municipal solid waste disposed of on or after April 1, 2001; or

“(B) any party with respect to municipal solid waste disposed of before April 1, 2001, the burden of proof shall be on the party bringing the action to demonstrate that the conditions described in paragraphs (1) and (4) for exemption for entities and organizations described in paragraph (1)(B) and (C) are not met.

“(6) CERTAIN ACTIONS NOT PERMITTED.—No contribution action may be brought by a party, other than a Federal, State, or local government, under this Act with respect to circumstances described in paragraph (1)(A).

“(7) COSTS AND FEES.—A nongovernmental entity that commences, after the date of the enactment of this subsection, a contribution action under this Act shall be liable to the defendant for all reasonable costs of defending the action, including all reasonable attorney’s fees and expert witness fees, if the defendant is not liable for contribution based on an exemption under this subsection or subsection (o).”.

(b) EXPEDITED SETTLEMENT.—Section 122(g) of such Act (42 U.S.C. 9622(g)) is amended by adding at the end the following new paragraphs:

“(7) REDUCTION IN SETTLEMENT AMOUNT BASED ON LIMITED ABILITY TO PAY.—

PUBLIC LAW 107-118—JAN. 11, 2002

“(A) IN GENERAL.—The condition for settlement under this paragraph is that the potentially responsible party is a person who demonstrates to the President an inability or a limited ability to pay response costs.

“(B) CONSIDERATIONS.—In determining whether or not a demonstration is made under subparagraph (A) by a person, the President shall take into consideration the ability of the person to pay response costs and still maintain its basic business operations, including consideration of the overall financial condition of the person and demonstrable constraints on the ability of the person to raise revenues.

President.

“(C) INFORMATION.—A person requesting settlement under this paragraph shall promptly provide the President with all relevant information needed to determine the ability of the person to pay response costs.

“(D) ALTERNATIVE PAYMENT METHODS.—If the President determines that a person is unable to pay its total settlement amount at the time of settlement, the President shall consider such alternative payment methods as may be necessary or appropriate.

President.

“(8) ADDITIONAL CONDITIONS FOR EXPEDITED SETTLEMENTS.—

“(A) WAIVER OF CLAIMS.—The President shall require, as a condition for settlement under this subsection, that a potentially responsible party waive all of the claims (including a claim for contribution under this Act) that the party may have against other potentially responsible parties for response costs incurred with respect to the facility, unless the President determines that requiring a waiver would be unjust.

President.

“(B) FAILURE TO COMPLY.—The President may decline to offer a settlement to a potentially responsible party under this subsection if the President determines that the potentially responsible party has failed to comply with any request for access or information or an administrative subpoena issued by the President under this Act or has impeded or is impeding, through action or inaction, the performance of a response action with respect to the facility.

“(C) RESPONSIBILITY TO PROVIDE INFORMATION AND ACCESS.—A potentially responsible party that enters into a settlement under this subsection shall not be relieved of the responsibility to provide any information or access requested in accordance with subsection (e)(3)(B) or section 104(e).

“(9) BASIS OF DETERMINATION.—If the President determines that a potentially responsible party is not eligible for settlement under this subsection, the President shall provide the reasons for the determination in writing to the potentially responsible party that requested a settlement under this subsection.

President.

“(10) NOTIFICATION.—As soon as practicable after receipt of sufficient information to make a determination, the President shall notify any person that the President determines is eligible under paragraph (1) of the person’s eligibility for an expedited settlement.

President.

“(11) NO JUDICIAL REVIEW.—A determination by the President under paragraph (7), (8), (9), or (10) shall not be subject to judicial review.

“(12) NOTICE OF SETTLEMENT.—After a settlement under this subsection becomes final with respect to a facility, the President shall promptly notify potentially responsible parties at the facility that have not resolved their liability to the United States of the settlement.”

President.

PUBLIC LAW 107-118—JAN. 11, 2002

42 USC 9607
note.**SEC. 103. EFFECT ON CONCLUDED ACTIONS.**

The amendments made by this title shall not apply to or in any way affect any settlement lodged in, or judgment issued by, a United States District Court, or any administrative settlement or order entered into or issued by the United States or any State, before the date of the enactment of this Act.

Brownfields
Revitalization
and
Environmental
Restoration Act
of 2001.

TITLE II—BROWNFIELDS REVITALIZATION AND ENVIRONMENTAL RESTORATION

42 USC 9601
note.**SEC. 201. SHORT TITLE.**

This title may be cited as the “Brownfields Revitalization and Environmental Restoration Act of 2001”.

Subtitle A—Brownfields Revitalization Funding

SEC. 211. BROWNFIELDS REVITALIZATION FUNDING.

(a) **DEFINITION OF BROWNFIELD SITE.**—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601) is amended by adding at the end the following:

“(39) **BROWNFIELD SITE.**—

“(A) **IN GENERAL.**—The term ‘brownfield site’ means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

“(B) **EXCLUSIONS.**—The term ‘brownfield site’ does not include—

“(i) a facility that is the subject of a planned or ongoing removal action under this title;

“(ii) a facility that is listed on the National Priorities List or is proposed for listing;

“(iii) a facility that is the subject of a unilateral administrative order, a court order, an administrative order on consent or judicial consent decree that has been issued to or entered into by the parties under this Act;

“(iv) a facility that is the subject of a unilateral administrative order, a court order, an administrative order on consent or judicial consent decree that has been issued to or entered into by the parties, or a facility to which a permit has been issued by the United States or an authorized State under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1321), the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), or the Safe Drinking Water Act (42 U.S.C. 300f et seq.);

“(v) a facility that—

“(I) is subject to corrective action under section 3004(u) or 3008(h) of the Solid Waste Disposal Act (42 U.S.C. 6924(u), 6928(h)); and

“(II) to which a corrective action permit or order has been issued or modified to require the implementation of corrective measures;

“(vi) a land disposal unit with respect to which—

“(I) a closure notification under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.) has been submitted; and

PUBLIC LAW 107-118—JAN. 11, 2002

“(II) closure requirements have been specified in a closure plan or permit;

“(vii) a facility that is subject to the jurisdiction, custody, or control of a department, agency, or instrumentality of the United States, except for land held in trust by the United States for an Indian tribe;

“(viii) a portion of a facility—

“(I) at which there has been a release of polychlorinated biphenyls; and

“(II) that is subject to remediation under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); or

“(ix) a portion of a facility, for which portion, assistance for response activity has been obtained under subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) from the Leaking Underground Storage Tank Trust Fund established under section 9508 of the Internal Revenue Code of 1986.

“(C) SITE-BY-SITE DETERMINATIONS.—Notwithstanding subparagraph (B) and on a site-by-site basis, the President may authorize financial assistance under section 104(k) to an eligible entity at a site included in clause (i), (iv), (v), (vi), (viii), or (ix) of subparagraph (B) if the President finds that financial assistance will protect human health and the environment, and either promote economic development or enable the creation of, preservation of, or addition to parks, greenways, undeveloped property, other recreational property, or other property used for nonprofit purposes.

“(D) ADDITIONAL AREAS.—For the purposes of section 104(k), the term ‘brownfield site’ includes a site that—

“(i) meets the definition of ‘brownfield site’ under subparagraphs (A) through (C); and

“(ii)(I) is contaminated by a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

“(II)(aa) is contaminated by petroleum or a petroleum product excluded from the definition of ‘hazardous substance’ under section 101; and

“(bb) is a site determined by the Administrator or the State, as appropriate, to be—

“(AA) of relatively low risk, as compared with other petroleum-only sites in the State; and

“(BB) a site for which there is no viable responsible party and which will be assessed, investigated, or cleaned up by a person that is not potentially liable for cleaning up the site; and

“(cc) is not subject to any order issued under section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)); or

“(III) is mine-scarred land.”.

(b) BROWNFIELDS REVITALIZATION FUNDING.—Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604) is amended by adding at the end the following:

“(k) BROWNFIELDS REVITALIZATION FUNDING.—

“(1) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term ‘eligible entity’ means—

“(A) a general purpose unit of local government;

“(B) a land clearance authority or other quasi-governmental entity that operates under the supervision and control of or as an agent of a general purpose unit of local government;

“(C) a government entity created by a State legislature;

PUBLIC LAW 107-118—JAN. 11, 2002

“(D) a regional council or group of general purpose units of local government;

“(E) a redevelopment agency that is chartered or otherwise sanctioned by a State;

“(F) a State;

“(G) an Indian Tribe other than in Alaska; or

“(H) an Alaska Native Regional Corporation and an Alaska Native Village Corporation as those terms are defined in the Alaska Native Claims Settlement Act (43 U.S.C. 1601 and following) and the Metlakatla Indian community.

“(2) BROWNFIELD SITE CHARACTERIZATION AND ASSESSMENT GRANT PROGRAM.—

Grants.

“(A) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a program to—

“(i) provide grants to inventory, characterize, assess, and conduct planning related to brownfield sites under subparagraph (B); and

“(ii) perform targeted site assessments at brownfield sites.

“(B) ASSISTANCE FOR SITE CHARACTERIZATION AND ASSESSMENT.—

“(i) IN GENERAL.—On approval of an application made by an eligible entity, the Administrator may make a grant to the eligible entity to be used for programs to inventory, characterize, assess, and conduct planning related to one or more brownfield sites.

“(ii) SITE CHARACTERIZATION AND ASSESSMENT.—A site characterization and assessment carried out with the use of a grant under clause (i) shall be performed in accordance with section 101(35)(B).

“(3) GRANTS AND LOANS FOR BROWNFIELD REMEDIATION.—

“(A) GRANTS PROVIDED BY THE PRESIDENT.—Subject to paragraphs (4) and (5), the President shall establish a program to provide grants to—

“(i) eligible entities, to be used for capitalization of revolving loan funds; and

“(ii) eligible entities or nonprofit organizations, where warranted, as determined by the President based on considerations under subparagraph (C), to be used directly for remediation of one or more brownfield sites owned by the entity or organization that receives the grant and in amounts not to exceed \$200,000 for each site to be remediated.

“(B) LOANS AND GRANTS PROVIDED BY ELIGIBLE ENTITIES.—An eligible entity that receives a grant under subparagraph (A)(i) shall use the grant funds to provide assistance for the remediation of brownfield sites in the form of—

“(i) one or more loans to an eligible entity, a site owner, a site developer, or another person; or

“(ii) one or more grants to an eligible entity or other nonprofit organization, where warranted, as determined by the eligible entity that is providing the assistance, based on considerations under subparagraph (C), to remediate sites owned by the eligible entity or nonprofit organization that receives the grant.

President.

“(C) CONSIDERATIONS.—In determining whether a grant under subparagraph (A)(ii) or (B)(ii) is warranted, the President or the eligible entity, as the case may be, shall take into consideration—

“(i) the extent to which a grant will facilitate the creation of, preservation of, or addition to a park, a greenway, undeveloped property, recreational property, or other property used for nonprofit purposes;

PUBLIC LAW 107-118—JAN. 11, 2002

“(ii) the extent to which a grant will meet the needs of a community that has an inability to draw on other sources of funding for environmental remediation and subsequent redevelopment of the area in which a brownfield site is located because of the small population or low income of the community;

“(iii) the extent to which a grant will facilitate the use or reuse of existing infrastructure;

“(iv) the benefit of promoting the long-term availability of funds from a revolving loan fund for brownfield remediation; and

“(v) such other similar factors as the Administrator considers appropriate to consider for the purposes of this subsection.

“(D) TRANSITION.—Revolving loan funds that have been established before the date of the enactment of this subsection may be used in accordance with this paragraph.

“(4) GENERAL PROVISIONS.—

“(A) MAXIMUM GRANT AMOUNT.—

“(i) BROWNFIELD SITE CHARACTERIZATION AND ASSESSMENT.—

“(I) IN GENERAL.—A grant under paragraph (2) may be awarded to an eligible entity on a community-wide or site-by-site basis, and shall not exceed, for any individual brownfield site covered by the grant, \$200,000.

“(II) WAIVER.—The Administrator may waive the \$200,000 limitation under subclause (I) to permit the brownfield site to receive a grant of not to exceed \$350,000, based on the anticipated level of contamination, size, or status of ownership of the site.

“(ii) BROWNFIELD REMEDIATION.—A grant under paragraph (3)(A)(i) may be awarded to an eligible entity on a community-wide or site-by-site basis, not to exceed \$1,000,000 per eligible entity. The Administrator may make an additional grant to an eligible entity described in the previous sentence for any year after the year for which the initial grant is made, taking into consideration—

“(I) the number of sites and number of communities that are addressed by the revolving loan fund;

“(II) the demand for funding by eligible entities that have not previously received a grant under this subsection;

“(III) the demonstrated ability of the eligible entity to use the revolving loan fund to enhance remediation and provide funds on a continuing basis; and

“(IV) such other similar factors as the Administrator considers appropriate to carry out this subsection.

“(B) PROHIBITION.—

“(i) IN GENERAL.—No part of a grant or loan under this subsection may be used for the payment of—

“(I) a penalty or fine;

“(II) a Federal cost-share requirement;

“(III) an administrative cost;

“(IV) a response cost at a brownfield site for which the recipient of the grant or loan is potentially liable under section 107; or

“(V) a cost of compliance with any Federal law (including a Federal law specified in section

PUBLIC LAW 107-118—JAN. 11, 2002

101(39)(B)), excluding the cost of compliance with laws applicable to the cleanup.

“(ii) EXCLUSIONS.—For the purposes of clause (i)(III), the term ‘administrative cost’ does not include the cost of—

“(I) investigation and identification of the extent of contamination;

“(II) design and performance of a response action; or

“(III) monitoring of a natural resource.

“(C) ASSISTANCE FOR DEVELOPMENT OF LOCAL GOVERNMENT SITE REMEDIATION PROGRAMS.—A local government that receives a grant under this subsection may use not to exceed 10 percent of the grant funds to develop and implement a brownfields program that may include—

“(i) monitoring the health of populations exposed to one or more hazardous substances from a brownfield site; and

“(ii) monitoring and enforcement of any institutional control used to prevent human exposure to any hazardous substance from a brownfield site.

“(D) INSURANCE.—A recipient of a grant or loan awarded under paragraph (2) or (3) that performs a characterization, assessment, or remediation of a brownfield site may use a portion of the grant or loan to purchase insurance for the characterization, assessment, or remediation of that site.

“(5) GRANT APPLICATIONS.—

“(A) SUBMISSION.—

“(i) IN GENERAL.—

“(I) APPLICATION.—An eligible entity may submit to the Administrator, through a regional office of the Environmental Protection Agency and in such form as the Administrator may require, an application for a grant under this subsection for one or more brownfield sites (including information on the criteria used by the Administrator to rank applications under subparagraph (C), to the extent that the information is available).

“(II) NCP REQUIREMENTS.—The Administrator may include in any requirement for submission of an application under subclause (I) a requirement of the National Contingency Plan only to the extent that the requirement is relevant and appropriate to the program under this subsection.

“(ii) COORDINATION.—The Administrator shall coordinate with other Federal agencies to assist in making eligible entities aware of other available Federal resources.

Publication.

“(iii) GUIDANCE.—The Administrator shall publish guidance to assist eligible entities in applying for grants under this subsection.

“(B) APPROVAL.—The Administrator shall—

“(i) at least annually, complete a review of applications for grants that are received from eligible entities under this subsection; and

Grants.

“(ii) award grants under this subsection to eligible entities that the Administrator determines have the highest rankings under the ranking criteria established under subparagraph (C).

“(C) RANKING CRITERIA.—The Administrator shall establish a system for ranking grant applications received under this paragraph that includes the following criteria:

“(i) The extent to which a grant will stimulate the availability of other funds for environmental

PUBLIC LAW 107-118—JAN. 11, 2002

assessment or remediation, and subsequent reuse, of an area in which one or more brownfield sites are located.

“(ii) The potential of the proposed project or the development plan for an area in which one or more brownfield sites are located to stimulate economic development of the area on completion of the cleanup.

“(iii) The extent to which a grant would address or facilitate the identification and reduction of threats to human health and the environment, including threats in areas in which there is a greater-than-normal incidence of diseases or conditions (including cancer, asthma, or birth defects) that may be associated with exposure to hazardous substances, pollutants, or contaminants.

“(iv) The extent to which a grant would facilitate the use or reuse of existing infrastructure.

“(v) The extent to which a grant would facilitate the creation of, preservation of, or addition to a park, a greenway, undeveloped property, recreational property, or other property used for nonprofit purposes.

“(vi) The extent to which a grant would meet the needs of a community that has an inability to draw on other sources of funding for environmental remediation and subsequent redevelopment of the area in which a brownfield site is located because of the small population or low income of the community.

“(vii) The extent to which the applicant is eligible for funding from other sources.

“(viii) The extent to which a grant will further the fair distribution of funding between urban and nonurban areas.

“(ix) The extent to which the grant provides for involvement of the local community in the process of making decisions relating to cleanup and future use of a brownfield site.

“(x) The extent to which a grant would address or facilitate the identification and reduction of threats to the health or welfare of children, pregnant women, minority or low-income communities, or other sensitive populations.

“(6) IMPLEMENTATION OF BROWNFIELDS PROGRAMS.—

“(A) ESTABLISHMENT OF PROGRAM.—The Administrator may provide, or fund eligible entities or nonprofit organizations to provide, training, research, and technical assistance to individuals and organizations, as appropriate, to facilitate the inventory of brownfield sites, site assessments, remediation of brownfield sites, community involvement, or site preparation.

“(B) FUNDING RESTRICTIONS.—The total Federal funds to be expended by the Administrator under this paragraph shall not exceed 15 percent of the total amount appropriated to carry out this subsection in any fiscal year.

“(7) AUDITS.—

“(A) IN GENERAL.—The Inspector General of the Environmental Protection Agency shall conduct such reviews or audits of grants and loans under this subsection as the Inspector General considers necessary to carry out this subsection.

“(B) PROCEDURE.—An audit under this subparagraph shall be conducted in accordance with the auditing procedures of the General Accounting Office, including chapter 75 of title 31, United States Code.

“(C) VIOLATIONS.—If the Administrator determines that a person that receives a grant or loan under this

PUBLIC LAW 107-118—JAN. 11, 2002

subsection has violated or is in violation of a condition of the grant, loan, or applicable Federal law, the Administrator may—

“(i) terminate the grant or loan;

“(ii) require the person to repay any funds received;

and

“(iii) seek any other legal remedies available to the Administrator.

Deadline.

“(D) REPORT TO CONGRESS.—Not later than 3 years after the date of the enactment of this subsection, the Inspector General of the Environmental Protection Agency shall submit to Congress a report that provides a description of the management of the program (including a description of the allocation of funds under this subsection).

“(8) LEVERAGING.—An eligible entity that receives a grant under this subsection may use the grant funds for a portion of a project at a brownfield site for which funding is received from other sources if the grant funds are used only for the purposes described in paragraph (2) or (3).

“(9) AGREEMENTS.—Each grant or loan made under this subsection shall—

“(A) include a requirement of the National Contingency Plan only to the extent that the requirement is relevant and appropriate to the program under this subsection, as determined by the Administrator; and

“(B) be subject to an agreement that—

“(i) requires the recipient to—

“(I) comply with all applicable Federal and State laws; and

“(II) ensure that the cleanup protects human health and the environment;

“(ii) requires that the recipient use the grant or loan exclusively for purposes specified in paragraph (2) or (3), as applicable;

“(iii) in the case of an application by an eligible entity under paragraph (3)(A), requires the eligible entity to pay a matching share (which may be in the form of a contribution of labor, material, or services) of at least 20 percent, from non-Federal sources of funding, unless the Administrator determines that the matching share would place an undue hardship on the eligible entity; and

“(iv) contains such other terms and conditions as the Administrator determines to be necessary to carry out this subsection.

“(10) FACILITY OTHER THAN BROWNFIELD SITE.—The fact that a facility may not be a brownfield site within the meaning of section 101(39)(A) has no effect on the eligibility of the facility for assistance under any other provision of Federal law.

“(11) EFFECT ON FEDERAL LAWS.—Nothing in this subsection affects any liability or response authority under any Federal law, including—

“(A) this Act (including the last sentence of section 101(14));

“(B) the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.);

“(C) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

“(D) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and

“(E) the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

“(12) FUNDING.—

PUBLIC LAW 107-118—JAN. 11, 2002

“(A) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$200,000,000 for each of fiscal years 2002 through 2006.

“(B) USE OF CERTAIN FUNDS.—Of the amount made available under subparagraph (A), \$50,000,000, or, if the amount made available is less than \$200,000,000, 25 percent of the amount made available, shall be used for site characterization, assessment, and remediation of facilities described in section 101(39)(D)(ii)(II).”.

Subtitle B—Brownfields Liability Clarifications

SEC. 221. CONTIGUOUS PROPERTIES.

Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding at the end the following:

“(q) CONTIGUOUS PROPERTIES.—

“(1) NOT CONSIDERED TO BE AN OWNER OR OPERATOR.—

“(A) IN GENERAL.—A person that owns real property that is contiguous to or otherwise similarly situated with respect to, and that is or may be contaminated by a release or threatened release of a hazardous substance from, real property that is not owned by that person shall not be considered to be an owner or operator of a vessel or facility under paragraph (1) or (2) of subsection (a) solely by reason of the contamination if—

“(i) the person did not cause, contribute, or consent to the release or threatened release;

“(ii) the person is not—

“(I) potentially liable, or affiliated with any other person that is potentially liable, for response costs at a facility through any direct or indirect familial relationship or any contractual, corporate, or financial relationship (other than a contractual, corporate, or financial relationship that is created by a contract for the sale of goods or services);
or

“(II) the result of a reorganization of a business entity that was potentially liable;

“(iii) the person takes reasonable steps to—

“(I) stop any continuing release;

“(II) prevent any threatened future release;

and

“(III) prevent or limit human, environmental, or natural resource exposure to any hazardous substance released on or from property owned by that person;

“(iv) the person provides full cooperation, assistance, and access to persons that are authorized to conduct response actions or natural resource restoration at the vessel or facility from which there has been a release or threatened release (including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action or natural resource restoration at the vessel or facility);

“(v) the person—

“(I) is in compliance with any land use restrictions established or relied on in connection with the response action at the facility; and

PUBLIC LAW 107-118—JAN. 11, 2002

“(II) does not impede the effectiveness or integrity of any institutional control employed in connection with a response action;

“(vi) the person is in compliance with any request for information or administrative subpoena issued by the President under this Act;

“(vii) the person provides all legally required notices with respect to the discovery or release of any hazardous substances at the facility; and

“(viii) at the time at which the person acquired the property, the person—

“(I) conducted all appropriate inquiry within the meaning of section 101(35)(B) with respect to the property; and

“(II) did not know or have reason to know that the property was or could be contaminated by a release or threatened release of one or more hazardous substances from other real property not owned or operated by the person.

“(B) DEMONSTRATION.—To qualify as a person described in subparagraph (A), a person must establish by a preponderance of the evidence that the conditions in clauses (i) through (viii) of subparagraph (A) have been met.

“(C) BONA FIDE PROSPECTIVE PURCHASER.—Any person that does not qualify as a person described in this paragraph because the person had, or had reason to have, knowledge specified in subparagraph (A)(viii) at the time of acquisition of the real property may qualify as a bona fide prospective purchaser under section 101(40) if the person is otherwise described in that section.

“(D) GROUND WATER.—With respect to a hazardous substance from one or more sources that are not on the property of a person that is a contiguous property owner that enters ground water beneath the property of the person solely as a result of subsurface migration in an aquifer, subparagraph (A)(iii) shall not require the person to conduct ground water investigations or to install ground water remediation systems, except in accordance with the policy of the Environmental Protection Agency concerning owners of property containing contaminated aquifers, dated May 24, 1995.

“(2) EFFECT OF LAW.—With respect to a person described in this subsection, nothing in this subsection—

“(A) limits any defense to liability that may be available to the person under any other provision of law; or

“(B) imposes liability on the person that is not otherwise imposed by subsection (a).

“(3) ASSURANCES.—The Administrator may—

“(A) issue an assurance that no enforcement action under this Act will be initiated against a person described in paragraph (1); and

“(B) grant a person described in paragraph (1) protection against a cost recovery or contribution action under section 113(f).”

SEC. 222. PROSPECTIVE PURCHASERS AND WINDFALL LIENS.

(a) DEFINITION OF BONA FIDE PROSPECTIVE PURCHASER.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601) (as amended by section 211(a) of this Act) is amended by adding at the end the following:

“(40) BONA FIDE PROSPECTIVE PURCHASER.—The term ‘bona fide prospective purchaser’ means a person (or a tenant of a person) that acquires ownership of a facility after the date

PUBLIC LAW 107-118—JAN. 11, 2002

of the enactment of this paragraph and that establishes each of the following by a preponderance of the evidence:

“(A) DISPOSAL PRIOR TO ACQUISITION.—All disposal of hazardous substances at the facility occurred before the person acquired the facility.

“(B) INQUIRIES.—

“(i) IN GENERAL.—The person made all appropriate inquiries into the previous ownership and uses of the facility in accordance with generally accepted good commercial and customary standards and practices in accordance with clauses (ii) and (iii).

“(ii) STANDARDS AND PRACTICES.—The standards and practices referred to in clauses (ii) and (iv) of paragraph (35)(B) shall be considered to satisfy the requirements of this subparagraph.

“(iii) RESIDENTIAL USE.—In the case of property in residential or other similar use at the time of purchase by a nongovernmental or noncommercial entity, a facility inspection and title search that reveal no basis for further investigation shall be considered to satisfy the requirements of this subparagraph.

“(C) NOTICES.—The person provides all legally required notices with respect to the discovery or release of any hazardous substances at the facility.

“(D) CARE.—The person exercises appropriate care with respect to hazardous substances found at the facility by taking reasonable steps to—

“(i) stop any continuing release;

“(ii) prevent any threatened future release; and

“(iii) prevent or limit human, environmental, or natural resource exposure to any previously released hazardous substance.

“(E) COOPERATION, ASSISTANCE, AND ACCESS.—The person provides full cooperation, assistance, and access to persons that are authorized to conduct response actions or natural resource restoration at a vessel or facility (including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response actions or natural resource restoration at the vessel or facility).

“(F) INSTITUTIONAL CONTROL.—The person—

“(i) is in compliance with any land use restrictions established or relied on in connection with the response action at a vessel or facility; and

“(ii) does not impede the effectiveness or integrity of any institutional control employed at the vessel or facility in connection with a response action.

“(G) REQUESTS; SUBPOENAS.—The person complies with any request for information or administrative subpoena issued by the President under this Act.

“(H) NO AFFILIATION.—The person is not—

“(i) potentially liable, or affiliated with any other person that is potentially liable, for response costs at a facility through—

“(I) any direct or indirect familial relationship;

or

“(II) any contractual, corporate, or financial relationship (other than a contractual, corporate, or financial relationship that is created by the instruments by which title to the facility is conveyed or financed or by a contract for the sale of goods or services); or

“(ii) the result of a reorganization of a business entity that was potentially liable.”.

PUBLIC LAW 107-118—JAN. 11, 2002

(b) PROSPECTIVE PURCHASER AND WINDFALL LIEN.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) (as amended by this Act) is further amended by adding at the end the following:

“(r) PROSPECTIVE PURCHASER AND WINDFALL LIEN.—

“(1) LIMITATION ON LIABILITY.—Notwithstanding subsection (a)(1), a bona fide prospective purchaser whose potential liability for a release or threatened release is based solely on the purchaser’s being considered to be an owner or operator of a facility shall not be liable as long as the bona fide prospective purchaser does not impede the performance of a response action or natural resource restoration.

“(2) LIEN.—If there are unrecovered response costs incurred by the United States at a facility for which an owner of the facility is not liable by reason of paragraph (1), and if each of the conditions described in paragraph (3) is met, the United States shall have a lien on the facility, or may by agreement with the owner, obtain from the owner a lien on any other property or other assurance of payment satisfactory to the Administrator, for the unrecovered response costs.

“(3) CONDITIONS.—The conditions referred to in paragraph (2) are the following:

“(A) RESPONSE ACTION.—A response action for which there are unrecovered costs of the United States is carried out at the facility.

“(B) FAIR MARKET VALUE.—The response action increases the fair market value of the facility above the fair market value of the facility that existed before the response action was initiated.

“(4) AMOUNT; DURATION.—A lien under paragraph (2)—

“(A) shall be in an amount not to exceed the increase in fair market value of the property attributable to the response action at the time of a sale or other disposition of the property;

“(B) shall arise at the time at which costs are first incurred by the United States with respect to a response action at the facility;

“(C) shall be subject to the requirements of subsection (1)(3); and

“(D) shall continue until the earlier of—

“(i) satisfaction of the lien by sale or other means;

or

“(ii) notwithstanding any statute of limitations under section 113, recovery of all response costs incurred at the facility.”.

SEC. 223. INNOCENT LANDOWNERS.

Section 101(35) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(35)) is amended—

(1) in subparagraph (A)—

(A) in the first sentence, in the matter preceding clause (i), by striking “deeds or” and inserting “deeds, easements, leases, or”; and

(B) in the second sentence—

(i) by striking “he” and inserting “the defendant”; and

(ii) by striking the period at the end and inserting “, provides full cooperation, assistance, and facility access to the persons that are authorized to conduct response actions at the facility (including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action at the facility), is in compliance with any land use restrictions established or relied on in

PUBLIC LAW 107-118—JAN. 11, 2002

connection with the response action at a facility, and does not impede the effectiveness or integrity of any institutional control employed at the facility in connection with a response action.”; and

(2) by striking subparagraph (B) and inserting the following:

“(B) REASON TO KNOW.—

“(i) ALL APPROPRIATE INQUIRIES.—To establish that the defendant had no reason to know of the matter described in subparagraph (A)(i), the defendant must demonstrate to a court that—

“(I) on or before the date on which the defendant acquired the facility, the defendant carried out all appropriate inquiries, as provided in clauses (ii) and (iv), into the previous ownership and uses of the facility in accordance with generally accepted good commercial and customary standards and practices; and

“(II) the defendant took reasonable steps to—

“(aa) stop any continuing release;

“(bb) prevent any threatened future release; and

“(cc) prevent or limit any human, environmental, or natural resource exposure to any previously released hazardous substance.

“(ii) STANDARDS AND PRACTICES.—Not later than 2 years after the date of the enactment of the Brownfields Revitalization and Environmental Restoration Act of 2001, the Administrator shall by regulation establish standards and practices for the purpose of satisfying the requirement to carry out all appropriate inquiries under clause (i).

“(iii) CRITERIA.—In promulgating regulations that establish the standards and practices referred to in clause (ii), the Administrator shall include each of the following:

“(I) The results of an inquiry by an environmental professional.

“(II) Interviews with past and present owners, operators, and occupants of the facility for the purpose of gathering information regarding the potential for contamination at the facility.

“(III) Reviews of historical sources, such as chain of title documents, aerial photographs, building department records, and land use records, to determine previous uses and occupancies of the real property since the property was first developed.

“(IV) Searches for recorded environmental cleanup liens against the facility that are filed under Federal, State, or local law.

“(V) Reviews of Federal, State, and local government records, waste disposal records, underground storage tank records, and hazardous waste handling, generation, treatment, disposal, and spill records, concerning contamination at or near the facility.

“(VI) Visual inspections of the facility and of adjoining properties.

“(VII) Specialized knowledge or experience on the part of the defendant.

“(VIII) The relationship of the purchase price to the value of the property, if the property was not contaminated.

Deadline.
Regulations.

PUBLIC LAW 107-118—JAN. 11, 2002

“(IX) Commonly known or reasonably ascertainable information about the property.

“(X) The degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation.

“(iv) INTERIM STANDARDS AND PRACTICES.—

Courts.

“(I) PROPERTY PURCHASED BEFORE MAY 31, 1997.—With respect to property purchased before May 31, 1997, in making a determination with respect to a defendant described in clause (i), a court shall take into account—

“(aa) any specialized knowledge or experience on the part of the defendant;

“(bb) the relationship of the purchase price to the value of the property, if the property was not contaminated;

“(cc) commonly known or reasonably ascertainable information about the property;

“(dd) the obviousness of the presence or likely presence of contamination at the property; and

“(ee) the ability of the defendant to detect the contamination by appropriate inspection.

“(II) PROPERTY PURCHASED ON OR AFTER MAY 31, 1997.—With respect to property purchased on or after May 31, 1997, and until the Administrator promulgates the regulations described in clause (ii), the procedures of the American Society for Testing and Materials, including the document known as ‘Standard E1527-97’, entitled ‘Standard Practice for Environmental Site Assessment: Phase 1 Environmental Site Assessment Process’, shall satisfy the requirements in clause (i).

“(v) SITE INSPECTION AND TITLE SEARCH.—In the case of property for residential use or other similar use purchased by a nongovernmental or noncommercial entity, a facility inspection and title search that reveal no basis for further investigation shall be considered to satisfy the requirements of this subparagraph.”.

Subtitle C—State Response Programs

SEC. 231. STATE RESPONSE PROGRAMS.

(a) DEFINITIONS.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601) (as amended by this Act) is further amended by adding at the end the following:

“(41) ELIGIBLE RESPONSE SITE.—

“(A) IN GENERAL.—The term ‘eligible response site’ means a site that meets the definition of a brownfield site in subparagraphs (A) and (B) of paragraph (39), as modified by subparagraphs (B) and (C) of this paragraph.

“(B) INCLUSIONS.—The term ‘eligible response site’ includes—

“(i) notwithstanding paragraph (39)(B)(ix), a portion of a facility, for which portion assistance for response activity has been obtained under subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) from the Leaking Underground Storage Tank Trust Fund established under section 9508 of the Internal Revenue Code of 1986; or

President.

“(ii) a site for which, notwithstanding the exclusions provided in subparagraph (C) or paragraph

PUBLIC LAW 107-118—JAN. 11, 2002

(39)(B), the President determines, on a site-by-site basis and after consultation with the State, that limitations on enforcement under section 128 at sites specified in clause (iv), (v), (vi) or (viii) of paragraph (39)(B) would be appropriate and will—

“(I) protect human health and the environment; and

“(II) promote economic development or facilitate the creation of, preservation of, or addition to a park, a greenway, undeveloped property, recreational property, or other property used for non-profit purposes.

“(C) EXCLUSIONS.—The term ‘eligible response site’ does not include—

“(i) a facility for which the President—

“(I) conducts or has conducted a preliminary assessment or site inspection; and

“(II) after consultation with the State, determines or has determined that the site obtains a preliminary score sufficient for possible listing on the National Priorities List, or that the site otherwise qualifies for listing on the National Priorities List; unless the President has made a determination that no further Federal action will be taken; or

“(ii) facilities that the President determines warrant particular consideration as identified by regulation, such as sites posing a threat to a sole-source drinking water aquifer or a sensitive ecosystem.”

(b) STATE RESPONSE PROGRAMS.—Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by adding at the end the following:

“SEC. 128. STATE RESPONSE PROGRAMS.

42 USC 9628.

“(a) ASSISTANCE TO STATES.—

“(1) IN GENERAL.—

“(A) STATES.—The Administrator may award a grant to a State or Indian tribe that—

“(i) has a response program that includes each of the elements, or is taking reasonable steps to include each of the elements, listed in paragraph (2); or

“(ii) is a party to a memorandum of agreement with the Administrator for voluntary response programs.

“(B) USE OF GRANTS BY STATES.—

“(i) IN GENERAL.—A State or Indian tribe may use a grant under this subsection to establish or enhance the response program of the State or Indian tribe.

“(ii) ADDITIONAL USES.—In addition to the uses under clause (i), a State or Indian tribe may use a grant under this subsection to—

“(I) capitalize a revolving loan fund for brownfield remediation under section 104(k)(3); or

“(II) purchase insurance or develop a risk sharing pool, an indemnity pool, or insurance mechanism to provide financing for response actions under a State response program.

“(2) ELEMENTS.—The elements of a State or Indian tribe response program referred to in paragraph (1)(A)(i) are the following:

“(A) Timely survey and inventory of brownfield sites in the State.

PUBLIC LAW 107-118—JAN. 11, 2002

“(B) Oversight and enforcement authorities or other mechanisms, and resources, that are adequate to ensure that—

“(i) a response action will—

“(I) protect human health and the environment; and

“(II) be conducted in accordance with applicable Federal and State law; and

“(ii) if the person conducting the response action fails to complete the necessary response activities, including operation and maintenance or long-term monitoring activities, the necessary response activities are completed.

“(C) Mechanisms and resources to provide meaningful opportunities for public participation, including—

“(i) public access to documents that the State, Indian tribe, or party conducting the cleanup is relying on or developing in making cleanup decisions or conducting site activities;

“(ii) prior notice and opportunity for comment on proposed cleanup plans and site activities; and

“(iii) a mechanism by which—

“(I) a person that is or may be affected by a release or threatened release of a hazardous substance, pollutant, or contaminant at a brownfield site located in the community in which the person works or resides may request the conduct of a site assessment; and

“(II) an appropriate State official shall consider and appropriately respond to a request under subclause (I).

“(D) Mechanisms for approval of a cleanup plan, and a requirement for verification by and certification or similar documentation from the State, an Indian tribe, or a licensed site professional to the person conducting a response action indicating that the response is complete.

“(3) FUNDING.—There is authorized to be appropriated to carry out this subsection \$50,000,000 for each of fiscal years 2002 through 2006.

“(b) ENFORCEMENT IN CASES OF A RELEASE SUBJECT TO STATE PROGRAM.—

“(1) ENFORCEMENT.—

“(A) IN GENERAL.— Except as provided in subparagraph (B) and subject to subparagraph (C), in the case of an eligible response site at which—

“(i) there is a release or threatened release of a hazardous substance, pollutant, or contaminant; and

“(ii) a person is conducting or has completed a response action regarding the specific release that is addressed by the response action that is in compliance with the State program that specifically governs response actions for the protection of public health and the environment,

the President may not use authority under this Act to take an administrative or judicial enforcement action under section 106(a) or to take a judicial enforcement action to recover response costs under section 107(a) against the person regarding the specific release that is addressed by the response action.

“(B) EXCEPTIONS.—The President may bring an administrative or judicial enforcement action under this Act during or after completion of a response action described in subparagraph (A) with respect to a release or threatened release at an eligible response site described in that subparagraph if—

PUBLIC LAW 107-118—JAN. 11, 2002

“(i) the State requests that the President provide assistance in the performance of a response action;

“(ii) the Administrator determines that contamination has migrated or will migrate across a State line, resulting in the need for further response action to protect human health or the environment, or the President determines that contamination has migrated or is likely to migrate onto property subject to the jurisdiction, custody, or control of a department, agency, or instrumentality of the United States and may impact the authorized purposes of the Federal property;

“(iii) after taking into consideration the response activities already taken, the Administrator determines that—

“(I) a release or threatened release may present an imminent and substantial endangerment to public health or welfare or the environment; and

“(II) additional response actions are likely to be necessary to address, prevent, limit, or mitigate the release or threatened release; or

“(iv) the Administrator, after consultation with the State, determines that information, that on the earlier of the date on which cleanup was approved or completed, was not known by the State, as recorded in documents prepared or relied on in selecting or conducting the cleanup, has been discovered regarding the contamination or conditions at a facility such that the contamination or conditions at the facility present a threat requiring further remediation to protect public health or welfare or the environment. Consultation with the State shall not limit the ability of the Administrator to make this determination.

“(C) PUBLIC RECORD.—The limitations on the authority of the President under subparagraph (A) apply only at sites in States that maintain, update not less than annually, and make available to the public a record of sites, by name and location, at which response actions have been completed in the previous year and are planned to be addressed under the State program that specifically governs response actions for the protection of public health and the environment in the upcoming year. The public record shall identify whether or not the site, on completion of the response action, will be suitable for unrestricted use and, if not, shall identify the institutional controls relied on in the remedy. Each State and tribe receiving financial assistance under subsection (a) shall maintain and make available to the public a record of sites as provided in this paragraph.

Applicability.

“(D) EPA NOTIFICATION.—

“(i) IN GENERAL.—In the case of an eligible response site at which there is a release or threatened release of a hazardous substance, pollutant, or contaminant and for which the Administrator intends to carry out an action that may be barred under subparagraph (A), the Administrator shall—

“(I) notify the State of the action the Administrator intends to take; and

“(II)(aa) wait 48 hours for a reply from the State under clause (ii); or

“(bb) if the State fails to reply to the notification or if the Administrator makes a determination under clause (iii), take immediate action under that clause.

PUBLIC LAW 107-118—JAN. 11, 2002

- Deadline. “(ii) STATE REPLY.—Not later than 48 hours after a State receives notice from the Administrator under clause (i), the State shall notify the Administrator if—
- “ (I) the release at the eligible response site is or has been subject to a cleanup conducted under a State program; and
- “ (II) the State is planning to abate the release or threatened release, any actions that are planned.
- “ (iii) IMMEDIATE FEDERAL ACTION.—The Administrator may take action immediately after giving notification under clause (i) without waiting for a State reply under clause (ii) if the Administrator determines that one or more exceptions under subparagraph (B) are met.
- Deadline. President. “(E) REPORT TO CONGRESS.—Not later than 90 days after the date of initiation of any enforcement action by the President under clause (ii), (iii), or (iv) of subparagraph (B), the President shall submit to Congress a report describing the basis for the enforcement action, including specific references to the facts demonstrating that enforcement action is permitted under subparagraph (B).
- “ (2) SAVINGS PROVISION.—
- “ (A) COSTS INCURRED PRIOR TO LIMITATIONS.—Nothing in paragraph (1) precludes the President from seeking to recover costs incurred prior to the date of the enactment of this section or during a period in which the limitations of paragraph (1)(A) were not applicable.
- “ (B) EFFECT ON AGREEMENTS BETWEEN STATES AND EPA.—Nothing in paragraph (1)—
- “ (i) modifies or otherwise affects a memorandum of agreement, memorandum of understanding, or any similar agreement relating to this Act between a State agency or an Indian tribe and the Administrator that is in effect on or before the date of the enactment of this section (which agreement shall remain in effect, subject to the terms of the agreement); or
- “ (ii) limits the discretionary authority of the President to enter into or modify an agreement with a State, an Indian tribe, or any other person relating to the implementation by the President of statutory authorities.
- Applicability. “(3) EFFECTIVE DATE.—This subsection applies only to response actions conducted after February 15, 2001.
- “ (c) EFFECT ON FEDERAL LAWS.—Nothing in this section affects any liability or response authority under any Federal law, including—
- “ (1) this Act, except as provided in subsection (b);
- “ (2) the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.);
- “ (3) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);
- “ (4) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and
- “ (5) the Safe Drinking Water Act (42 U.S.C. 300f et seq.).”
- SEC. 232. ADDITIONS TO NATIONAL PRIORITIES LIST.**
- Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605) is amended by adding at the end the following:
- “ (h) NPL DEFERRAL.—
- “ (1) DEFERRAL TO STATE VOLUNTARY CLEANUPS.—At the request of a State and subject to paragraphs (2) and (3), the President generally shall defer final listing of an eligible response site on the National Priorities List if the President determines that—

PUBLIC LAW 107-118—JAN. 11, 2002

“(A) the State, or another party under an agreement with or order from the State, is conducting a response action at the eligible response site—

“(i) in compliance with a State program that specifically governs response actions for the protection of public health and the environment; and

“(ii) that will provide long-term protection of human health and the environment; or

“(B) the State is actively pursuing an agreement to perform a response action described in subparagraph (A) at the site with a person that the State has reason to believe is capable of conducting a response action that meets the requirements of subparagraph (A).

“(2) PROGRESS TOWARD CLEANUP.—If, after the last day of the 1-year period beginning on the date on which the President proposes to list an eligible response site on the National Priorities List, the President determines that the State or other party is not making reasonable progress toward completing a response action at the eligible response site, the President may list the eligible response site on the National Priorities List.

“(3) CLEANUP AGREEMENTS.—With respect to an eligible response site under paragraph (1)(B), if, after the last day of the 1-year period beginning on the date on which the President proposes to list the eligible response site on the National Priorities List, an agreement described in paragraph (1)(B) has not been reached, the President may defer the listing of the eligible response site on the National Priorities List for an additional period of not to exceed 180 days if the President determines deferring the listing would be appropriate based on—

“(A) the complexity of the site;

“(B) substantial progress made in negotiations; and

“(C) other appropriate factors, as determined by the President.

“(4) EXCEPTIONS.—The President may decline to defer, or elect to discontinue a deferral of, a listing of an eligible response site on the National Priorities List if the President determines that—

“(A) deferral would not be appropriate because the State, as an owner or operator or a significant contributor of hazardous substances to the facility, is a potentially responsible party;

“(B) the criteria under the National Contingency Plan for issuance of a health advisory have been met; or

“(C) the conditions in paragraphs (1) through (3), as applicable, are no longer being met.”.

Approved January 11, 2002.

LEGISLATIVE HISTORY—H.R. 2869:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Dec. 19, considered and passed House.

Dec. 20, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Jan. 11, Presidential remarks.

STATE ACTS

PUBLIC LAW 107-46—OCT. 5, 2001

Public Law 107-46
107th Congress

An Act

To amend the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001, to adjust a condition on the payment of arrearages to the United Nations that sets the maximum share of any United Nations peacekeeping operation's budget that may be assessed of any country.

Oct. 5, 2001

[S. 248]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITATION ON THE PER COUNTRY SHARE OF ASSESSMENTS FOR UNITED NATIONS PEACEKEEPING OPERATIONS.

(a) **IN GENERAL.**—Section 931(b)(2) of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (as enacted by section 1000(a)(7) of Public Law 106-113 and contained in appendix G of that Act; 113 Stat. 1501A-480) is amended by striking “25 percent” and inserting “28.15 percent”.

(b) **CONFORMING AMENDMENT.**—The undesignated paragraph under the heading “ARREARAGE PAYMENTS” in title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999 (as contained in section 101(b) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; 112 Stat. 2681-96) is amended by striking “25 percent” and inserting “28.15 percent”.

Approved October 5, 2001.

LEGISLATIVE HISTORY—S. 248:

CONGRESSIONAL RECORD, Vol. 147 (2001):
Feb. 7, considered and passed Senate.
Sept. 24, considered and passed House.

TRANSPORTATION ACTS

PUBLIC LAW 107-42—SEPT. 22, 2001

Public Law 107-42
107th Congress

An Act

To preserve the continued viability of the United States air transportation system.

Sept. 22, 2001
[H.R. 2926]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Air Transportation Safety and System Stabilization Act”.

Air
Transportation
Safety and
System
Stabilization Act.
49 USC 40101
note.

TITLE I—AIRLINE STABILIZATION

SEC. 101. AVIATION DISASTER RELIEF.

(a) **IN GENERAL.**—Notwithstanding any other provision of law, the President shall take the following actions to compensate air carriers for losses incurred by the air carriers as a result of the terrorist attacks on the United States that occurred on September 11, 2001:

49 USC 40101
note.
President.
Terrorism.

(1) Subject to such terms and conditions as the President deems necessary, issue Federal credit instruments to air carriers that do not, in the aggregate, exceed \$10,000,000,000 and provide the subsidy amounts necessary for such instruments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) Compensate air carriers in an aggregate amount equal to \$5,000,000,000 for—

(A) direct losses incurred beginning on September 11, 2001, by air carriers as a result of any Federal ground stop order issued by the Secretary of Transportation or any subsequent order which continues or renews such a stoppage; and

(B) the incremental losses incurred beginning September 11, 2001, and ending December 31, 2001, by air carriers as a direct result of such attacks.

(b) **EMERGENCY DESIGNATION.**—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act, is transmitted by the President to Congress.

SEC. 102. AIR TRANSPORTATION STABILIZATION BOARD.

49 USC 40101
note.

(a) **DEFINITIONS.**—In this section, the following definitions apply:

(1) **BOARD.**—The term “Board” means the Air Transportation Stabilization Board established under subsection (b).

(2) **FINANCIAL OBLIGATION.**—The term “financial obligation” means any note, bond, debenture, or other debt obligation issued by an obligor in connection with financing under this section and section 101(a)(1).

(3) **LENDER.**—The term “lender” means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regula-

PUBLIC LAW 107-42—SEPT. 22, 2001

tion) known as Rule 144A(a) of the Securities and Exchange Commission and issued under the Security Act of 1933, including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986 (26 U.S.C. 4974(c)) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986 (26 U.S.C. 414(d)) that is a qualified institutional buyer.

(4) OBLIGOR.—The term “obligor” means a party primarily liable for payment of the principal of or interest on a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(b) AIR TRANSPORTATION STABILIZATION BOARD.—

(1) ESTABLISHMENT.—There is established a board (to be known as the “Air Transportation Stabilization Board”) to review and decide on applications for Federal credit instruments under section 101(a)(1).

(2) COMPOSITION.—The Board shall consist of—

(A) the Secretary of Transportation or the designee of the Secretary;

(B) the Chairman of the Board of Governors of the Federal Reserve System, or the designee of the Chairman, who shall be the Chair of the Board;

(C) the Secretary of the Treasury or the designee of the Secretary; and

(D) the Comptroller General of the United States, or the designee of the Comptroller General, as a nonvoting member of the Board.

(c) FEDERAL CREDIT INSTRUMENTS.—

(1) IN GENERAL.—The Board may enter into agreements with 1 or more obligors to issue Federal credit instruments under section 101(a)(1) if the Board determines, in its discretion, that—

(A) the obligor is an air carrier for which credit is not reasonably available at the time of the transaction;

(B) the intended obligation by the obligor is prudently incurred; and

(C) such agreement is a necessary part of maintaining a safe, efficient, and viable commercial aviation system in the United States.

(2) TERMS AND LIMITATIONS.—

(A) FORMS; TERMS AND CONDITIONS.—A Federal credit instrument shall be issued under section 101(a)(1) in such form and on such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Board determines appropriate.

(B) PROCEDURES.—Not later than 14 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall issue regulations setting forth procedures for application and minimum requirements, which may be supplemented by the Board in its discretion, for the issuance of Federal credit instruments under section 101(a)(1).

(d) FINANCIAL PROTECTION OF GOVERNMENT.—

(1) IN GENERAL.—To the extent feasible and practicable, the Board shall ensure that the Government is compensated for the risk assumed in making guarantees under this title.

(2) GOVERNMENT PARTICIPATION IN GAINS.—To the extent to which any participating corporation accepts financial assistance, in the form of accepting the proceeds of any loans guaranteed by the Government under this title, the Board is authorized to enter into contracts under which the Government,

Deadline.
Regulations.

PUBLIC LAW 107-42—SEPT. 22, 2001

contingent on the financial success of the participating corporation, would participate in the gains of the participating corporation or its security holders through the use of such instruments as warrants, stock options, common or preferred stock, or other appropriate equity instruments.

(3) DEPOSIT IN TREASURY.—All amounts collected by the Secretary of the Treasury under this subsection shall be deposited in the Treasury as miscellaneous receipts.

SEC. 103. SPECIAL RULES FOR COMPENSATION.

49 USC 40101
note.

(a) DOCUMENTATION.—Subject to subsection (b), the amount of compensation payable to an air carrier under section 101(a)(2) may not exceed the amount of losses described in section 101(a)(2) that the air carrier demonstrates to the satisfaction of the President, using sworn financial statements or other appropriate data, that the air carrier incurred. The Secretary of Transportation and the Comptroller General of the United States may audit such statements and may request any information that the Secretary and the Comptroller General deems necessary to conduct such audit.

(b) MAXIMUM AMOUNT OF COMPENSATION PAYABLE PER AIR CARRIER.—The maximum total amount of compensation payable to an air carrier under section 101(a)(2) may not exceed the lesser of—

(1) the amount of such air carrier's direct and incremental losses described in section 101(a)(2); or

(2) in the case of—

(A) flights involving passenger-only or combined passenger and cargo transportation, the product of—

(i) \$4,500,000,000; and

(ii) the ratio of—

(I) the available seat miles of the air carrier for the month of August 2001 as reported to the Secretary; to

(II) the total available seat miles of all such air carriers for such month as reported to the Secretary; and

(B) flights involving cargo-only transportation, the product of—

(i) \$500,000,000; and

(ii) the ratio of—

(I) the revenue ton miles or other auditable measure of the air carrier for cargo for the latest quarter for which data is available as reported to the Secretary; to

(II) the total revenue ton miles or other auditable measure of all such air carriers for cargo for such quarter as reported to the Secretary.

(c) PAYMENTS.—The President may provide compensation to air carriers under section 101(a)(2) in 1 or more payments up to the amount authorized by this title.

SEC. 104. LIMITATION ON CERTAIN EMPLOYEE COMPENSATION.

49 USC 40101
note.

(a) IN GENERAL.—The President may only issue a Federal credit instrument under section 101(a)(1) to an air carrier after the air carrier enters into a legally binding agreement with the President that, during the 2-year period beginning September 11, 2001, and ending September 11, 2003, no officer or employee of the air carrier whose total compensation exceeded \$300,000 in calendar year 2000 (other than an employee whose compensation is determined through an existing collective bargaining agreement entered into prior to September 11, 2001)—

(1) will receive from the air carrier total compensation which exceeds, during any 12 consecutive months of such 2-year period, the total compensation received by the officer or employee from the air carrier in calendar year 2000; and

PUBLIC LAW 107-42—SEPT. 22, 2001

(2) will receive from the air carrier severance pay or other benefits upon termination of employment with the air carrier which exceeds twice the maximum total compensation received by the officer or employee from the air carrier in calendar year 2000.

(b) **TOTAL COMPENSATION DEFINED.**—In this section, the term “total compensation” includes salary, bonuses, awards of stock, and other financial benefits provided by an air carrier to an officer or employee of the air carrier.

49 USC 40101
note.

SEC. 105. CONTINUATION OF CERTAIN AIR SERVICE.

(a) **ACTION OF SECRETARY.**—The Secretary of Transportation should take appropriate action to ensure that all communities that had scheduled air service before September 11, 2001, continue to receive adequate air transportation service and that essential air service to small communities continues without interruption.

Appropriation
authorization.

(b) **ESSENTIAL AIR SERVICE.**—There is authorized to be appropriated to the Secretary to carry out the essential air service program under subchapter II of chapter 417 of title 49, United States Code, \$120,000,000 for fiscal year 2002.

(c) **SECRETARIAL OVERSIGHT.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, the Secretary is authorized to require an air carrier receiving direct financial assistance under this Act to maintain scheduled air service to any point served by that carrier before September 11, 2001.

(2) **AGREEMENTS.**—In applying paragraph (1), the Secretary may require air carriers receiving direct financial assistance under this Act to enter into agreements which will ensure, to the maximum extent practicable, that all communities that had scheduled air service before September 11, 2001, continue to receive adequate air transportation service.

Deadlines.
President.
49 USC 40101
note.

SEC. 106. REPORTS.

(a) **REPORT.**—Not later than February 1, 2001, the President shall transmit to the Committee on Transportation and Infrastructure, the Committee on Appropriations, and the Committee on the Budget of the House of Representatives and the Committee on Commerce, Science, and Transportation, the Committee on Appropriations, and the Committee on the Budget of the Senate a report on the financial status of the air carrier industry and the amounts of assistance provided under this title to each air carrier.

(b) **UPDATE.**—Not later than the last day of the 7-month period following the date of enactment of this Act, the President shall update and transmit the report to the Committees.

SEC. 107. DEFINITIONS.

In this title, the following definitions apply:

(1) **AIR CARRIER.**—The term “air carrier” has the meaning such term has under section 40102 of title 49, United States Code.

(2) **FEDERAL CREDIT INSTRUMENT.**—The term “Federal credit instrument” means any guarantee or other pledge by the Board issued under section 101(a)(1) to pledge the full faith and credit of the United States to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(3) **INCREMENTAL LOSS.**—The term “incremental loss” does not include any loss that the President determines would have been incurred if the terrorist attacks on the United States that occurred on September 11, 2001, had not occurred.

PUBLIC LAW 107-42—SEPT. 22, 2001

TITLE II—AVIATION INSURANCE**SEC. 201. DOMESTIC INSURANCE AND REIMBURSEMENT OF INSURANCE COSTS.**

(a) IN GENERAL.—Section 44302 of title 49, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking “subsection (b)” and inserting “subsection (c)”; and

(B) by striking “foreign-flag aircraft—” and all that follows through the period at the end of subparagraph (B) and inserting “foreign-flag aircraft.”;

(2) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively;

(3) by inserting after subsection (a) the following:

“(b) REIMBURSEMENT OF INSURANCE COST INCREASES.—

“(1) IN GENERAL.—The Secretary may reimburse an air carrier for the increase in the cost of insurance, with respect to a premium for coverage ending before October 1, 2002, against loss or damage arising out of any risk from the operation of an American aircraft over the insurance premium that was in effect for a comparable operation during the period beginning September 4, 2001, and ending September 10, 2001, as the Secretary may determine. Such reimbursement is subject to subsections (a)(2), (c), and (d) of this section and to section 44303.

“(2) PAYMENT FROM REVOLVING FUND.—A reimbursement under this subsection shall be paid from the revolving fund established by section 44307.

“(3) FURTHER CONDITIONS.—The Secretary may impose such further conditions on insurance for which the increase in premium is subject to reimbursement under this subsection as the Secretary may deem appropriate in the interest of air commerce.

“(4) TERMINATION OF AUTHORITY.—The authority to reimburse air carriers under this subsection shall expire 180 days after the date of enactment of this paragraph.”;

(4) in subsection (c) (as so redesignated)—

(A) in the first sentence by inserting “, or reimburse an air carrier under subsection (b) of this section,” before “only with the approval”; and

(B) in the second sentence—

(i) by inserting “or the reimbursement” before “only after deciding”; and

(ii) by inserting “in the interest of air commerce or national security or” before “to carry out the foreign policy”; and

(5) in subsection (d) (as so redesignated) by inserting “or reimbursing an air carrier” before “under this chapter”.

(b) COVERAGE.—

(1) IN GENERAL.—Section 44303 of such title is amended—

(A) in the matter preceding paragraph (1) by inserting “, or reimburse insurance costs, as” after “insurance and reinsurance”; and

(B) in paragraph (1) by inserting “in the interest of air commerce or national security or” before “to carry out the foreign policy”.

(2) DISCRETION OF THE SECRETARY.—For acts of terrorism committed on or to an air carrier during the 180-day period following the date of enactment of this Act, the Secretary of Transportation may certify that the air carrier was a victim of an act of terrorism and in the Secretary’s judgment, based on the Secretary’s analysis and conclusions regarding the facts and circumstances of each case, shall not be responsible for

PUBLIC LAW 107-42—SEPT. 22, 2001

losses suffered by third parties (as referred to in section 205.5(b)(1) of title 14, Code of Federal Regulations) that exceed \$100,000,000, in the aggregate, for all claims by such parties arising out of such act. If the Secretary so certifies, the air carrier shall not be liable for an amount that exceeds \$100,000,000, in the aggregate, for all claims by such parties arising out of such act, and the Government shall be responsible for any liability above such amount. No punitive damages may be awarded against an air carrier (or the Government taking responsibility for an air carrier under this paragraph) under a cause of action arising out of such act.

(c) REINSURANCE.—Section 44304 of such title is amended—

(1) by striking “(a) GENERAL AUTHORITY.—”; and

(2) by striking subsection (b).

(d) PREMIUMS.—Section 44306 of such title is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

“(b) ALLOWANCES IN SETTING PREMIUM RATES FOR REINSURANCE.—In setting premium rates for reinsurance, the Secretary may make allowances to the insurance carrier for expenses incurred in providing services and facilities that the Secretary considers good business practices, except for payments by the air carrier for the stimulation or solicitation of insurance business.”.

(e) CONFORMING AMENDMENT.—Section 44305(b) of such title is amended by striking “44302(b)” and inserting “44302(c)”.

49 USC 40101
note.

**SEC. 202. EXTENSION OF PROVISIONS TO VENDORS, AGENTS, AND SUB-
CONTRACTORS OF AIR CARRIERS.**

Notwithstanding any other provision of this title, the Secretary may extend any provision of chapter 443 of title 49, United States Code, as amended by this title, and the provisions of this title, to vendors, agents, and subcontractors of air carriers. For the 180-day period beginning on the date of enactment of this Act, the Secretary may extend or amend any such provisions so as to ensure that the entities referred to in the preceding sentence are not responsible in cases of acts of terrorism for losses suffered by third parties that exceed the amount of such entities' liability coverage, as determined by the Secretary.

TITLE III—TAX PROVISIONS

49 USC 40101
note.

**SEC. 301. EXTENSION OF DUE DATE FOR EXCISE TAX DEPOSITS; TREAT-
MENT OF LOSS COMPENSATION.**

(a) EXTENSION OF DUE DATE FOR EXCISE TAX DEPOSITS.—

(1) IN GENERAL.—In the case of an eligible air carrier, any airline-related deposit required under section 6302 of the Internal Revenue Code of 1986 to be made after September 10, 2001, and before November 15, 2001, shall be treated for purposes of such Code as timely made if such deposit is made on or before November 15, 2001. If the Secretary of the Treasury so prescribes, the preceding sentence shall be applied by substituting for “November 15, 2001” each place it appears—

(A) “January 15, 2002”; or

(B) such earlier date after November 15, 2001, as such Secretary may prescribe.

(2) ELIGIBLE AIR CARRIER.—For purposes of this subsection, the term “eligible air carrier” means any domestic corporation engaged in the trade or business of transporting (for hire) persons by air if such transportation is available to the general public.

(3) AIRLINE-RELATED DEPOSIT.—For purposes of this subsection, the term “airline-related deposit” means any deposit of—

PUBLIC LAW 107-42—SEPT. 22, 2001

(A) taxes imposed by subchapter C of chapter 33 of such Code (relating to transportation by air); and

(B) taxes imposed by chapters 21, 22, and 24 with respect to employees engaged in a trade or business referred to in paragraph (2).

(b) TREATMENT OF LOSS COMPENSATION.—Nothing in any provision of law shall be construed to exclude from gross income under the Internal Revenue Code of 1986 any compensation received under section 101(a)(2) of this Act.

TITLE IV—VICTIM COMPENSATION

SEC. 401. SHORT TITLE.

This title may be cited as the “September 11th Victim Compensation Fund of 2001”.

SEC. 402. DEFINITIONS.

In this title, the following definitions apply:

(1) AIR CARRIER.—The term “air carrier” means a citizen of the United States undertaking by any means, directly or indirectly, to provide air transportation and includes employees and agents of such citizen.

(2) AIR TRANSPORTATION.—The term “air transportation” means foreign air transportation, interstate air transportation, or the transportation of mail by aircraft.

(3) CLAIMANT.—The term “claimant” means an individual filing a claim for compensation under section 405(a)(1).

(4) COLLATERAL SOURCE.—The term “collateral source” means all collateral sources, including life insurance, pension funds, death benefit programs, and payments by Federal, State, or local governments related to the terrorist-related aircraft crashes of September 11, 2001.

(5) ECONOMIC LOSS.—The term “economic loss” means any pecuniary loss resulting from harm (including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities) to the extent recovery for such loss is allowed under applicable State law.

(6) ELIGIBLE INDIVIDUAL.—The term “eligible individual” means an individual determined to be eligible for compensation under section 405(c).

(7) NONECONOMIC LOSSES.—The term “noneconomic losses” means losses for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation, and all other nonpecuniary losses of any kind or nature.

(8) SPECIAL MASTER.—The term “Special Master” means the Special Master appointed under section 404(a).

SEC. 403. PURPOSE.

It is the purpose of this title to provide compensation to any individual (or relatives of a deceased individual) who was physically injured or killed as a result of the terrorist-related aircraft crashes of September 11, 2001.

SEC. 404. ADMINISTRATION.

(a) IN GENERAL.—The Attorney General, acting through a Special Master appointed by the Attorney General, shall—

(1) administer the compensation program established under this title;

(2) promulgate all procedural and substantive rules for the administration of this title; and

September 11th
Victim
Compensation
Fund of 2001.
Terrorism.
49 USC 40101
note.

49 USC 40101
note.

49 USC 40101
note.

49 USC 40101
note.

PUBLIC LAW 107-42—SEPT. 22, 2001

(3) employ and supervise hearing officers and other administrative personnel to perform the duties of the Special Master under this title.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to pay the administrative and support costs for the Special Master in carrying out this title.

49 USC 40101
note.

SEC. 405. DETERMINATION OF ELIGIBILITY FOR COMPENSATION.

(a) FILING OF CLAIM.—

(1) IN GENERAL.—A claimant may file a claim for compensation under this title with the Special Master. The claim shall be on the form developed under paragraph (2) and shall state the factual basis for eligibility for compensation and the amount of compensation sought.

(2) CLAIM FORM.—

(A) IN GENERAL.—The Special Master shall develop a claim form that claimants shall use when submitting claims under paragraph (1). The Special Master shall ensure that such form can be filed electronically, if determined to be practicable.

(B) CONTENTS.—The form developed under subparagraph (A) shall request—

(i) information from the claimant concerning the physical harm that the claimant suffered, or in the case of a claim filed on behalf of a decedent information confirming the decedent's death, as a result of the terrorist-related aircraft crashes of September 11, 2001;

(ii) information from the claimant concerning any possible economic and noneconomic losses that the claimant suffered as a result of such crashes; and

(iii) information regarding collateral sources of compensation the claimant has received or is entitled to receive as a result of such crashes.

(3) LIMITATION.—No claim may be filed under paragraph (1) after the date that is 2 years after the date on which regulations are promulgated under section 407.

(b) REVIEW AND DETERMINATION.—

(1) REVIEW.—The Special Master shall review a claim submitted under subsection (a) and determine—

(A) whether the claimant is an eligible individual under subsection (c);

(B) with respect to a claimant determined to be an eligible individual—

(i) the extent of the harm to the claimant, including any economic and noneconomic losses; and

(ii) the amount of compensation to which the claimant is entitled based on the harm to the claimant, the facts of the claim, and the individual circumstances of the claimant.

(2) NEGLIGENCE.—With respect to a claimant, the Special Master shall not consider negligence or any other theory of liability.

(3) DETERMINATION.—Not later than 120 days after that date on which a claim is filed under subsection (a), the Special Master shall complete a review, make a determination, and provide written notice to the claimant, with respect to the matters that were the subject of the claim under review. Such a determination shall be final and not subject to judicial review.

(4) RIGHTS OF CLAIMANT.—A claimant in a review under paragraph (1) shall have—

(A) the right to be represented by an attorney;

(B) the right to present evidence, including the presentation of witnesses and documents; and

Electronic
document.

Deadline.
Notification.

PUBLIC LAW 107-42—SEPT. 22, 2001

(C) any other due process rights determined appropriate by the Special Master.

(5) NO PUNITIVE DAMAGES.—The Special Master may not include amounts for punitive damages in any compensation paid under a claim under this title.

(6) COLLATERAL COMPENSATION.—The Special Master shall reduce the amount of compensation determined under paragraph (1)(B)(ii) by the amount of the collateral source compensation the claimant has received or is entitled to receive as a result of the terrorist-related aircraft crashes of September 11, 2001.

(c) ELIGIBILITY.—

(1) IN GENERAL.—A claimant shall be determined to be an eligible individual for purposes of this subsection if the Special Master determines that such claimant—

(A) is an individual described in paragraph (2); and
(B) meets the requirements of paragraph (3).

(2) INDIVIDUALS.—A claimant is an individual described in this paragraph if the claimant is—

(A) an individual who—

(i) was present at the World Trade Center, (New York, New York), the Pentagon (Arlington, Virginia), or the site of the aircraft crash at Shanksville, Pennsylvania at the time, or in the immediate aftermath, of the terrorist-related aircraft crashes of September 11, 2001; and

(ii) suffered physical harm or death as a result of such an air crash;

(B) an individual who was a member of the flight crew or a passenger on American Airlines flight 11 or 77 or United Airlines flight 93 or 175, except that an individual identified by the Attorney General to have been a participant or conspirator in the terrorist-related aircraft crashes of September 11, 2001, or a representative of such individual shall not be eligible to receive compensation under this title; or

(C) in the case of a decedent who is an individual described in subparagraph (A) or (B), the personal representative of the decedent who files a claim on behalf of the decedent.

(3) REQUIREMENTS.—

(A) SINGLE CLAIM.—Not more than one claim may be submitted under this title by an individual or on behalf of a deceased individual.

(B) LIMITATION ON CIVIL ACTION.—

(i) IN GENERAL.—Upon the submission of a claim under this title, the claimant waives the right to file a civil action (or to be a party to an action) in any Federal or State court for damages sustained as a result of the terrorist-related aircraft crashes of September 11, 2001. The preceding sentence does not apply to a civil action to recover collateral source obligations.

(ii) PENDING ACTIONS.—In the case of an individual who is a party to a civil action described in clause (i), such individual may not submit a claim under this title unless such individual withdraws from such action by the date that is 90 days after the date on which regulations are promulgated under section 407.

SEC. 406. PAYMENTS TO ELIGIBLE INDIVIDUALS.

(a) IN GENERAL.—Not later than 20 days after the date on which a determination is made by the Special Master regarding the amount of compensation due a claimant under this title, the

49 USC 40101
note.
Deadline.

PUBLIC LAW 107-42—SEPT. 22, 2001

Special Master shall authorize payment to such claimant of the amount determined with respect to the claimant.

(b) **PAYMENT AUTHORITY.**—This title constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of amounts for compensation under this title.

(c) **ADDITIONAL FUNDING.**—

(1) **IN GENERAL.**—The Attorney General is authorized to accept such amounts as may be contributed by individuals, business concerns, or other entities to carry out this title, under such terms and conditions as the Attorney General may impose.

(2) **USE OF SEPARATE ACCOUNT.**—In making payments under this section, amounts contained in any account containing funds provided under paragraph (1) shall be used prior to using appropriated amounts.

49 USC 40101
note.
Deadline.

SEC. 407. REGULATIONS.

Not later than 90 days after the date of enactment of this Act, the Attorney General, in consultation with the Special Master, shall promulgate regulations to carry out this title, including regulations with respect to—

- (1) forms to be used in submitting claims under this title;
- (2) the information to be included in such forms;
- (3) procedures for hearing and the presentation of evidence;
- (4) procedures to assist an individual in filing and pursuing claims under this title; and
- (5) other matters determined appropriate by the Attorney General.

49 USC 40101
note.

SEC. 408. LIMITATION ON AIR CARRIER LIABILITY.

(a) **IN GENERAL.**—Notwithstanding any other provision of law, liability for all claims, whether for compensatory or punitive damages, arising from the terrorist-related aircraft crashes of September 11, 2001, against any air carrier shall not be in an amount greater than the limits of the liability coverage maintained by the air carrier.

(b) **FEDERAL CAUSE OF ACTION.**—

(1) **AVAILABILITY OF ACTION.**—There shall exist a Federal cause of action for damages arising out of the hijacking and subsequent crashes of American Airlines flights 11 and 77, and United Airlines flights 93 and 175, on September 11, 2001. Notwithstanding section 40120(c) of title 49, United States Code, this cause of action shall be the exclusive remedy for damages arising out of the hijacking and subsequent crashes of such flights.

(2) **SUBSTANTIVE LAW.**—The substantive law for decision in any such suit shall be derived from the law, including choice of law principles, of the State in which the crash occurred unless such law is inconsistent with or preempted by Federal law.

(3) **JURISDICTION.**—The United States District Court for the Southern District of New York shall have original and exclusive jurisdiction over all actions brought for any claim (including any claim for loss of property, personal injury, or death) resulting from or relating to the terrorist-related aircraft crashes of September 11, 2001.

(c) **EXCLUSION.**—Nothing in this section shall in any way limit any liability of any person who is a knowing participant in any conspiracy to hijack any aircraft or commit any terrorist act.

49 USC 40101
note.

SEC. 409. RIGHT OF SUBROGATION.

The United States shall have the right of subrogation with respect to any claim paid by the United States under this title.

PUBLIC LAW 107-42—SEPT. 22, 2001

**TITLE V—AIR TRANSPORTATION
SAFETY****SEC. 501. INCREASED AIR TRANSPORTATION SAFETY.**49 USC 40101
note.

Congress affirms the President's decision to spend \$3,000,000,000 on airline safety and security in conjunction with this Act in order to restore public confidence in the airline industry.

SEC. 502. CONGRESSIONAL COMMITMENT.49 USC 40101
note.

Congress is committed to act expeditiously, in consultation with the Secretary of Transportation, to strengthen airport security and take further measures to enhance the security of air travel.

TITLE VI—SEPARABILITY**SEC. 601. SEPARABILITY.**49 USC 40101
note.

If any provision of this Act (including any amendment made by this Act) or the application thereof to any person or circumstance is held invalid, the remainder of this Act (including any amendment made by this Act) and the application thereof to other persons or circumstances shall not be affected thereby.

Approved September 22, 2001.

LEGISLATIVE HISTORY—H.R. 2926 (S. 1450):

CONGRESSIONAL RECORD, Vol. 147 (2001):

Sept. 21, considered and passed House and Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Sept. 22, Presidential statement.

TRANSPORTATION ACTS

PUBLIC LAW 107-71—NOV. 19, 2001

Public Law 107-71
107th Congress

An Act

To improve aviation security, and for other purposes.

Nov. 19, 2001
[S. 1447]

Aviation and
Transportation
Security Act.
49 USC 40101
note.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Aviation and Transportation Security Act”.

TITLE I—AVIATION SECURITY

SEC. 101. TRANSPORTATION SECURITY ADMINISTRATION.

(a) IN GENERAL.—Chapter 1 of title 49, United States Code, is amended by adding at the end the following:

“§ 114. Transportation Security Administration

“(a) IN GENERAL.—The Transportation Security Administration shall be an administration of the Department of Transportation.

“(b) UNDER SECRETARY.—

“(1) APPOINTMENT.—The head of the Administration shall be the Under Secretary of Transportation for Security. The Under Secretary shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) QUALIFICATIONS.—The Under Secretary must—

“(A) be a citizen of the United States; and

“(B) have experience in a field directly related to transportation or security.

“(3) TERM.—The term of office of an individual appointed as the Under Secretary shall be 5 years.

“(c) LIMITATION ON OWNERSHIP OF STOCKS AND BONDS.—The Under Secretary may not own stock in or bonds of a transportation or security enterprise or an enterprise that makes equipment that could be used for security purposes.

“(d) FUNCTIONS.—The Under Secretary shall be responsible for security in all modes of transportation, including—

“(1) carrying out chapter 449, relating to civil aviation security, and related research and development activities; and

“(2) security responsibilities over other modes of transportation that are exercised by the Department of Transportation.

“(e) SCREENING OPERATIONS.—The Under Secretary shall—

“(1) be responsible for day-to-day Federal security screening operations for passenger air transportation and intrastate air transportation under sections 44901 and 44935;

“(2) develop standards for the hiring and retention of security screening personnel;

“(3) train and test security screening personnel; and

“(4) be responsible for hiring and training personnel to provide security screening at all airports in the United States where screening is required under section 44901, in consultation with the Secretary of Transportation and the heads of other appropriate Federal agencies and departments.

“(f) ADDITIONAL DUTIES AND POWERS.—In addition to carrying out the functions specified in subsections (d) and (e), the Under Secretary shall—

PUBLIC LAW 107-71—NOV. 19, 2001

“(1) receive, assess, and distribute intelligence information related to transportation security;

“(2) assess threats to transportation;

“(3) develop policies, strategies, and plans for dealing with threats to transportation security;

“(4) make other plans related to transportation security, including coordinating countermeasures with appropriate departments, agencies, and instrumentalities of the United States Government;

“(5) serve as the primary liaison for transportation security to the intelligence and law enforcement communities;

“(6) on a day-to-day basis, manage and provide operational guidance to the field security resources of the Administration, including Federal Security Managers as provided by section 44933;

“(7) enforce security-related regulations and requirements;

“(8) identify and undertake research and development activities necessary to enhance transportation security;

“(9) inspect, maintain, and test security facilities, equipment, and systems;

“(10) ensure the adequacy of security measures for the transportation of cargo;

“(11) oversee the implementation, and ensure the adequacy, of security measures at airports and other transportation facilities;

“(12) require background checks for airport security screening personnel, individuals with access to secure areas of airports, and other transportation security personnel;

“(13) work in conjunction with the Administrator of the Federal Aviation Administration with respect to any actions or activities that may affect aviation safety or air carrier operations;

“(14) work with the International Civil Aviation Organization and appropriate aeronautic authorities of foreign governments under section 44907 to address security concerns on passenger flights by foreign air carriers in foreign air transportation; and

“(15) carry out such other duties, and exercise such other powers, relating to transportation security as the Under Secretary considers appropriate, to the extent authorized by law.

“(g) NATIONAL EMERGENCY RESPONSIBILITIES.—

“(1) IN GENERAL.—Subject to the direction and control of the Secretary, the Under Secretary, during a national emergency, shall have the following responsibilities:

“(A) To coordinate domestic transportation, including aviation, rail, and other surface transportation, and maritime transportation (including port security).

“(B) To coordinate and oversee the transportation-related responsibilities of other departments and agencies of the Federal Government other than the Department of Defense and the military departments.

“(C) To coordinate and provide notice to other departments and agencies of the Federal Government, and appropriate agencies of State and local governments, including departments and agencies for transportation, law enforcement, and border control, about threats to transportation.

“(D) To carry out such other duties, and exercise such other powers, relating to transportation during a national emergency as the Secretary shall prescribe.

“(2) AUTHORITY OF OTHER DEPARTMENTS AND AGENCIES.—

The authority of the Under Secretary under this subsection shall not supersede the authority of any other department or agency of the Federal Government under law with respect to transportation or transportation-related matters, whether or not during a national emergency.

PUBLIC LAW 107-71—NOV. 19, 2001

“(3) CIRCUMSTANCES.—The Secretary shall prescribe the circumstances constituting a national emergency for purposes of this subsection.

“(h) MANAGEMENT OF SECURITY INFORMATION.—In consultation with the Transportation Security Oversight Board, the Under Secretary shall—

“(1) enter into memoranda of understanding with Federal agencies or other entities to share or otherwise cross-check as necessary data on individuals identified on Federal agency databases who may pose a risk to transportation or national security;

“(2) establish procedures for notifying the Administrator of the Federal Aviation Administration, appropriate State and local law enforcement officials, and airport or airline security officers of the identity of individuals known to pose, or suspected of posing, a risk of air piracy or terrorism or a threat to airline or passenger safety;

“(3) in consultation with other appropriate Federal agencies and air carriers, establish policies and procedures requiring air carriers—

“(A) to use information from government agencies to identify individuals on passenger lists who may be a threat to civil aviation or national security; and

“(B) if such an individual is identified, notify appropriate law enforcement agencies, prevent the individual from boarding an aircraft, or take other appropriate action with respect to that individual; and

“(4) consider requiring passenger air carriers to share passenger lists with appropriate Federal agencies for the purpose of identifying individuals who may pose a threat to aviation safety or national security.

“(i) VIEW OF NTSB.—In taking any action under this section that could affect safety, the Under Secretary shall give great weight to the timely views of the National Transportation Safety Board.

“(j) ACQUISITIONS.—

“(1) IN GENERAL.—The Under Secretary is authorized—

“(A) to acquire (by purchase, lease, condemnation, or otherwise) such real property, or any interest therein, within and outside the continental United States, as the Under Secretary considers necessary;

“(B) to acquire (by purchase, lease, condemnation, or otherwise) and to construct, repair, operate, and maintain such personal property (including office space and patents), or any interest therein, within and outside the continental United States, as the Under Secretary considers necessary;

“(C) to lease to others such real and personal property and to provide by contract or otherwise for necessary facilities for the welfare of its employees and to acquire, maintain, and operate equipment for these facilities;

“(D) to acquire services, including such personal services as the Secretary determines necessary, and to acquire (by purchase, lease, condemnation, or otherwise) and to construct, repair, operate, and maintain research and testing sites and facilities; and

“(E) in cooperation with the Administrator of the Federal Aviation Administration, to utilize the research and development facilities of the Federal Aviation Administration.

“(2) TITLE.—Title to any property or interest therein acquired pursuant to this subsection shall be held by the Government of the United States.

“(k) TRANSFERS OF FUNDS.—The Under Secretary is authorized to accept transfers of unobligated balances and unexpended balances of funds appropriated to other Federal agencies (as such term is defined in section 551(1) of title 5) to carry out functions

PUBLIC LAW 107-71—NOV. 19, 2001

transferred, on or after the date of enactment of the Aviation and Transportation Security Act, by law to the Under Secretary.

“(1) REGULATIONS.—

“(1) IN GENERAL.—The Under Secretary is authorized to issue, rescind, and revise such regulations as are necessary to carry out the functions of the Administration.

“(2) EMERGENCY PROCEDURES.—

“(A) IN GENERAL.—Notwithstanding any other provision of law or executive order (including an executive order requiring a cost-benefit analysis), if the Under Secretary determines that a regulation or security directive must be issued immediately in order to protect transportation security, the Under Secretary shall issue the regulation or security directive without providing notice or an opportunity for comment and without prior approval of the Secretary.

“(B) REVIEW BY TRANSPORTATION SECURITY OVERSIGHT BOARD.—Any regulation or security directive issued under this paragraph shall be subject to review by the Transportation Security Oversight Board established under section 115. Any regulation or security directive issued under this paragraph shall remain effective unless disapproved by the Board or rescinded by the Under Secretary.

“(3) FACTORS TO CONSIDER.—In determining whether to issue, rescind, or revise a regulation under this section, the Under Secretary shall consider, as a factor in the final determination, whether the costs of the regulation are excessive in relation to the enhancement of security the regulation will provide. The Under Secretary may waive requirements for an analysis that estimates the number of lives that will be saved by the regulation and the monetary value of such lives if the Under Secretary determines that it is not feasible to make such an estimate.

“(4) AIRWORTHINESS OBJECTIONS BY FAA.—

“(A) IN GENERAL.—The Under Secretary shall not take an aviation security action under this title if the Administrator of the Federal Aviation Administration notifies the Under Secretary that the action could adversely affect the airworthiness of an aircraft.

“(B) REVIEW BY SECRETARY.—Notwithstanding subparagraph (A), the Under Secretary may take such an action, after receiving a notification concerning the action from the Administrator under subparagraph (A), if the Secretary of Transportation subsequently approves the action.

“(m) PERSONNEL AND SERVICES; COOPERATION BY UNDER SECRETARY.—

“(1) AUTHORITY OF UNDER SECRETARY.—In carrying out the functions of the Administration, the Under Secretary shall have the same authority as is provided to the Administrator of the Federal Aviation Administration under subsections (l) and (m) of section 106.

“(2) AUTHORITY OF AGENCY HEADS.—The head of a Federal agency shall have the same authority to provide services, supplies, equipment, personnel, and facilities to the Under Secretary as the head has to provide services, supplies, equipment, personnel, and facilities to the Administrator of the Federal Aviation Administration under section 106(m).

“(n) PERSONNEL MANAGEMENT SYSTEM.—The personnel management system established by the Administrator of the Federal Aviation Administration under section 40122 shall apply to employees of the Transportation Security Administration, or, subject to the requirements of such section, the Under Secretary may make such modifications to the personnel management system with respect to such employees as the Under Secretary considers appro-

PUBLIC LAW 107-71—NOV. 19, 2001

appropriate, such as adopting aspects of other personnel systems of the Department of Transportation.

“(o) ACQUISITION MANAGEMENT SYSTEM.—The acquisition management system established by the Administrator of the Federal Aviation Administration under section 40110 shall apply to acquisitions of equipment, supplies, and materials by the Transportation Security Administration, or, subject to the requirements of such section, the Under Secretary may make such modifications to the acquisition management system with respect to such acquisitions of equipment, supplies, and materials as the Under Secretary considers appropriate, such as adopting aspects of other acquisition management systems of the Department of Transportation.

“(p) AUTHORITY OF INSPECTOR GENERAL.—The Transportation Security Administration shall be subject to the Inspector General Act of 1978 (5 U.S.C. App.) and other laws relating to the authority of the Inspector General of the Department of Transportation.

“(q) LAW ENFORCEMENT POWERS.—

“(1) IN GENERAL.—The Under Secretary may designate an employee of the Transportation Security Administration to serve as a law enforcement officer.

“(2) POWERS.—While engaged in official duties of the Administration as required to fulfill the responsibilities under this section, a law enforcement officer designated under paragraph (1) may—

“(A) carry a firearm;

“(B) make an arrest without a warrant for any offense against the United States committed in the presence of the officer, or for any felony cognizable under the laws of the United States if the officer has probable cause to believe that the person to be arrested has committed or is committing the felony; and

“(C) seek and execute warrants for arrest or seizure of evidence issued under the authority of the United States upon probable cause that a violation has been committed.

“(3) GUIDELINES ON EXERCISE OF AUTHORITY.—The authority provided by this subsection shall be exercised in accordance with guidelines prescribed by the Under Secretary, in consultation with the Attorney General of the United States, and shall include adherence to the Attorney General’s policy on use of deadly force.

“(4) REVOCATION OR SUSPENSION OF AUTHORITY.—The powers authorized by this subsection may be rescinded or suspended should the Attorney General determine that the Under Secretary has not complied with the guidelines prescribed in paragraph (3) and conveys the determination in writing to the Secretary of Transportation and the Under Secretary.

“(r) AUTHORITY TO EXEMPT.—The Under Secretary may grant an exemption from a regulation prescribed in carrying out this section if the Under Secretary determines that the exemption is in the public interest.”

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of such title is amended by adding at the end the following:

“114. Transportation Security Administration.”

(c) POSITION OF UNDER SECRETARY IN EXECUTIVE SCHEDULE.—

(1) IN GENERAL.—Section 5313 of title 5, United States Code, is amended by adding at the end the following:

“The Under Secretary of Transportation for Security.”

(2) BONUS ELIGIBILITY.—In addition to the annual rate of pay authorized by section 5313 of title 5, United States Code, the Under Secretary may receive a bonus for any calendar year not to exceed 30 percent of the annual rate of pay, based on the Secretary’s evaluation of the Under Secretary’s performance.

PUBLIC LAW 107-71—NOV. 19, 2001

(3) CONFORMING CHANGE.—Section 106(r)(2)(A) of title 49, United States Code, is amended to read as follows:

“(A) IN GENERAL.—The Chief Operating Officer shall be paid at an annual rate of basic pay to be determined by the Administrator, with the approval of the Air Traffic Services Subcommittee of the Aviation Management Advisory Council. The annual rate may not exceed the annual compensation paid under section 102 of title 3. The Chief Operating Officer shall be subject to the post-employment provisions of section 207 of title 18 as if the position of Chief Operating Officer were described in section 207(c)(2)(A)(i) of that title.”.

(d) COOPERATION WITH OTHER AGENCIES.—The last sentence of section 106(m) of such title is amended by striking “supplies and” and inserting “supplies, personnel, services, and”.

(e) SECURITY AND RESEARCH AND DEVELOPMENT ACTIVITIES.—Section 40119 of such title is amended—

(1) in subsection (a) by striking “Administrator of the Federal Aviation Administration” and inserting “Under Secretary of Transportation for Security”;

(2) in subsections (b) and (c) by striking “Administrator” each place it appears and inserting “Under Secretary”; and

(3) in subsection (b)(1)(C) by striking “air”.

(f) REFERENCES TO FAA IN CHAPTER 449.—Chapter 449 of such title is amended—

(1) in section 44904(b)(5) by striking “the Administration” and inserting “the Transportation Security Administration”;

(2) in the second sentence of section 44913(a)(1) by striking “of the Administration” and inserting “of the Transportation Security Administration”;

(3) in section 44916(a)—

(A) in the first sentence by striking “Administrator” and inserting “Under Secretary of Transportation for Security”; and

(B) in the second sentence by striking “Administration” and inserting “Transportation Security Administration”;

(4) in each of sections 44933(a) and 44934(b) by striking “Assistant Administrator for Civil Aviation Security” and inserting “Under Secretary”;

(5) in section 44934(b)(1) by striking “Assistant Administrator” and inserting “Under Secretary”;

(6) by striking sections 44931 and 44932 and the items relating to such sections in the analysis for such chapter;

(7) by striking “Administrator” each place it appears in such chapter (except in subsections (f) and (h) of section 44936) and inserting “Under Secretary”;

(8) by striking “Administrator’s” each place it appears in such chapter and inserting “Under Secretary’s”; and

(9) by striking “of the Federal Aviation Administration” each place it appears in such chapter (except in section 44936(f)) and inserting “of Transportation for Security”.

(g) TRANSITION PROVISIONS.—

(1) SCHEDULE FOR ASSUMPTION OF CIVIL AVIATION SECURITY FUNCTIONS.—Not later than 3 months after the date of enactment of this Act, the Under Secretary of Transportation for Security shall assume civil aviation security functions and responsibilities under chapter 449 of title 49, United States Code, as amended by this Act, in accordance with a schedule to be developed by the Secretary of Transportation, in consultation with air carriers, foreign air carriers, and the Administrator of the Federal Aviation Administration. The Under Secretary shall publish an appropriate notice of the transfer of such security functions and responsibilities before assuming the functions and responsibilities.

49 USC 44901–
44906, 44911–
44916, 44934–
44938.

49 USC 44903.

49 USC 44902–
44906, 44911–
44915, 44934–
44938.

49 USC 44901
note.

Deadline.

Notice.

PUBLIC LAW 107-71—NOV. 19, 2001

(2) ASSUMPTION OF CONTRACTS.—As of the date specified in paragraph (1), the Under Secretary may assume the rights and responsibilities of an air carrier or foreign air carrier contract for provision of passenger screening services at airports in the United States described in section 44903(c), subject to payment of adequate compensation to parties to the contract, if any.

(3) ASSIGNMENT OF CONTRACTS.—

(A) IN GENERAL.—Upon request of the Under Secretary, an air carrier or foreign air carrier carrying out a screening or security function under chapter 449 of title 49, United States Code, may enter into an agreement with the Under Secretary to transfer any contract the carrier has entered into with respect to carrying out the function, before the Under Secretary assumes responsibility for the function.

(B) SCHEDULE.—The Under Secretary may enter into an agreement under subparagraph (A) as soon as possible, but not later than 90 days after the date of enactment of this Act. The Under Secretary may enter into such an agreement for one 180-day period and may extend such agreement for one 90-day period if the Under Secretary determines it necessary.

(4) TRANSFER OF OWNERSHIP.—In recognition of the assumption of the financial costs of security screening of passengers and property at airports, and as soon as practical after the date of enactment of this Act, air carriers may enter into agreements with the Under Secretary to transfer the ownership, at no cost to the United States Government, of any personal property, equipment, supplies, or other material associated with such screening, regardless of the source of funds used to acquire the property, that the Secretary determines to be useful for the performance of security screening of passengers and property at airports.

(5) PERFORMANCE OF UNDER SECRETARY'S FUNCTIONS DURING INTERIM PERIOD.—Until the Under Secretary takes office, the functions of the Under Secretary that relate to aviation security may be carried out by the Secretary or the Secretary's designee.

SEC. 102. TRANSPORTATION SECURITY OVERSIGHT BOARD.

(a) IN GENERAL.—Chapter 1 of title 49, United States Code, is amended by adding at the end the following:

“§ 115. Transportation Security Oversight Board

“(a) IN GENERAL.—There is established in the Department of Transportation a board to be known as the ‘Transportation Security Oversight Board’.

“(b) MEMBERSHIP.—

“(1) NUMBER AND APPOINTMENT.—The Board shall be composed of 7 members as follows:

“(A) The Secretary of Transportation, or the Secretary's designee.

“(B) The Attorney General, or the Attorney General's designee.

“(C) The Secretary of Defense, or the Secretary's designee.

“(D) The Secretary of the Treasury, or the Secretary's designee.

“(E) The Director of the Central Intelligence Agency, or the Director's designee.

“(F) One member appointed by the President to represent the National Security Council.

“(G) One member appointed by the President to represent the Office of Homeland Security.

Establishment.

PUBLIC LAW 107-71—NOV. 19, 2001

“(2) CHAIRPERSON.—The Chairperson of the Board shall be the Secretary of Transportation.

“(c) DUTIES.—The Board shall—

“(1) review and ratify or disapprove any regulation or security directive issued by the Under Secretary of Transportation for security under section 114(l)(2) within 30 days after the date of issuance of such regulation or directive;

“(2) facilitate the coordination of intelligence, security, and law enforcement activities affecting transportation;

“(3) facilitate the sharing of intelligence, security, and law enforcement information affecting transportation among Federal agencies and with carriers and other transportation providers as appropriate;

“(4) explore the technical feasibility of developing a common database of individuals who may pose a threat to transportation or national security;

“(5) review plans for transportation security;

“(6) make recommendations to the Under Secretary regarding matters reviewed under paragraph (5).

“(d) QUARTERLY MEETINGS.—The Board shall meet at least quarterly.

“(e) CONSIDERATION OF SECURITY INFORMATION.—A majority of the Board may vote to close a meeting of the Board to the public, except that meetings shall be closed to the public whenever classified, sensitive security information, or information protected in accordance with section 40119(b), will be discussed.”.

(b) POLICIES AND PROCEDURES.—Section 44911(b) of such title is amended by striking “international”.

(c) STRATEGIC PLANNING.—Section 44911(c) of such title is amended by striking “consider placing” and inserting “place”.

(d) CONFORMING AMENDMENT.—The analysis for chapter 1 of such title is amended by adding at the end the following:

“115. Transportation Security Oversight Board.”.

SEC. 103. FEDERAL SECURITY MANAGERS.

Section 44933 of title 49, United States Code, is amended to read as follows:

“§ 44933. Federal Security Managers

“(a) ESTABLISHMENT, DESIGNATION, AND STATIONING.—The Under Secretary of Transportation for Security shall establish the position of Federal Security Manager at each airport in the United States described in section 44903(c). The Under Secretary shall designate individuals as Managers for, and station those Managers at, those airports.

“(b) DUTIES AND POWERS.—The Manager at each airport shall—

“(1) oversee the screening of passengers and property at the airport; and

“(2) carry out other duties prescribed by the Under Secretary.”.

SEC. 104. IMPROVED FLIGHT DECK INTEGRITY MEASURES.

(a) IN GENERAL.—As soon as possible after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall—

(1) issue an order (without regard to the provisions of chapter 5 of title 5, United States Code)—

(A) prohibiting access to the flight deck of aircraft engaged in passenger air transportation or intrastate air transportation that are required to have a door between the passenger and pilot compartments under title 14, Code of Federal Regulations, except to authorized persons;

(B) requiring the strengthening of the flight deck door and locks on any such aircraft operating in air transportation or intrastate air transportation that has a rigid

49 USC 44903
note.

PUBLIC LAW 107-71—NOV. 19, 2001

door in a bulkhead between the flight deck and the passenger area to ensure that the door cannot be forced open from the passenger compartment;

(C) requiring that such flight deck doors remain locked while any such aircraft is in flight except when necessary to permit access and egress by authorized persons; and

(D) prohibiting the possession of a key to any such flight deck door by any member of the flight crew who is not assigned to the flight deck; and

(2) take such other action, including modification of safety and security procedures and flight deck redesign, as may be necessary to ensure the safety and security of the aircraft.

(b) IMPLEMENTATION OF OTHER METHODS.—As soon as possible after such date of enactment, the Administrator of the Federal Aviation Administration may develop and implement methods—

(1) to use video monitors or other devices to alert pilots in the flight deck to activity in the cabin, except that the use of such monitors or devices shall be subject to nondisclosure requirements applicable to cockpit video recordings under section 1114(c);

(2) to ensure continuous operation of an aircraft transponder in the event of an emergency; and

(3) to revise the procedures by which cabin crews of aircraft can notify flight deck crews of security breaches and other emergencies, including providing for the installation of switches or other devices or methods in an aircraft cabin to enable flight crews to discreetly notify the pilots in the case of a security breach occurring in the cabin.

(c) COMMUTER AIRCRAFT.—The Administrator shall investigate means of securing the flight deck of scheduled passenger aircraft operating in air transportation or intrastate air transportation that do not have a rigid fixed door with a lock between the passenger compartment and the flight deck and issue such an order as the Administrator deems appropriate to ensure the inaccessibility, to the greatest extent feasible, of the flight deck while the aircraft is so operating, taking into consideration such aircraft operating in regions where there is minimal threat to aviation security or national security.

SEC. 105. DEPLOYMENT OF FEDERAL AIR MARSHALS.

(a) IN GENERAL.—Subchapter I of chapter 449 of title 49, United States Code, is amended by adding at the end the following:

“§ 44917. Deployment of Federal air marshals

“(a) IN GENERAL.—The Under Secretary of Transportation for Security under the authority provided by section 44903(d)—

“(1) may provide for deployment of Federal air marshals on every passenger flight of air carriers in air transportation or intrastate air transportation;

“(2) shall provide for deployment of Federal air marshals on every such flight determined by the Secretary to present high security risks;

“(3) shall provide for appropriate training, supervision, and equipment of Federal air marshals;

“(4) shall require air carriers providing flights described in paragraph (1) to provide seating for a Federal air marshal on any such flight without regard to the availability of seats on the flight and at no cost to the United States Government or the marshal;

“(5) may require air carriers to provide, on a space-available basis, to an off-duty Federal air marshal a seat on a flight to the airport nearest the marshal’s home at no cost to the marshal or the United States Government if the marshal is traveling to that airport after completing his or her security duties;

PUBLIC LAW 107-71—NOV. 19, 2001

“(6) may enter into agreements with Federal, State, and local agencies under which appropriately-trained law enforcement personnel from such agencies, when traveling on a flight of an air carrier, will carry a firearm and be prepared to assist Federal air marshals;

“(7) shall establish procedures to ensure that Federal air marshals are made aware of any armed or unarmed law enforcement personnel on board an aircraft; and

“(8) may appoint—

“(A) an individual who is a retired law enforcement officer;

“(B) an individual who is a retired member of the Armed Forces; and

“(C) an individual who has been furloughed from an air carrier crew position in the 1-year period beginning on September 11, 2001,

as a Federal air marshal, regardless of age, if the individual otherwise meets the background and fitness qualifications required for Federal air marshals.

“(b) LONG DISTANCE FLIGHTS.—In making the determination under subsection (a)(2), nonstop, long distance flights, such as those targeted on September 11, 2001, should be a priority.

“(c) INTERIM MEASURES.—Until the Under Secretary completes implementation of subsection (a), the Under Secretary may use, after consultation with and concurrence of the heads of other Federal agencies and departments, personnel from those agencies and departments, on a nonreimbursable basis, to provide air marshal service.”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 449 of such title is amended by adding after the item relating to section 44916 the following:

“44917. Deployment of Federal air marshals.”.

(c) BASIC PAY DEFINED.—Section 8331(3)(E) of title 5, United States Code, is amended to read as follows:

“(E) availability pay—

“(i) received by a criminal investigator under section 5545a of this title; or

“(ii) received after September 11, 2001, by a Federal air marshal of the Department of Transportation, subject to all restrictions and earning limitations imposed on criminal investigators under section 5545a;”.

SEC. 106. IMPROVED AIRPORT PERIMETER ACCESS SECURITY.

(a) IN GENERAL.—Section 44903 of title 49, United States Code, is amended by adding at the end the following:

“(h) IMPROVED AIRPORT PERIMETER ACCESS SECURITY.—

“(1) IN GENERAL.—The Under Secretary, in consultation with the airport operator and law enforcement authorities, may order the deployment of such personnel at any secure area of the airport as necessary to counter the risk of criminal violence, the risk of aircraft piracy at the airport, the risk to air carrier aircraft operations at the airport, or to meet national security concerns.

“(2) SECURITY OF AIRCRAFT AND GROUND ACCESS TO SECURE AREAS.—In determining where to deploy such personnel, the Under Secretary shall consider the physical security needs of air traffic control facilities, parked aircraft, aircraft servicing equipment, aircraft supplies (including fuel), automobile parking facilities within airport perimeters or adjacent to secured facilities, and access and transition areas at airports served by other means of ground or water transportation.

“(3) DEPLOYMENT OF FEDERAL LAW ENFORCEMENT PERSONNEL.—The Secretary may enter into a memorandum of understanding or other agreement with the Attorney General

PUBLIC LAW 107-71—NOV. 19, 2001

or the head of any other appropriate Federal law enforcement agency to deploy Federal law enforcement personnel at an airport in order to meet aviation safety and security concerns.

“(4) AIRPORT PERIMETER SCREENING.—The Under Secretary—

“(A) shall require, as soon as practicable after the date of enactment of this subsection, screening or inspection of all individuals, goods, property, vehicles, and other equipment before entry into a secured area of an airport in the United States described in section 44903(c);

“(B) shall prescribe specific requirements for such screening and inspection that will assure at least the same level of protection as will result from screening of passengers and their baggage;

“(C) shall establish procedures to ensure the safety and integrity of—

“(i) all persons providing services with respect to aircraft providing passenger air transportation or intrastate air transportation and facilities of such persons at an airport in the United States described in section 44903(c);

“(ii) all supplies, including catering and passenger amenities, placed aboard such aircraft, including the sealing of supplies to ensure easy visual detection of tampering; and

“(iii) all persons providing such supplies and facilities of such persons;

“(D) shall require vendors having direct access to the airfield and aircraft to develop security programs; and

“(E) may provide for the use of biometric or other technology that positively verifies the identity of each employee and law enforcement officer who enters a secure area of an airport.”.

(b) SMALL AND MEDIUM AIRPORTS.—

(1) TECHNICAL SUPPORT AND FINANCIAL ASSISTANCE.—The Under Secretary of Transportation for Security shall develop a plan to—

(A) provide technical support to airports, each of which had less than 1 percent of the total annual enplanements in the United States for the most recent calendar year for which data is available, to enhance security operations; and

(B) provide financial assistance to those airports to defray the costs of enhancing security.

(2) REMOVAL OF CERTAIN RESTRICTIONS.—

(A) CERTIFICATION BY OPERATOR.—If the operator of an airport described in paragraph (1), after consultation with the appropriate State and local law enforcement authorities, determines that safeguards are in place to sufficiently protect public safety, and so certifies in writing to the Under Secretary, then any security rule, order, or other directive restricting the parking of passenger vehicles shall not apply at that airport after the applicable time period specified in subparagraph (B), unless the Under Secretary, taking into account individual airport circumstances, notifies the airport operator that the safeguards in place do not adequately respond to specific security risks and that the restriction must be continued in order to ensure public safety.

(B) COUNTERMAND PERIOD.—The time period within which the Secretary may notify an airport operator, after receiving a certification under subparagraph (A), that a restriction must be continued in order to ensure public safety at the airport is—

PUBLIC LAW 107-71—NOV. 19, 2001

- (i) 15 days for a nonhub airport (as defined in section 41714(h) of title 49, United States Code);
- (ii) 30 days for a small hub airport (as defined in such section);
- (iii) 60 days for a medium hub airport (as defined in such section); and
- (iv) 120 days for an airport that had at least 1 percent of the total annual enplanements in the United States for the most recent calendar year for which data is available.

(c) IMPROVEMENT OF SECURED-AREA ACCESS CONTROL.—Section 44903(g)(2) of title 49, United States Code, is amended—

(1) by striking “weaknesses by January 31, 2001;” in subparagraph (A) and inserting “weaknesses;”;

(2) by striking subparagraph (D) and inserting the following:

“(D) on an ongoing basis, assess and test for compliance with access control requirements, report annually findings of the assessments, and assess the effectiveness of penalties in ensuring compliance with security procedures and take any other appropriate enforcement actions when non-compliance is found;”;

(3) by striking “program by January 31, 2001;” in subparagraph (F) and inserting “program;”;

(4) by striking subparagraph (G) and inserting the following:

“(G) work with airport operators to strengthen access control points in secured areas (including air traffic control operations areas, maintenance areas, crew lounges, baggage handling areas, concessions, and catering delivery areas) to ensure the security of passengers and aircraft and consider the deployment of biometric or similar technologies that identify individuals based on unique personal characteristics.”.

(d) AIRPORT SECURITY PILOT PROGRAM.—Section 44903(c) of title 49, United States Code, is amended by adding at the end the following:

“(3) PILOT PROGRAMS.—The Administrator shall establish pilot programs in no fewer than 20 airports to test and evaluate new and emerging technology for providing access control and other security protections for closed or secure areas of the airports. Such technology may include biometric or other technology that ensures only authorized access to secure areas.”.

(e) AIRPORT SECURITY AWARENESS PROGRAMS.—The Under Secretary of Transportation for Security shall require scheduled passenger air carriers, and airports in the United States described in section 44903(c) to develop security awareness programs for airport employees, ground crews, gate, ticket, and curbside agents of the air carriers, and other individuals employed at such airports.

49 USC 44903
note.

SEC. 107. CREW TRAINING.

(a) IN GENERAL.—Subchapter I of chapter 449 of title 49, United States Code, is amended by adding at the end the following:

“§ 44918. Crew training

“(a) IN GENERAL.—Not later than 60 days after the date of enactment of the Aviation and Transportation Security Act, the Administrator of the Federal Aviation Administration, in consultation with the Under Secretary of Transportation for Security, appropriate law enforcement, security, and terrorism experts, representatives of air carriers and labor organizations representing individuals employed in commercial aviation, shall develop detailed guidance for a scheduled passenger air carrier flight and cabin crew training program to prepare crew members for potential threat conditions.

Deadline.

PUBLIC LAW 107-71—NOV. 19, 2001

“(b) PROGRAM ELEMENTS.—The guidance shall require such a program to include, at a minimum, elements that address the following:

“(1) Determination of the seriousness of any occurrence.

“(2) Crew communication and coordination.

“(3) Appropriate responses to defend oneself.

“(4) Use of protective devices assigned to crew members (to the extent such devices are required by the Administrator or Under Secretary).

“(5) Psychology of terrorists to cope with hijacker behavior and passenger responses.

“(6) Live situational training exercises regarding various threat conditions.

“(7) Flight deck procedures or aircraft maneuvers to defend the aircraft.

“(8) Any other subject matter deemed appropriate by the Administrator.

Deadline.

“(c) AIR CARRIER PROGRAMS.—Within 60 days after the Administrator issues the guidance under subsection (a) in final form, each air carrier shall develop a flight and cabin crew training program in accordance with that guidance and submit it to the Administrator for approval. Within 30 days after receiving an air carrier’s program under this subsection, the Administrator shall review the program and approve it or require the air carrier to make any revisions deemed necessary by the Administrator for the program to meet the guidance requirements.

Deadline.

“(d) TRAINING.—Within 180 days after the Administrator approves the training program developed by an air carrier under this section, the air carrier shall complete the training of all flight and cabin crews in accordance with that program.

“(e) UPDATES.—The Administrator shall update the training guidance issued under subsection (a) from time to time to reflect new or different security threats and require air carriers to revise their programs accordingly and provide additional training to their flight and cabin crews.”.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 449 of title 49, United States Code, is amended by inserting after the item relating to section 44917 the following:

“44918. Crew training.”.

SEC. 108. SECURITY SCREENING BY PRIVATE COMPANIES.

(a) IN GENERAL.—Subchapter I of chapter 449 of title 49, United States Code, is amended by adding at the end the following:

“§ 44919. Security screening pilot program

“(a) ESTABLISHMENT OF PROGRAM.—The Under Secretary shall establish a pilot program under which, upon approval of an application submitted by an operator of an airport, the screening of passengers and property at the airport under section 44901 will be carried out by the screening personnel of a qualified private screening company under a contract entered into with the Under Secretary.

“(b) PERIOD OF PILOT PROGRAM.—The pilot program under this section shall begin on the last day of the 1-year period beginning on the date of enactment of this section and end on the last day of the 3-year period beginning on such date of enactment.

“(c) APPLICATIONS.—An operator of an airport may submit to the Under Secretary an application to participate in the pilot program under this section.

“(d) SELECTION OF AIRPORTS.—From among applications submitted under subsection (c), the Under Secretary may select for participation in the pilot program not more than 1 airport from each of the 5 airport security risk categories, as defined by the Under Secretary.

PUBLIC LAW 107-71—NOV. 19, 2001

“(e) SUPERVISION OF SCREENED PERSONNEL.—The Under Secretary shall provide Federal Government supervisors to oversee all screening at each airport participating in the pilot program under this section and provide Federal Government law enforcement officers at the airport pursuant to this chapter.

“(f) QUALIFIED PRIVATE SCREENING COMPANY.—A private screening company is qualified to provide screening services at an airport participating in the pilot program under this section if the company will only employ individuals to provide such services who meet all the requirements of this chapter applicable to Federal Government personnel who perform screening services at airports under this chapter and will provide compensation and other benefits to such individuals that are not less than the level of compensation and other benefits provided to such Federal Government personnel in accordance with this chapter.

“(g) STANDARDS FOR PRIVATE SCREENING COMPANIES.—The Under Secretary may enter into a contract with a private screening company to provide screening at an airport participating in the pilot program under this section only if the Under Secretary determines and certifies to Congress that the private screening company is owned and controlled by a citizen of the United States, to the extent that the Under Secretary determines that there are private screening companies owned and controlled by such citizens.

“(h) TERMINATION OF CONTRACTS.—The Under Secretary may terminate any contract entered into with a private screening company to provide screening services at an airport under the pilot program if the Under Secretary finds that the company has failed repeatedly to comply with any standard, regulation, directive, order, law, or contract applicable to the hiring or training of personnel to provide such services or to the provision of screening at the airport.

“(i) ELECTION.—If a contract is in effect with respect to screening at an airport under the pilot program on the last day of the 3-year period beginning on the date of enactment of this section, the operator of the airport may elect to continue to have such screening carried out by the screening personnel of a qualified private screening company under a contract entered into with the Under Secretary under section 44920 or by Federal Government personnel in accordance with this chapter.

“§ 44920. Security screening opt-out program

“(a) IN GENERAL.—On or after the last day of the 2-year period beginning on the date on which the Under Secretary transmits to Congress the certification required by section 110(c) of the Aviation and Transportation Security Act, an operator of an airport may submit to the Under Secretary an application to have the screening of passengers and property at the airport under section 44901 to be carried out by the screening personnel of a qualified private screening company under a contract entered into with the Under Secretary.

“(b) APPROVAL OF APPLICATIONS.—The Under Secretary may approve any application submitted under subsection (a).

“(c) QUALIFIED PRIVATE SCREENING COMPANY.—A private screening company is qualified to provide screening services at an airport under this section if the company will only employ individuals to provide such services who meet all the requirements of this chapter applicable to Federal Government personnel who perform screening services at airports under this chapter and will provide compensation and other benefits to such individuals that are not less than the level of compensation and other benefits provided to such Federal Government personnel in accordance with this chapter.

“(d) STANDARDS FOR PRIVATE SCREENING COMPANIES.—The Under Secretary may enter into a contract with a private screening company to provide screening at an airport under this section

PUBLIC LAW 107-71—NOV. 19, 2001

only if the Under Secretary determines and certifies to Congress that—

“(1) the level of screening services and protection provided at the airport under the contract will be equal to or greater than the level that would be provided at the airport by Federal Government personnel under this chapter; and

“(2) the private screening company is owned and controlled by a citizen of the United States, to the extent that the Under Secretary determines that there are private screening companies owned and controlled by such citizens.

“(e) SUPERVISION OF SCREENED PERSONNEL.—The Under Secretary shall provide Federal Government supervisors to oversee all screening at each airport at which screening services are provided under this section and provide Federal Government law enforcement officers at the airport pursuant to this chapter.

“(f) TERMINATION OF CONTRACTS.—The Under Secretary may terminate any contract entered into with a private screening company to provide screening services at an airport under this section if the Under Secretary finds that the company has failed repeatedly to comply with any standard, regulation, directive, order, law, or contract applicable to the hiring or training of personnel to provide such services or to the provision of screening at the airport.”.

(b) CLERICAL AMENDMENT.—The analysis for such subchapter is amended by adding after the item relating to section 44918 the following:

“44919. Security screening pilot program.

“44920. Security screening opt-out program.”.

49 USC 114 note.

SEC. 109. ENHANCED SECURITY MEASURES.

(a) IN GENERAL.—The Under Secretary of Transportation for Security may take the following actions:

(1) Require effective 911 emergency call capability for telephones serving passenger aircraft and passenger trains.

(2) Establish a uniform system of identification for all State and local law enforcement personnel for use in obtaining permission to carry weapons in aircraft cabins and in obtaining access to a secured area of an airport, if otherwise authorized to carry such weapons.

(3) Establish requirements to implement trusted passenger programs and use available technologies to expedite the security screening of passengers who participate in such programs, thereby allowing security screening personnel to focus on those passengers who should be subject to more extensive screening.

(4) In consultation with the Commissioner of the Food and Drug Administration, develop alternative security procedures under which a medical product to be transported on a flight of an air carrier would not be subject to an inspection that would irreversibly damage the product.

(5) Provide for the use of technologies, including wireless and wire line data technologies, to enable the private and secure communication of threats to aid in the screening of passengers and other individuals on airport property who are identified on any State or Federal security-related data base for the purpose of having an integrated response coordination of various authorized airport security forces.

(6) In consultation with the Administrator of the Federal Aviation Administration, consider whether to require all pilot licenses to incorporate a photograph of the license holder and appropriate biometric imprints.

(7) Provide for the use of voice stress analysis, biometric, or other technologies to prevent a person who might pose a danger to air safety or security from boarding the aircraft of an air carrier or foreign air carrier in air transportation or intrastate air transportation.

PUBLIC LAW 107-71—NOV. 19, 2001

(8) Provide for the use of technology that will permit enhanced instant communications and information between airborne passenger aircraft and appropriate individuals or facilities on the ground.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, and annually thereafter until the Under Secretary has implemented or decided not to take each of the actions specified in subsection (a), the Under Secretary shall transmit to Congress a report on the progress of the Under Secretary in evaluating and taking such actions, including any legislative recommendations that the Under Secretary may have for enhancing transportation security. Deadline.

SEC. 110. SCREENING.

(a) REVIEW AND DEVELOPMENT OF WAYS TO STRENGTHEN SECURITY.—Section 44932(c) of title 49, United States Code, is amended—

(1) by striking “x-ray” in paragraph (4);

(2) by striking “and” at the end of paragraph (4);

(3) by striking “passengers.” in paragraph (5) and inserting “passengers;”; and

(4) by adding at the end the following:

“(6) to strengthen and enhance the ability to detect or neutralize nonexplosive weapons, such as biological, chemical, or similar substances; and

“(7) to evaluate such additional measures as may be appropriate to enhance inspection of passengers, baggage, and cargo.”.

(b) PASSENGERS AND PROPERTY.—Section 44901 of title 49, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (h); and

(2) by striking subsections (a) and (b) and inserting the following:

“(a) IN GENERAL.—The Under Secretary of Transportation for Security shall provide for the screening of all passengers and property, including United States mail, cargo, carry-on and checked baggage, and other articles, that will be carried aboard a passenger aircraft operated by an air carrier or foreign air carrier in air transportation or intrastate air transportation. In the case of flights and flight segments originating in the United States, the screening shall take place before boarding and shall be carried out by a Federal Government employee (as defined in section 2105 of title 5, United States Code), except as otherwise provided in section 44919 or 44920 and except for identifying passengers and baggage for screening under the CAPPS and known shipper programs and conducting positive bag-match programs.

“(b) SUPERVISION OF SCREENING.—All screening of passengers and property at airports in the United States where screening is required under this section shall be supervised by uniformed Federal personnel of the Transportation Security Administration who shall have the power to order the dismissal of any individual performing such screening.

“(c) CHECKED BAGGAGE.—A system must be in operation to screen all checked baggage at all airports in the United States as soon as practicable but not later than the 60th day following the date of enactment of the Aviation and Transportation Security Act. Deadline.

“(d) EXPLOSIVE DETECTION SYSTEMS.—

“(1) IN GENERAL.—The Under Secretary of Transportation for Security shall take all necessary action to ensure that—

“(A) explosive detection systems are deployed as soon as possible to ensure that all United States airports described in section 44903(c) have sufficient explosive detection systems to screen all checked baggage no later than December 31, 2002, and that as soon as such systems

PUBLIC LAW 107-71—NOV. 19, 2001

are in place at an airport, all checked baggage at the airport is screened by those systems; and

“(B) all systems deployed under subparagraph (A) are fully utilized; and

“(C) if explosive detection equipment at an airport is unavailable, all checked baggage is screened by an alternative means.

Deadline.

“(e) MANDATORY SCREENING WHERE EDS NOT YET AVAILABLE.—As soon as practicable but not later than the 60th day following the date of enactment of the Aviation and Transportation Security Act and until the requirements of subsection (b)(1)(A) are met, the Under Secretary shall require alternative means for screening any piece of checked baggage that is not screened by an explosive detection system. Such alternative means may include 1 or more of the following:

“(1) A bag-match program that ensures that no checked baggage is placed aboard an aircraft unless the passenger who checked the baggage is aboard the aircraft.

“(2) Manual search.

“(3) Search by canine explosive detection units in combination with other means.

“(4) Other means or technology approved by the Under Secretary.

“(f) CARGO DEADLINE.—A system must be in operation to screen, inspect, or otherwise ensure the security of all cargo that is to be transported in all-cargo aircraft in air transportation and intrastate air transportation as soon as practicable after the date of enactment of the Aviation and Transportation Security Act.

“(g) DEPLOYMENT OF ARMED PERSONNEL.—

“(1) IN GENERAL.—The Under Secretary shall order the deployment of law enforcement personnel authorized to carry firearms at each airport security screening location to ensure passenger safety and national security.

“(2) MINIMUM REQUIREMENTS.—Except at airports required to enter into agreements under subsection (c), the Under Secretary shall order the deployment of at least 1 law enforcement officer at each airport security screening location. At the 100 largest airports in the United States, in terms of annual passenger enplanements for the most recent calendar year for which data are available, the Under Secretary shall order the deployment of additional law enforcement personnel at airport security screening locations if the Under Secretary determines that the additional deployment is necessary to ensure passenger safety and national security.”

(c) DEADLINE FOR DEPLOYMENT OF FEDERAL SCREENERS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Under Secretary of Transportation for Security shall deploy at all airports in the United States where screening is required under section 44901 of title 49, United States Code, a sufficient number of Federal screeners, Federal Security Managers, Federal security personnel, and Federal law enforcement officers to conduct the screening of all passengers and property under section 44901 of such title at such airports.

(2) CERTIFICATION TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Under Secretary shall transmit to Congress a certification that the requirement of paragraph (1) has been met.

(d) REPORTS.—

(1) DEPLOYMENT.—Within 6 months after the date of enactment of this Act, the Under Secretary of Transportation for Security shall report to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Transportation and Infrastructure of the House of Representatives on the deployment of the systems required by section

49 USC 44901
note.
Deadline.

PUBLIC LAW 107-71—NOV. 19, 2001

44901(c) of title 49, United States Code. The Under Secretary shall include in the report—

- (A) an installation schedule;
- (B) the dates of installation of each system; and
- (C) the date on which each system installed is operational.

(2) SCREENING OF SMALL AIRCRAFT.—Within 1 year after the date of enactment of this Act, the Under Secretary of Transportation for Security shall transmit a report to the Committee on Commerce, Science, and Transportation of the Senate and Committee on Transportation and Infrastructure of the House of Representatives on the screening requirements applicable to passengers boarding, and property being carried aboard, aircraft with 60 seats or less used in scheduled passenger service with recommendations for any necessary changes in those requirements. Deadline.

SEC. 111. TRAINING AND EMPLOYMENT OF SECURITY SCREENING PERSONNEL.

(a) IN GENERAL.—Section 44935 of title 49, United States Code, is amended—

- (1) by redesignating subsection (f) as subsection (i); and
- (2) by striking subsection (e) and inserting the following:

“(e) SECURITY SCREENER.—

“(1) TRAINING PROGRAM.—The Under Secretary of Transportation for Security shall establish a program for the hiring and training of security screening personnel.

“(2) HIRING.—

“(A) QUALIFICATIONS.—Within 30 days after the date of enactment of the Aviation and Transportation Security Act, the Under Secretary shall establish qualification standards for individuals to be hired by the United States as security screening personnel. Notwithstanding any provision of law, those standards shall require, at a minimum, an individual— Deadline.

“(i) to have a satisfactory or better score on a Federal security screening personnel selection examination;

“(ii) to be a citizen of the United States;

“(iii) to meet, at a minimum, the requirements set forth in subsection (f);

“(iv) to meet such other qualifications as the Under Secretary may establish; and

“(v) to have the ability to demonstrate daily a fitness for duty without any impairment due to illegal drugs, sleep deprivation, medication, or alcohol.

“(B) BACKGROUND CHECKS.—The Under Secretary shall require that an individual to be hired as a security screener undergo an employment investigation (including a criminal history record check) under section 44936(a)(1).

“(C) DISQUALIFICATION OF INDIVIDUALS WHO PRESENT NATIONAL SECURITY RISKS.—The Under Secretary, in consultation with the heads of other appropriate Federal agencies, shall establish procedures, in addition to any background check conducted under section 44936, to ensure that no individual who presents a threat to national security is employed as a security screener.

“(3) EXAMINATION; REVIEW OF EXISTING RULES.—The Under Secretary shall develop a security screening personnel examination for use in determining the qualification of individuals seeking employment as security screening personnel. The Under Secretary shall also review, and revise as necessary, any standard, rule, or regulation governing the employment of individuals as security screening personnel.

“(f) EMPLOYMENT STANDARDS FOR SCREENING PERSONNEL.—

PUBLIC LAW 107-71—NOV. 19, 2001

“(1) **SCREENER REQUIREMENTS.**—Notwithstanding any provision of law, an individual may not be deployed as a security screener unless that individual meets the following requirements:

“(A) The individual shall possess a high school diploma, a general equivalency diploma, or experience that the Under Secretary has determined to be sufficient for the individual to perform the duties of the position.

“(B) The individual shall possess basic aptitudes and physical abilities, including color perception, visual and aural acuity, physical coordination, and motor skills, to the following standards:

“(i) Screeners operating screening equipment shall be able to distinguish on the screening equipment monitor the appropriate imaging standard specified by the Under Secretary.

“(ii) Screeners operating any screening equipment shall be able to distinguish each color displayed on every type of screening equipment and explain what each color signifies.

“(iii) Screeners shall be able to hear and respond to the spoken voice and to audible alarms generated by screening equipment in an active checkpoint environment.

“(iv) Screeners performing physical searches or other related operations shall be able to efficiently and thoroughly manipulate and handle such baggage, containers, and other objects subject to security processing.

“(v) Screeners who perform pat-downs or hand-held metal detector searches of individuals shall have sufficient dexterity and capability to thoroughly conduct those procedures over an individual’s entire body.

“(C) The individual shall be able to read, speak, and write English well enough to—

“(i) carry out written and oral instructions regarding the proper performance of screening duties;

“(ii) read English language identification media, credentials, airline tickets, and labels on items normally encountered in the screening process;

“(iii) provide direction to and understand and answer questions from English-speaking individuals undergoing screening; and

“(iv) write incident reports and statements and log entries into security records in the English language.

“(D) The individual shall have satisfactorily completed all initial, recurrent, and appropriate specialized training required by the security program, except as provided in paragraph (3).

“(2) **VETERANS PREFERENCE.**—The Under Secretary shall provide a preference for the hiring of an individual as a security screener if the individual is a member or former member of the armed forces and if the individual is entitled, under statute, to retired, retirement, or retainer pay on account of service as a member of the armed forces.

“(3) **EXCEPTIONS.**—An individual who has not completed the training required by this section may be deployed during the on-the-job portion of training to perform functions if that individual—

“(A) is closely supervised; and

“(B) does not make independent judgments as to whether individuals or property may enter a sterile area or aircraft without further inspection.

PUBLIC LAW 107-71—NOV. 19, 2001

“(4) REMEDIAL TRAINING.—No individual employed as a security screener may perform a screening function after that individual has failed an operational test related to that function until that individual has successfully completed the remedial training specified in the security program.

“(5) ANNUAL PROFICIENCY REVIEW.—The Under Secretary shall provide that an annual evaluation of each individual assigned screening duties is conducted and documented. An individual employed as a security screener may not continue to be employed in that capacity unless the evaluation demonstrates that the individual—

“(A) continues to meet all qualifications and standards required to perform a screening function;

“(B) has a satisfactory record of performance and attention to duty based on the standards and requirements in the security program; and

“(C) demonstrates the current knowledge and skills necessary to courteously, vigilantly, and effectively perform screening functions.

“(6) OPERATIONAL TESTING.—In addition to the annual proficiency review conducted under paragraph (5), the Under Secretary shall provide for the operational testing of such personnel.

“(g) TRAINING.—

“(1) USE OF OTHER AGENCIES.—The Under Secretary may enter into a memorandum of understanding or other arrangement with any other Federal agency or department with appropriate law enforcement responsibilities, to provide personnel, resources, or other forms of assistance in the training of security screening personnel.

“(2) TRAINING PLAN.—Within 60 days after the date of enactment of the Aviation and Transportation Security Act, the Under Secretary shall develop a plan for the training of security screening personnel. The plan shall require, at a minimum, that a security screener—

“(A) has completed 40 hours of classroom instruction or successfully completed a program that the Under Secretary determines will train individuals to a level of proficiency equivalent to the level that would be achieved by such classroom instruction;

“(B) has completed 60 hours of on-the-job instructions; and

“(C) has successfully completed an on-the-job training examination prescribed by the Under Secretary.

“(3) EQUIPMENT-SPECIFIC TRAINING.—An individual employed as a security screener may not use any security screening device or equipment in the scope of that individual’s employment unless the individual has been trained on that device or equipment and has successfully completed a test on the use of the device or equipment.

“(h) TECHNOLOGICAL TRAINING.—

“(1) IN GENERAL.—The Under Secretary shall require training to ensure that screeners are proficient in using the most up-to-date new technology and to ensure their proficiency in recognizing new threats and weapons.

“(2) PERIODIC ASSESSMENTS.—The Under Secretary shall make periodic assessments to determine if there are dual use items and inform security screening personnel of the existence of such items.

“(3) CURRENT LISTS OF DUAL USE ITEMS.—Current lists of dual use items shall be part of the ongoing training for screeners.

“(4) DUAL USE DEFINED.—For purposes of this subsection, the term ‘dual use’ item means an item that may seem harmless but that may be used as a weapon.

PUBLIC LAW 107-71—NOV. 19, 2001

“(i) **LIMITATION ON RIGHT TO STRIKE.**—An individual that screens passengers or property, or both, at an airport under this section may not participate in a strike, or assert the right to strike, against the person (including a governmental entity) employing such individual to perform such screening.

“(j) **UNIFORMS.**—The Under Secretary shall require any individual who screens passengers and property pursuant to section 44901 to be attired while on duty in a uniform approved by the Under Secretary.”

(b) **CONFORMING AMENDMENTS.**—Section 44936(a)(1) of title 49, United States Code, is amended—

- (1) in subparagraph (A) by inserting “as a security screener under section 44935(e) or a position” after “a position”; and
- (2) in subparagraph (E) by striking clause (iv).

49 USC 44935
note.

(c) **TRANSITION.**—The Under Secretary of Transportation for Security shall complete the full implementation of section 44935 (e), (f), (g), and (h) of title 49, United States Code, as amended by subsection (a), as soon as is practicable. The Under Secretary may make or continue such arrangements for the training of security screeners under that section as the Under Secretary determines necessary pending full implementation of that section as so amended.

49 USC 44935
note.

(d) **SCREENER PERSONNEL.**—Notwithstanding any other provision of law, the Under Secretary of Transportation for Security may employ, appoint, discipline, terminate, and fix the compensation, terms, and conditions of employment of Federal service for such a number of individuals as the Under Secretary determines to be necessary to carry out the screening functions of the Under Secretary under section 44901 of title 49, United States Code. The Under Secretary shall establish levels of compensation and other benefits for individuals so employed.

SEC. 112. RESEARCH AND DEVELOPMENT.

(a) **IN GENERAL.**—Section 44912(b)(1) of title 49, United States Code, is amended—

(1) by striking “complete an intensive review of” and inserting “periodically review”;

(2) by striking “commercial aircraft in service and expected to be in service in the 10-year period beginning on November 16, 1990;” in subparagraph (B) and inserting “aircraft in air transportation;”; and

(3) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively, and inserting after subparagraph (C) the following:

“(D) the potential release of chemical, biological, or similar weapons or devices either within an aircraft or within an airport;”.

(b) **ADDITIONAL MATTERS REGARDING RESEARCH AND DEVELOPMENT.**—

(1) **ADDITIONAL PROGRAM REQUIREMENTS.**—Subsection (a) of section 44912 of title 49, United States Code, is amended—

(A) by redesignating paragraph (4) as paragraph (5);

and

(B) by inserting after paragraph (3) the following new paragraph (4):

“(4)(A) In carrying out the program established under this subsection, the Administrator shall designate an individual to be responsible for engineering, research, and development with respect to security technology under the program.

“(B) The individual designated under subparagraph (A) shall use appropriate systems engineering and risk management models in making decisions regarding the allocation of funds for engineering, research, and development with respect to security technology under the program.

PUBLIC LAW 107-71—NOV. 19, 2001

“(C) The individual designated under subparagraph (A) shall, on an annual basis, submit to the Research, Engineering and Development Advisory Committee a report on activities under this paragraph during the preceding year. Each report shall include, for the year covered by such report, information on—

Reports.

“(i) progress made in engineering, research, and development with respect to security technology;

“(ii) the allocation of funds for engineering, research, and development with respect to security technology; and

“(iii) engineering, research, and development with respect to any technologies drawn from other agencies, including the rationale for engineering, research, and development with respect to such technologies.”.

(2) REVIEW OF THREATS.—Subsection (b)(1) of that section is further amended—

(A) by redesignating subparagraphs (A) through (G) as subparagraphs (B) through (H) respectively; and

(B) by inserting before subparagraph (B), as so redesignated, the following new subparagraph (A):

“(A) a comprehensive systems analysis (employing vulnerability analysis, threat attribute definition, and technology roadmaps) of the civil aviation system, including—

“(i) the destruction, commandeering, or diversion of civil aircraft or the use of civil aircraft as a weapon; and

“(ii) the disruption of civil aviation service, including by cyber attack;”.

(3) SCIENTIFIC ADVISORY PANEL.—Subsection (c) of that section is amended to read as follows:

“(c) SCIENTIFIC ADVISORY PANEL.—(1) The Administrator shall establish a scientific advisory panel, as a subcommittee of the Research, Engineering, and Development Advisory Committee, to review, comment on, advise the progress of, and recommend modifications in, the program established under subsection (a) of this section, including the need for long-range research programs to detect and prevent catastrophic damage to commercial aircraft, commercial aviation facilities, commercial aviation personnel and passengers, and other components of the commercial aviation system by the next generation of terrorist weapons.

Establishment.

“(2)(A) The advisory panel shall consist of individuals who have scientific and technical expertise in—

“(i) the development and testing of effective explosive detection systems;

“(ii) aircraft structure and experimentation to decide on the type and minimum weights of explosives that an effective explosive detection technology must be capable of detecting;

“(iii) technologies involved in minimizing airframe damage to aircraft from explosives; and

“(iv) other scientific and technical areas the Administrator considers appropriate.

“(B) In appointing individuals to the advisory panel, the Administrator should consider individuals from academia and the national laboratories, as appropriate.

“(3) The Administrator shall organize the advisory panel into teams capable of undertaking the review of policies and technologies upon request.

“(4) Not later than 90 days after the date of the enactment of the Aviation and Transportation Security Act, and every two years thereafter, the Administrator shall review the composition of the advisory panel in order to ensure that the expertise of the individuals on the panel is suited to the current and anticipated duties of the panel.”.

Deadline.

PUBLIC LAW 107-71—NOV. 19, 2001

SEC. 113. FLIGHT SCHOOL SECURITY.

(a) **IN GENERAL.**—Subchapter II of chapter 449 of title 49, United States Code, is amended by adding at the end the following new section:

“§ 44939. Training to operate certain aircraft

“(a) **WAITING PERIOD.**—A person subject to regulation under this part may provide training in the operation of any aircraft having a maximum certificated takeoff weight of 12,500 pounds or more to an alien (as defined in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3))) or to any other individual specified by the Under Secretary of Transportation for Security only if—

“(1) that person has first notified the Attorney General that the individual has requested such training and furnished the Attorney General with that individual’s identification in such form as the Attorney General may require; and

Deadline.

“(2) the Attorney General has not directed, within 45 days after being notified under paragraph (1), that person not to provide the requested training because the Attorney General has determined that the individual presents a risk to aviation or national security.

“(b) **INTERRUPTION OF TRAINING.**—If the Attorney General, more than 45 days after receiving notification under subsection (a) from a person providing training described in subsection (a), determines that the individual presents a risk to aviation or national security, the Attorney General shall immediately notify the person providing the training of the determination and that person shall immediately terminate the training.

“(c) **COVERED TRAINING.**—For the purposes of subsection (a), training includes in-flight training, training in a simulator, and any other form or aspect of training.

“(d) **SECURITY AWARENESS TRAINING FOR EMPLOYEES.**—The Under Secretary shall require flight schools to conduct a security awareness program for flight school employees to increase their awareness of suspicious circumstances and activities of individuals enrolling in or attending flight school.”

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“44939. Training to operate certain aircraft.”

49 USC 44939
note.

(c) **INTERNATIONAL COOPERATION.**—The Secretary of Transportation, in consultation with the Secretary of State, shall work with the International Civil Aviation Organization and the civil aviation authorities of other countries to improve international aviation security through screening programs for flight instruction candidates.

49 USC 44939
note.

(d) **EFFECTIVE DATE.**—The amendment made by subsection (a) applies to applications for training received after the date of enactment of this Act.

SEC. 114. INCREASED PENALTIES FOR INTERFERENCE WITH SECURITY PERSONNEL.

(a) **IN GENERAL.**—Chapter 465 of title 49, United States Code, is amended by inserting after section 46502 the following:

“§ 46503. Interference with security screening personnel

“An individual in an area within a commercial service airport in the United States who, by assaulting a Federal, airport, or air carrier employee who has security duties within the airport, interferes with the performance of the duties of the employee or lessens the ability of the employee to perform those duties, shall be fined under title 18, imprisoned for not more than 10 years, or both. If the individual used a dangerous weapon in committing

PUBLIC LAW 107-71—NOV. 19, 2001

the assault or interference, the individual may be imprisoned for any term of years or life imprisonment.”.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 465 of such title is amended by inserting after the item relating to section 46502 the following:

“46503. Interference with security screening personnel.”.

SEC. 115. PASSENGER MANIFESTS.

Section 44909 is amended by adding at the end the following: 49 USC 44909.

“(c) FLIGHTS IN FOREIGN AIR TRANSPORTATION TO THE UNITED STATES.—

“(1) IN GENERAL.—Not later than 60 days after the date of enactment of the Aviation and Transportation Security Act, each air carrier and foreign air carrier operating a passenger flight in foreign air transportation to the United States shall provide to the Commissioner of Customs by electronic transmission a passenger and crew manifest containing the information specified in paragraph (2). Carriers may use the advanced passenger information system established under section 431 of the Tariff Act of 1930 (19 U.S.C. 1431) to provide the information required by the preceding sentence. Deadline.

“(2) INFORMATION.—A passenger and crew manifest for a flight required under paragraph (1) shall contain the following information:

“(A) The full name of each passenger and crew member.

“(B) The date of birth and citizenship of each passenger and crew member.

“(C) The sex of each passenger and crew member.

“(D) The passport number and country of issuance of each passenger and crew member if required for travel.

“(E) The United States visa number or resident alien card number of each passenger and crew member, as applicable.

“(F) Such other information as the Under Secretary, in consultation with the Commissioner of Customs, determines is reasonably necessary to ensure aviation safety.

“(3) PASSENGER NAME RECORDS.—The carriers shall make passenger name record information available to the Customs Service upon request.

“(4) TRANSMISSION OF MANIFEST.—Subject to paragraph (5), a passenger and crew manifest required for a flight under paragraph (1) shall be transmitted to the Customs Service in advance of the aircraft landing in the United States in such manner, time, and form as the Customs Service prescribes.

“(5) TRANSMISSION OF MANIFESTS TO OTHER FEDERAL AGENCIES.—Upon request, information provided to the Under Secretary or the Customs Service under this subsection may be shared with other Federal agencies for the purpose of protecting national security.”.

SEC. 116. AIR TRANSPORTATION ARRANGEMENTS IN CERTAIN STATES. 49 USC 41309 note.

(a) IN GENERAL.—Notwithstanding any provision of section 41309(a) of title 49, United States Code, to the contrary, air carriers providing air transportation on flights which both originate and terminate at points within the same State may file an agreement, request, modification, or cancellation of an agreement within the scope of that section with the Secretary of Transportation upon a declaration by the Governor of the State that such agreement, request, modification, or cancellation is necessary to ensure the continuing availability of such air transportation within that State.

(b) APPROVAL OF SECRETARY.—The Secretary may approve any such agreement, request, modification, or cancellation and grant an exemption under section 41308(c) of title 49, United States Code, to the extent necessary to effectuate such agreement, request,

PUBLIC LAW 107-71—NOV. 19, 2001

modification, or cancellation, without regard to the provisions of section 41309(b) or (c) of that title.

(c) **PUBLIC INTEREST REQUIREMENT.**—The Secretary may approve such an agreement, request, modification, or cancellation if the Secretary determines that—

(1) the State to which it relates has extraordinary air transportation needs and concerns; and

(2) approval is in the public interest.

(d) **TERMINATION.**—An approval under subsection (b) and an exemption under section 41308(c) of title 49, United States Code, granted under subsection (b) shall terminate on the earlier of the 2 following dates:

(1) A date established by the Secretary in the Secretary's discretion.

(2) October 1, 2002.

(e) **EXTENSION.**—Notwithstanding subsection (d), if the Secretary determines that it is in the public interest, the Secretary may extend the termination date under subsection (d)(2) until a date no later than October 1, 2003.

(f) **REPORTS.**—If the Secretary approves any such agreement, request, modification, or cancellation under this section and grants an exemption, the Secretary shall transmit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives within 6 months describing what actions have been taken by the air carriers to which the exemption was granted. The Secretary shall also notify those committees if the Secretary extends the termination date under subsection (e).

49 USC 44903
note.

SEC. 117. AIRLINE COMPUTER RESERVATION SYSTEMS.

In order to ensure that all airline computer reservation systems maintained by United States air carriers are secure from unauthorized access by persons seeking information on reservations, passenger manifests, or other nonpublic information, the Secretary of Transportation shall require all such air carriers to utilize to the maximum extent practicable the best technology available to secure their computer reservation system against such unauthorized access.

SEC. 118. SECURITY SERVICE FEE.

(a) **IN GENERAL.**—Subchapter II of chapter 449 is amended by adding at the end the following:

49 USC 44940
note.

“§ 44940. Security service fee

“(a) **GENERAL AUTHORITY.**—

“(1) **PASSENGER FEES.**—The Under Secretary of Transportation for Security shall impose a uniform fee, on passengers of air carriers and foreign air carriers in air transportation and intrastate air transportation originating at airports in the United States, to pay for the following costs of providing civil aviation security services:

“(A) Salary, benefits, overtime, retirement and other costs of screening personnel, their supervisors and managers, and Federal law enforcement personnel deployed at airport security screening locations under section 44901.

“(B) The costs of training personnel described in subparagraph (A), and the acquisition, operation, and maintenance of equipment used by such personnel.

“(C) The costs of performing background investigations of personnel described in subparagraphs (A), (D), (F), and (G).

“(D) The costs of the Federal air marshals program.

“(E) The costs of performing civil aviation security research and development under this title.

“(F) The costs of Federal Security Managers under section 44903.

PUBLIC LAW 107-71—NOV. 19, 2001

“(G) The costs of deploying Federal law enforcement personnel pursuant to section 44903(h). The amount of such costs shall be determined by the Under Secretary and shall not be subject to judicial review.

“(2) AIR CARRIER FEES.—

“(A) AUTHORITY.—In addition to the fee imposed pursuant to paragraph (1), and only to the extent that the Under Secretary estimates that such fee will be insufficient to pay for the costs of providing civil aviation security services described in paragraph (1), the Under Secretary may impose a fee on air carriers and foreign air carriers engaged in air transportation and intrastate air transportation to pay for the difference between any such costs and the amount collected from such fee, as estimated by the Under Secretary at the beginning of each fiscal year. The estimates of the Under Secretary under this subparagraph are not subject to judicial review.

“(B) LIMITATIONS.—

“(i) OVERALL LIMIT.—The amounts of fees collected under this paragraph for each fiscal year may not exceed, in the aggregate, the amounts paid in calendar year 2000 by carriers described in subparagraph (A) for screening passengers and property, as determined by the Under Secretary.

“(ii) PER-CARRIER LIMIT.—The amount of fees collected under this paragraph from an air carrier described in subparagraph (A) for each of fiscal years 2002, 2003, and 2004 may not exceed the amount paid in calendar year 2000 by that carrier for screening passengers and property, as determined by the Under Secretary.

“(iii) ADJUSTMENT OF PER-CARRIER LIMIT.—For fiscal year 2005 and subsequent fiscal years, the per-carrier limitation under clause (ii) may be determined by the Under Secretary on the basis of market share or any other appropriate measure in lieu of actual screening costs in calendar year 2000.

“(iv) FINALITY OF DETERMINATIONS.—Determinations of the Under Secretary under this subparagraph are not subject to judicial review.

“(C) SPECIAL RULE FOR FISCAL YEAR 2002.—The amount of fees collected under this paragraph from any carrier for fiscal year 2002 may not exceed the amounts paid by that carrier for screening passengers and property for a period of time in calendar year 2000 proportionate to the period of time in fiscal year 2002 during which fees are collected under this paragraph.

“(b) SCHEDULE OF FEES.—In imposing fees under subsection (a), the Under Secretary shall ensure that the fees are reasonably related to the Transportation Security Administration’s costs of providing services rendered.

“(c) LIMITATION ON FEE.—Fees imposed under subsection (a)(1) may not exceed \$2.50 per enplanement in air transportation or intrastate air transportation that originates at an airport in the United States, except that the total amount of such fees may not exceed \$5.00 per one-way trip.

“(d) IMPOSITION OF FEE.—

“(1) IN GENERAL.—Notwithstanding section 9701 of title 31 and the procedural requirements of section 553 of title 5, the Under Secretary shall impose the fee under subsection (a)(1), and may impose a fee under subsection (a)(2), through the publication of notice of such fee in the Federal Register and begin collection of the fee within 60 days of the date of enactment of this Act, or as soon as possible thereafter.

Federal Register,
publication.
Deadline.

PUBLIC LAW 107-71—NOV. 19, 2001

Federal Register,
publication.

“(2) SPECIAL RULES PASSENGER FEES.—A fee imposed under subsection (a)(1) through the procedures under subsection (d) shall apply only to tickets sold after the date on which such fee is imposed. If a fee imposed under subsection (a)(1) through the procedures under subsection (d) on transportation of a passenger of a carrier described in subsection (a)(1) is not collected from the passenger, the amount of the fee shall be paid by the carrier.

“(3) SUBSEQUENT MODIFICATION OF FEE.—After imposing a fee in accordance with paragraph (1), the Under Secretary may modify, from time to time through publication of notice in the Federal Register, the imposition or collection of such fee, or both.

“(4) LIMITATION ON COLLECTION.—No fee may be collected under this section except to the extent that the expenditure of the fee to pay the costs of activities and services for which the fee is imposed is provided for in advance in an appropriations Act.

“(e) ADMINISTRATION OF FEES.—

“(1) FEES PAYABLE TO UNDER SECRETARY.—All fees imposed and amounts collected under this section are payable to the Under Secretary.

“(2) FEES COLLECTED BY AIR CARRIER.—A fee imposed under subsection (a)(1) shall be collected by the air carrier or foreign air carrier that sells a ticket for transportation described in subsection (a)(1).

“(3) DUE DATE FOR REMITTANCE.—A fee collected under this section shall be remitted on the last day of each calendar month by the carrier collecting the fee. The amount to be remitted shall be for the calendar month preceding the calendar month in which the remittance is made.

“(4) INFORMATION.—The Under Secretary may require the provision of such information as the Under Secretary decides is necessary to verify that fees have been collected and remitted at the proper times and in the proper amounts.

“(5) FEE NOT SUBJECT TO TAX.—For purposes of section 4261 of the Internal Revenue Code of 1986 (26 U.S.C. 4261), a fee imposed under this section shall not be considered to be part of the amount paid for taxable transportation.

“(6) COST OF COLLECTING FEE.—No portion of the fee collected under this section may be retained by the air carrier or foreign air carrier for the costs of collecting, handling, or remitting the fee except for interest accruing to the carrier after collection and before remittance.

“(f) RECEIPTS CREDITED AS OFFSETTING COLLECTIONS.—Notwithstanding section 3302 of title 31, any fee collected under this section—

“(1) shall be credited as offsetting collections to the account that finances the activities and services for which the fee is imposed;

“(2) shall be available for expenditure only to pay the costs of activities and services for which the fee is imposed; and

“(3) shall remain available until expended.

“(g) REFUNDS.—The Under Secretary may refund any fee paid by mistake or any amount paid in excess of that required.

“(h) EXEMPTIONS.—The Under Secretary may exempt from the passenger fee imposed under subsection (a)(1) any passenger enplaning at an airport in the United States that does not receive screening services under section 44901 for that segment of the trip for which the passenger does not receive screening.”

(b) CONFORMING AMENDMENT.—The analysis for such chapter is amended by adding at the end the following:

“44940. Security service fee.”

PUBLIC LAW 107-71—NOV. 19, 2001

(c) SPECIFIC AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Part C of subtitle VII of title 49, United States Code, is amended by adding at the end the following:

“CHAPTER 483—AVIATION SECURITY FUNDING

“Sec.

“48301. Aviation security funding.

“§ 48301. Aviation security funding

“(a) IN GENERAL.—There are authorized to be appropriated for fiscal years 2002, 2003, 2004, and 2005 such sums as may be necessary to carry out chapter 449 and related aviation security activities under this title. Any amounts appropriated pursuant to this section for fiscal year 2002 shall remain available until expended.

“(b) GRANTS FOR AIRCRAFT SECURITY.—There is authorized to be appropriated \$500,000,000 for fiscal year 2002 to the Secretary of Transportation to make grants to or other agreements with air carriers (including intrastate air carriers) to—

“(1) fortify cockpit doors to deny access from the cabin to the pilots in the cockpit;

“(2) provide for the use of video monitors or other devices to alert the cockpit crew to activity in the passenger cabin;

“(3) ensure continuous operation of the aircraft transponder in the event the crew faces an emergency; and

“(4) provide for the use of other innovative technologies to enhance aircraft security.”.

(2) CONFORMING AMENDMENT.—The subtitle analysis for subtitle VII of title 49, United States Code, is amended by inserting after the item relating to chapter 482 the following:

“483. Aviation Security Funding 48301”.

SEC. 119. INCREASED FUNDING FLEXIBILITY FOR AVIATION SECURITY.

(a) LIMITED USE OF AIRPORT IMPROVEMENT PROGRAM FUNDS.—

(1) AIRPORT DEVELOPMENT FUNDS.—Section 47102(3) of title 49, United States Code, is amended by adding at the end the following:

“(J) in fiscal year 2002, any additional security related activity required by law or by the Secretary after September 11, 2001, and before October 1, 2002.

“(K) in fiscal year 2002 with respect to funds apportioned under section 47114 in fiscal years 2001 and 2002, any activity, including operational activities, of an airport that is not a primary airport if that airport is located within the confines of enhanced class B airspace, as defined by Notice to Airmen FDC 1/0618 issued by the Federal Aviation Administration and the activity was carried out when any restriction in the Notice is in effect.

“(L) in fiscal year 2002, payments for debt service on indebtedness incurred to carry out a project at an airport owned or controlled by the sponsor or at a privately owned or operated airport passenger terminal financed by indebtedness incurred by the sponsor if the Secretary determines that such payments are necessary to prevent a default on the indebtedness.”.

(2) ALLOWABLE COSTS.—Section 47110(b)(2) of title 49, United States Code, is amended—

(A) by striking “or” in subparagraph (B);

(B) by inserting “or” after “executed;” in subparagraph (C); and

(C) by adding at the end the following:

“(D) if the cost is incurred after September 11, 2001, for a project described in section 47102(3)(J), 47102(3)(K),

PUBLIC LAW 107-71—NOV. 19, 2001

or 47102(3)(L) and shall not depend upon the date of execution of a grant agreement made under this subchapter;”.

(3) DISCRETIONARY GRANTS.—Section 47115 of title 49, United States Code, is amended by adding at the end the following:

“(i) CONSIDERATIONS FOR PROJECT UNDER EXPANDED SECURITY ELIGIBILITY.—In order to assure that funding under this subchapter is provided to the greatest needs, the Secretary, in selecting a project described in section 47102(3)(J) for a grant, shall consider the non-federal resources available to sponsor, the use of such non-federal resources, and the degree to which the sponsor is providing increased funding for the project.”.

(4) FEDERAL SHARE.—Section 47109(a) of title 49, United States Code, is amended—

(A) by striking “and” in paragraph (3);

(B) by striking “47134.” in paragraph (4) and inserting “47134; and”; and

(C) by adding at the end the following:

“(5) for fiscal year 2002, 100 percent for a project described in section 47102(3)(J), 47102(3)(K), or 47102(3)(L).”.

(5) AIRPORT DEVELOPMENT.—Section 47102(3)(B) of title 49, United States Code, is amended—

(A) by striking “and” at the end of clause (viii);

(B) by striking the period at the end of clause (ix) and inserting “; and”; and

(C) by inserting after clause (ix) the following new clause:

“(x) replacement of baggage conveyor systems, and reconfiguration of terminal baggage areas, that the Secretary determines are necessary to install bulk explosive detection devices.”.

49 USC 47114
note.

(b) APPORTIONED FUNDS.—For the purpose of carrying out section 47114 of title 49, United States Code, for fiscal year 2003, the Secretary shall use, in lieu of passenger boardings at an airport during the prior calendar year, the greater of—

(1) the number of passenger boardings at that airport during 2000; or

(2) the number of passenger boardings at that airport during 2001.

(c) EXPEDITED PROCESSING OF SECURITY-RELATED PFC REQUESTS.—The Administrator of the Federal Aviation Administration shall, to the extent feasible, expedite the processing and approval of passenger facility fee requests under subchapter I of chapter 471 of title 49, United States Code, for projects described in section 47192(3)(J) of title 49, United States Code.

(d) AMENDMENT OF GENERAL FEE SCHEDULE PROVISION.—Section 45301(b)(1)(B) of title 49, United States Code, is amended—

(1) by striking “directly” and inserting “reasonably”;

(2) by striking “Administration’s costs” and inserting “Administration’s costs, as determined by the Administrator;” and

(3) by adding at the end “The Determination of such costs by the Administrator is not subject to judicial review.”.

SEC. 120. CHEMICAL AND BIOLOGICAL WEAPON DETECTION.

Section 44903(c)(2)(C) of title 49, United States Code, is amended to read as follows:

“(C) MAXIMUM USE OF CHEMICAL AND BIOLOGICAL WEAPON DETECTION EQUIPMENT.—The Secretary of Transportation may require airports to maximize the use of technology and equipment that is designed to detect or neutralize potential chemical or biological weapons.”.

PUBLIC LAW 107-71—NOV. 19, 2001

SEC. 121. AUTHORIZATION OF FUNDS FOR REIMBURSEMENT OF AIRPORTS FOR SECURITY MANDATES.49 USC 44903
note.

(a) AIRPORT SECURITY.—There is authorized to be appropriated to the Secretary of Transportation for fiscal years 2002 and 2003 a total of \$1,500,000,000 to reimburse airport operators, on-airport parking lots, and vendors of on-airfield direct services to air carriers for direct costs incurred by such operators to comply with new, additional, or revised security requirements imposed on such operators by the Federal Aviation Administration or Transportation Security Administration on or after September 11, 2001. Such sums shall remain available until expended.

(b) DOCUMENTATION OF COSTS; AUDIT.—The Secretary may not reimburse an airport operator, on-airport parking lot, or vendor of on-airfield direct services to air carriers under this section for any cost for which the airport operator, on-airport parking lot, or vendor of on-airfield direct services does not demonstrate to the satisfaction of the Secretary, using sworn financial statements or other appropriate data, that—

- (1) the cost is eligible for reimbursement under subsection (a); and
- (2) the cost was incurred by the airport operator, on-airport parking lot, or vendor of on-airfield direct services to air carriers.

The Inspector General of the Department of Transportation and the Comptroller General of the United States may audit such statements and may request any other information necessary to conduct such an audit.

(c) CLAIM PROCEDURE.—Within 30 days after the date of enactment of this Act, the Secretary, after consultation with airport operators, on-airport parking lots, and vendors of on-airfield direct services to air carriers, shall publish in the Federal Register the procedures for filing claims for reimbursement under this section of eligible costs incurred by airport operators.

Deadline.

SEC. 122. SENSE OF THE CONGRESS.

It is the sense of the Congress that—

- (1) an airport receiving Federal financial assistance should meet with the tenants of the airport (other than air carriers and foreign air carriers) to discuss adjustments of the rent of the tenants to account for losses in revenue incurred by the tenants on and after September 11, 2001;
- (2) an air carrier that received financial assistance under the Air Transportation Safety and System Stabilization Act or under title 49, United States Code, since September 11, 2001, should meet with airport operators to discuss payment of applicable rates, charges, and fees; and
- (3) the Federal Aviation Administration should maintain its current restriction on carry-on baggage of 1 bag and 1 personal item.

SEC. 123. AIRPORT IMPROVEMENT PROGRAMS.

(a) COMPETITION PLAN.—Section 47106(f) is amended—

49 USC 47106.

- (1) by redesignating paragraph (3) as paragraph (4); and
- (2) by inserting after paragraph (2) the following:

“(3) SPECIAL RULE FOR FISCAL YEAR 2002.—This subsection does not apply to any passenger facility fee approved, or grant made, in fiscal year 2002 if the fee or grant is to be used to improve security at a covered airport.”.

(b) CONFORMING AMENDMENT TO AIRPORT AND AIRWAY TRUST FUND.—Section 9502(d)(1)(A) of the Internal Revenue Code of 1986 (relating to airport and airway program) is amended by inserting “or the Aviation and Transportation Security Act” after “21st Century”.

26 USC 9502.

PUBLIC LAW 107-71—NOV. 19, 2001

SEC. 124. TECHNICAL CORRECTIONS.

49 USC 40101
note. (a) **REPORT DEADLINE.**—Section 106(a) of the Air Transportation Safety and System Stabilization Act (Public Law 107-42) is amended by striking “February 1, 2001” and inserting “February 1, 2002”.

49 USC 44306. (b) **INSURANCE AND REINSURANCE OF AIRCRAFT.**—Section 44306(c) (as redesignated by section 201(d) of such Act) is amended by inserting “in the interest of air commerce or national security or” before “to carry out foreign policy”.

49 USC 40101
note. (c) **FEDERAL CREDIT INSTRUMENTS.**—Section 102(c)(2)(A) of such Act is amended by striking “representatives” and inserting “representations”.

49 USC 40101
note. (d) **MAXIMUM AMOUNT OF COMPENSATION PAYABLE PER AIR CARRIER.**—Section 103 of such Act is amended by adding at the end the following:

President. “(d) **COMPENSATION FOR CERTAIN AIR CARRIERS.**—

“(1) **SET-ASIDE.**—The President may set aside a portion of the amount of compensation payable to air carriers under section 101(a)(2) to provide compensation to classes of air carriers, such as air tour operators and air ambulances (including hospitals operating air ambulances) for whom the application of a distribution formula containing available seat miles as a factor would inadequately reflect their share of direct and incremental losses. The President shall reduce the \$4,500,000,000 specified in subsection (b)(2)(A)(i) by the amount set aside under this subsection.

“(2) **DISTRIBUTION OF AMOUNTS.**—The President shall distribute the amount set aside under this subsection proportionally among such air carriers based on an appropriate auditable measure, as determined by the President.”.

SEC. 125. ENCOURAGING AIRLINE EMPLOYEES TO REPORT SUSPICIOUS ACTIVITIES.

(a) **IN GENERAL.**—Subchapter II of chapter 449 of title 49, United States Code, is amended by inserting at the end the following:

“§ 44941. Immunity for reporting suspicious activities

“(a) **IN GENERAL.**—Any air carrier or foreign air carrier or any employee of an air carrier or foreign air carrier who makes a voluntary disclosure of any suspicious transaction relevant to a possible violation of law or regulation, relating to air piracy, a threat to aircraft or passenger safety, or terrorism, as defined by section 3077 of title 18, United States Code, to any employee or agent of the Department of Transportation, the Department of Justice, any Federal, State, or local law enforcement officer, or any airport or airline security officer shall not be civilly liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision of any State, for such disclosure.

“(b) **APPLICATION.**—Subsection (a) shall not apply to—

“(1) any disclosure made with actual knowledge that the disclosure was false, inaccurate, or misleading; or

“(2) any disclosure made with reckless disregard as to the truth or falsity of that disclosure.”.

(b) **CONFORMING AMENDMENT.**—The chapter analysis for such chapter is amended by adding at the end the following:

“44941. Immunity for reporting suspicious activities.”.

SEC. 126. LESS-THAN-LETHAL WEAPONRY FOR FLIGHT DECK CREWS.

Deadline. (a) **NATIONAL INSTITUTE OF JUSTICE STUDY.**—The National Institute of Justice shall assess the range of less-than-lethal weaponry available for use by a flight deck crewmember temporarily to incapacitate an individual who presents a clear and present danger to the safety of the aircraft, its passengers, or individuals

PUBLIC LAW 107-71—NOV. 19, 2001

on the ground and report its findings and recommendations to the Secretary of Transportation within 90 days after the date of enactment of this Act.

(b) **ARMING FLIGHT DECK CREW.**—Section 44903 of title 49, United States Code, is amended by adding at the end the following:

“(h) **AUTHORITY TO ARM FLIGHT DECK CREW WITH LESS-THAN-LETHAL WEAPONS.**—

“(1) **IN GENERAL.**—If the Secretary, after receiving the recommendations of the National Institute of Justice, determines, with the approval of the Attorney General and the Secretary of State, that it is appropriate and necessary and would effectively serve the public interest in avoiding air piracy, the Secretary may authorize members of the flight deck crew on any aircraft providing air transportation or intrastate air transportation to carry a less-than-lethal weapon while the aircraft is engaged in providing such transportation.

“(2) **USAGE.**—If the Secretary grants authority under paragraph (1) for flight deck crew members to carry a less-than-lethal weapon while engaged in providing air transportation or intrastate air transportation, the Secretary shall—

“(A) prescribe rules requiring that any such crew member be trained in the proper use of the weapon; and

“(B) prescribe guidelines setting forth the circumstances under which such weapons may be used.”

Regulations.

Guidelines.

SEC. 127. MAIL AND FREIGHT WAIVERS.

49 USC 40101
note.

(a) **IN GENERAL.**—During a national emergency affecting air transportation or intrastate air transportation, the Secretary of Transportation, after consultation with the Transportation Security Oversight Board, may grant a complete or partial waiver of any restrictions on the carriage by aircraft of freight, mail, emergency medical supplies, personnel, or patients on aircraft, imposed by the Department of Transportation (or other Federal agency or department) that would permit such carriage of freight, mail, emergency medical supplies, personnel, or patients on flights, to, from, or within a State if the Secretary determines that—

(1) extraordinary air transportation needs or concerns exist; and

(2) the waiver is in the public interest, taking into consideration the isolation of and dependence on air transportation of the State.

(b) **LIMITATIONS.**—The Secretary may impose reasonable limitations on any such waiver.

SEC. 128. FLIGHT DECK SECURITY.

49 USC 44903
note.

The pilot of a passenger aircraft operated by an air carrier in air transportation or intrastate air transportation is authorized to carry a firearm into the cockpit if—

(1) the Under Secretary of Transportation for Security approves;

(2) the air carrier approves;

(3) the firearm is approved by the Under Secretary; and

(4) the pilot has received proper training for the use of the firearm, as determined by the Under Secretary.

SEC. 129. AMENDMENTS TO AIRMEN REGISTRY AUTHORITY.

Section 44703(g) of title 49, United States Code, is amended—

(1) in the first sentence of paragraph (1)—

(A) by striking “pilots” and inserting “airmen”; and

(B) by striking the period and inserting “and related to combating acts of terrorism.”; and

(2) by adding at the end, the following new paragraphs:

“(3) For purposes of this section, the term ‘acts of terrorism’ means an activity that involves a violent act or an act dangerous to human life that is a violation of the criminal laws of the United

PUBLIC LAW 107-71—NOV. 19, 2001

States or of any State, or that would be a criminal violation if committed within the jurisdiction of the United States or of any State, and appears to be intended to intimidate or coerce a civilian population to influence the policy of a government by intimidation or coercion or to affect the conduct of a government by assassination or kidnaping.

“(4) The Administrator is authorized and directed to work with State and local authorities, and other Federal agencies, to assist in the identification of individuals applying for or holding airmen certificates.”.

SEC. 130. RESULTS-BASED MANAGEMENT.

Subchapter II of chapter 449 of title 49, United States Code, is amended by adding at the end the following:

“§ 44942. Performance goals and objectives

“(a) SHORT TERM TRANSITION.—

Deadline.

“(1) IN GENERAL.—Within 180 days after the date of enactment of the Aviation and Transportation Security Act, the Under Secretary for Transportation Security may, in consultation with Congress—

“(A) establish acceptable levels of performance for aviation security, including screening operations and access control, and

“(B) provide Congress with an action plan, containing measurable goals and milestones, that outlines how those levels of performance will be achieved.

“(2) BASICS OF ACTION PLAN.—The action plan shall clarify the responsibilities of the Transportation Security Administration, the Federal Aviation Administration and any other agency or organization that may have a role in ensuring the safety and security of the civil air transportation system.

“(b) LONG-TERM RESULTS-BASED MANAGEMENT.—

“(1) PERFORMANCE PLAN AND REPORT.—

“(A) PERFORMANCE PLAN.—

“(i) Each year, consistent with the requirements of the Government Performance and Results Act of 1993 (GPRA), the Secretary and the Under Secretary for Transportation Security shall agree on a performance plan for the succeeding 5 years that establishes measurable goals and objectives for aviation security. The plan shall identify action steps necessary to achieve such goals.

“(ii) In addition to meeting the requirements of GPRA, the performance plan should clarify the responsibilities of the Secretary, the Under Secretary for Transportation Security and any other agency or organization that may have a role in ensuring the safety and security of the civil air transportation system.

“(B) PERFORMANCE REPORT.—Each year, consistent with the requirements of GPRA, the Under Secretary for Transportation Security shall prepare and submit to Congress an annual report including an evaluation of the extent goals and objectives were met. The report shall include the results achieved during the year relative to the goals established in the performance plan.

“§ 44943. Performance management system

“(a) ESTABLISHING A FAIR AND EQUITABLE SYSTEM FOR MEASURING STAFF PERFORMANCE.—The Under Secretary for Transportation Security shall establish a performance management system which strengthens the organization’s effectiveness by providing for the establishment of goals and objectives for managers, employees,

PUBLIC LAW 107-71—NOV. 19, 2001

and organizational performance consistent with the performance plan.

“(b) ESTABLISHING MANAGEMENT ACCOUNTABILITY FOR MEETING PERFORMANCE GOALS.—

“(1) IN GENERAL.—Each year, the Secretary and Under Secretary of Transportation for Security shall enter into an annual performance agreement that shall set forth organizational and individual performance goals for the Under Secretary.

“(2) GOALS.—Each year, the Under Secretary and each senior manager who reports to the Under Secretary shall enter into an annual performance agreement that sets forth organization and individual goals for those managers. All other employees hired under the authority of the Under Secretary shall enter into an annual performance agreement that sets forth organization and individual goals for those employees.

“(c) PERFORMANCE-BASED SERVICE CONTRACTING.—To the extent contracts, if any, are used to implement the Aviation Security Act, the Under Secretary for Transportation Security shall, to the extent practical, maximize the use of performance-based service contracts. These contracts should be consistent with guidelines published by the Office of Federal Procurement Policy.”

SEC. 131. VOLUNTARY PROVISION OF EMERGENCY SERVICES DURING COMMERCIAL FLIGHTS.

(a) IN GENERAL.—Subchapter II of chapter 449 of title 49, United States Code, is amended by adding at the end the following new section:

“§ 44944. Voluntary provision of emergency services

“(a) PROGRAM FOR PROVISION OF VOLUNTARY SERVICES.—

“(1) PROGRAM.—The Under Secretary of Transportation for Transportation Security shall carry out a program to permit qualified law enforcement officers, firefighters, and emergency medical technicians to provide emergency services on commercial air flights during emergencies.

“(2) REQUIREMENTS.—The Under Secretary shall establish such requirements for qualifications of providers of voluntary services under the program under paragraph (1), including training requirements, as the Under Secretary considers appropriate.

“(3) CONFIDENTIALITY OF REGISTRY.—If as part of the program under paragraph (1) the Under Secretary requires or permits registration of law enforcement officers, firefighters, or emergency medical technicians who are willing to provide emergency services on commercial flights during emergencies, the Under Secretary shall take appropriate actions to ensure that the registry is available only to appropriate airline personnel and otherwise remains confidential.

“(4) CONSULTATION.—The Under Secretary shall consult with appropriate representatives of the commercial airline industry, and organizations representing community-based law enforcement, firefighters, and emergency medical technicians, in carrying out the program under paragraph (1), including the actions taken under paragraph (3).

“(b) EXEMPTION FROM LIABILITY.—An individual shall not be liable for damages in any action brought in a Federal or State court that arises from an act or omission of the individual in providing or attempting to provide assistance in the case of an in-flight emergency in an aircraft of an air carrier if the individual meets such qualifications as the Under Secretary shall prescribe for purposes of this section.

“(c) EXCEPTION.—The exemption under subsection (b) shall not apply in any case in which an individual provides, or attempts

PUBLIC LAW 107-71—NOV. 19, 2001

to provide, assistance described in that paragraph in a manner that constitutes gross negligence or willful misconduct.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“44944. Voluntary provision of emergency services.”.

49 USC 44944
note.

(c) CONSTRUCTION REGARDING POSSESSION OF FIREARMS.—Nothing in this section may be construed to require any modification of regulations of the Department of Transportation governing the possession of firearms while in aircraft or air transportation facilities or to authorize the possession of a firearm in an aircraft or any such facility not authorized under those regulations.

SEC. 132. GENERAL AVIATION AND AIR CHARTERS.

Deadline.
49 USC 44903
note.

(a) AIR CHARTER PROGRAM.—Within 90 days after the date of enactment of this Act, the Under Secretary of Transportation for Transportation Security shall implement an aviation security program for charter air carriers (as defined in section 40102(a)(13) of title 49, United States Code) with a maximum certificated takeoff weight of 12,500 pounds or more.

Deadline.
Reports.

(b) GENERAL AVIATION PROGRAM.—Within 30 days after the date of enactment of this Act, the Under Secretary of Transportation for Transportation Security shall transmit a report on airspace and other security measures that can be deployed, as necessary, to improve general aviation security to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. The Under Secretary may submit the report in both classified and redacted forms.

49 USC 40102
note.

SEC. 133. DEFINITIONS.

Except as otherwise explicitly provided, any term used in this title that is defined in section 40102 of title 49, United States Code, has the meaning given that term in that section.

SEC. 134. SENSE OF CONGRESS ON CERTAIN AVIATION MATTERS.

(a) FLIGHT SERVICE STATION EMPLOYEES.—It is the sense of Congress that the Administrator of the Federal Aviation Administration should continue negotiating in good faith with flight service station employees of the Administration with a goal of reaching agreement on a contract as soon as possible.

(b) WAR RISK INSURANCE.—It is the sense of Congress that the Secretary of Transportation should implement section 202 of the Air Transportation Safety and System Stabilization Act (Public Law 107-42) so as to make war risk insurance directly available to vendors, agents, and subcontractors of air carriers for all of their domestic operations.

SEC. 135. SENSE OF THE HOUSE OF REPRESENTATIVES.

It is the sense of the House of Representatives that—

(1) the Under Secretary of Transportation for Security should develop security procedures to allow passengers transporting a musical instrument on a flight of an air carrier to transport the instrument in the passenger cabin of the aircraft, notwithstanding any size or other restriction on carry-on baggage but subject to such other reasonable security procedures, terms, and conditions as may be established by the Under Secretary or the air carrier, including imposing additional charges by the air carrier; and

(2) an air carrier that transports mail under a contract with the United States Postal Service should transport any animal that the Postal Service allows to be shipped through the mail.

PUBLIC LAW 107-71—NOV. 19, 2001

SEC. 136. SHORT-TERM ASSESSMENT AND DEPLOYMENT OF EMERGING SECURITY TECHNOLOGIES AND PROCEDURES.

Section 44903 of title 49, United States Code, is amended by adding at the end the following:

“(i) SHORT-TERM ASSESSMENT AND DEPLOYMENT OF EMERGING SECURITY TECHNOLOGIES AND PROCEDURES.—

“(1) IN GENERAL.—The Under Secretary of Transportation for Security shall recommend to airport operators, within 6 months after the date of enactment of the Aviation and Transportation Security Act, commercially available measures or procedures to prevent access to secure airport areas by unauthorized persons. As part of the 6-month assessment, the Under Secretary for Transportation Security shall—

“(A) review the effectiveness of biometrics systems currently in use at several United States airports, including San Francisco International;

“(B) review the effectiveness of increased surveillance at access points;

“(C) review the effectiveness of card- or keypad-based access systems;

“(D) review the effectiveness of airport emergency exit systems and determine whether those that lead to secure areas of the airport should be monitored or how breaches can be swiftly responded to; and

“(E) specifically target the elimination of the “piggy-backing” phenomenon, where another person follows an authorized person through the access point.

The 6-month assessment shall include a 12-month deployment strategy for currently available technology at all category X airports, as defined in the Federal Aviation Administration approved air carrier security programs required under part 108 of title 14, Code of Federal Regulations. Not later than 18 months after the date of enactment of this Act, the Secretary of Transportation shall conduct a review of reductions in unauthorized access at these airports.

“(2) COMPUTER-ASSISTED PASSENGER PRESCREENING SYSTEM.—

“(A) IN GENERAL.—The Secretary of Transportation shall ensure that the Computer-Assisted Passenger Prescreening System, or any successor system—

“(i) is used to evaluate all passengers before they board an aircraft; and

“(ii) includes procedures to ensure that individuals selected by the system and their carry-on and checked baggage are adequately screened.

“(B) MODIFICATIONS.—The Secretary of Transportation may modify any requirement under the Computer-Assisted Passenger Prescreening System for flights that originate and terminate within the same State, if the Secretary determines that—

“(i) the State has extraordinary air transportation needs or concerns due to its isolation and dependence on air transportation; and

“(ii) the routine characteristics of passengers, given the nature of the market, regularly triggers primary selectee status.”.

SEC. 137. RESEARCH AND DEVELOPMENT OF AVIATION SECURITY TECHNOLOGY.

(a) FUNDING.—To augment the programs authorized in section 44912(a)(1) of title 49, United States Code, there is authorized to be appropriated an additional \$50,000,000 for each of fiscal years 2002 through 2006 and such sums as are necessary for each fiscal year thereafter to the Transportation Security Administration, for research, development, testing, and evaluation of the

Deadline.

Deadline.

49 USC 44912 note.

PUBLIC LAW 107-71—NOV. 19, 2001

following technologies which may enhance aviation security in the future. Grants to industry, academia, and Government entities to carry out the provisions of this section shall be available for fiscal years 2002 and 2003 for—

(1) the acceleration of research, development, testing, and evaluation of explosives detection technology for checked baggage, specifically, technology that is—

(A) more cost-effective for deployment for explosives detection in checked baggage at small- to medium-sized airports, and is currently under development as part of the Argus research program at the Transportation Security Administration;

(B) faster, to facilitate screening of all checked baggage at larger airports; or

(C) more accurate, to reduce the number of false positives requiring additional security measures;

(2) acceleration of research, development, testing, and evaluation of new screening technology for carry-on items to provide more effective means of detecting and identifying weapons, explosives, and components of weapons of mass destruction, including advanced x-ray technology;

(3) acceleration of research, development, testing, and evaluation of threat screening technology for other categories of items being loaded onto aircraft, including cargo, catering, and duty-free items;

(4) acceleration of research, development, testing, and evaluation of threats carried on persons boarding aircraft or entering secure areas, including detection of weapons, explosives, and components of weapons of mass destruction;

(5) acceleration of research, development, testing and evaluation of integrated systems of airport security enhancement, including quantitative methods of assessing security factors at airports selected for testing such systems;

(6) expansion of the existing program of research, development, testing, and evaluation of improved methods of education, training, and testing of key airport security personnel; and

(7) acceleration of research, development, testing, and evaluation of aircraft hardening materials, and techniques to reduce the vulnerability of aircraft to terrorist attack.

(b) GRANTS.—Grants awarded under this subtitle shall identify potential outcomes of the research, and propose a method for quantitatively assessing effective increases in security upon completion of the research program. At the conclusion of each grant, the grant recipient shall submit a final report to the Transportation Security Administration that shall include sufficient information to permit the Under Secretary of Transportation for Security to prepare a cost-benefit analysis of potential improvements to airport security based upon deployment of the proposed technology. The Under Secretary shall begin awarding grants under this subtitle within 90 days of the date of enactment of this Act.

Deadline.

(c) BUDGET SUBMISSION.—A budget submission and detailed strategy for deploying the identified security upgrades recommended upon completion of the grants awarded under subsection (b), shall be submitted to Congress as part of the Department of Transportation's annual budget submission.

Appropriation authorization.

(d) DEFENSE RESEARCH.—There is authorized to be appropriated \$20,000,000 to the Transportation Security Administration to issue research grants in conjunction with the Defense Advanced Research Projects Agency. Grants may be awarded under this section for—

(1) research and development of longer-term improvements to airport security, including advanced weapons detection;

(2) secure networking and sharing of threat information between Federal agencies, law enforcement entities, and other appropriate parties;

PUBLIC LAW 107-71—NOV. 19, 2001

(3) advances in biometrics for identification and threat assessment; or

(4) other technologies for preventing acts of terrorism in aviation.

SEC. 138. EMPLOYMENT INVESTIGATIONS AND RESTRICTIONS.

(a) IN GENERAL.—Section 44936 of title 49, United States Code, is amended—

(1) by inserting “and a review of available law enforcement data bases and records of other governmental and international agencies to the extent determined practicable by the Under Secretary of Transportation for Transportation Security,” after “check” in subsection (a)(1)(A);

(2) by striking “in any case described in subparagraph (C)” in subsection (a)(1)(B) and inserting “and a review of available law enforcement data bases and records of other governmental and international agencies to the extent determined practicable by the Under Secretary of Transportation for Transportation Security”;

(3) by striking “will be” in subsection (a)(1)(B)(i) and inserting “are”;

(4) by striking “and” after the semicolon in clause (ii) of subsection (a)(1)(B);

(5) by redesignating clause (iii) of subsection (a)(1)(B) as clause (iv);

(6) by inserting after clause (ii) of subsection (a)(1)(B) the following:

“(iii) individuals who regularly have escorted access to aircraft of an air carrier or foreign air carrier or a secured area of an airport in the United States the Administrator designates that serves an air carrier or foreign air carrier; and”;

(7) by striking subparagraphs (C), (D), and (E) of subsection (a)(1) and redesignating subparagraph (F) as subparagraph (D);

(8) by inserting after subparagraph (B) of subsection (a)(1) the following:

“(C) BACKGROUND CHECKS OF CURRENT EMPLOYEES.—

“(i) A new background check (including a criminal history record check and a review of available law enforcement data bases and records of other governmental and international agencies to the extent determined practicable by the Under Secretary of Transportation for Transportation Security shall be required for any individual who is employed in a position described in subparagraphs (A) and (B) on the date of enactment of the Aviation and Transportation Security Act.

“(ii) The Under Secretary may provide by order (without regard to the provisions of chapter 5 of title 5, United States Code) for a phased-in implementation of the requirements of this subparagraph.”;

(9) by striking “107.31(m)” in subparagraph (D), as redesignated, and inserting “107.31(m)(1) or (2)”;

(10) by striking “the date of enactment of this subparagraph.” in subparagraph (D), as redesignated, and inserting “November 22, 2000. The Under Secretary shall work with the International Civil Aviation Organization and with appropriate authorities of foreign countries to ensure that individuals exempted under this subparagraph do not pose a threat to aviation or national security.”;

(11) by striking “carrier, or airport operator” in subsection (a)(2) and inserting “carrier, airport operator, or government”;

(12) by striking “carrier, or airport operator” in subsection (b)(1) and inserting “carrier, airport operator, or government”;

PUBLIC LAW 107-71—NOV. 19, 2001

(13) by striking “carrier, or airport operator” in subsection (b)(3) and inserting “carrier, airport operator, or government”; and

(14) by adding at the end of subsection (c)(1) “All Federal agencies shall cooperate with the Under Secretary and the Under Secretary’s designee in the process of collecting and submitting fingerprints.”.

(b) RECORDS OF EMPLOYMENT OF PILOT APPLICANTS.—Part A of subtitle VII of title 49, United States Code, is amended—

(1) by moving subsections (f), (g), and (h) of section 44936 from section 44936, inserting them at the end of section 44703, and redesignating them as subsections (h), (i), and (j), respectively; and

(2) in subsections (i) and (j) of section 44703 (as moved to the end of section 44703 by paragraph (1) of this subsection), by striking “subsection (f)” each place it appears and inserting “subsection (h)”.

SEC. 139. ALCOHOL AND CONTROLLED SUBSTANCE TESTING.

Chapter 451 of title 49, United States Code, is amended—

49 USC 45102.

(1) by striking “contract personnel” each place it appears and inserting “personnel”;

49 USC 45103.

(2) by striking “contract employee” each place it appears and inserting “employee”;

(3) in section 45106(c) by striking “contract employees” and inserting “employees”;

(4) by inserting after section 45106 the following:

“§ 45107. Transportation Security Administration

“(a) TRANSFER OF FUNCTIONS RELATING TO TESTING PROGRAMS WITH RESPECT TO AIRPORT SECURITY SCREENING PERSONNEL.—The authority of the Administrator of the Federal Aviation Administration under this chapter with respect to programs relating to testing of airport security screening personnel are transferred to the Under Secretary of Transportation for Security. Notwithstanding section 45102(a), the regulations prescribed under section 45102(a) shall require testing of such personnel by their employers instead of by air carriers and foreign air carriers.

“(b) APPLICABILITY OF CHAPTER WITH RESPECT TO EMPLOYEES OF ADMINISTRATION.—The provisions of this chapter that apply with respect to employees of the Federal Aviation Administration whose duties include responsibility for safety-sensitive functions shall apply with respect to employees of the Transportation Security Administration whose duties include responsibility for security-sensitive functions. The Under Secretary of Transportation for Security, the Transportation Security Administration, and employees of the Transportation Security Administration whose duties include responsibility for security-sensitive functions shall be subject to and comply with such provisions in the same manner and to the same extent as the Administrator of the Federal Aviation Administration, the Federal Aviation Administration, and employees of the Federal Aviation Administration whose duties include responsibility for safety-sensitive functions, respectively.”; and

(5) in the analysis for such chapter by inserting after the item relating to section 45106 the following:

“45107. Transportation Security Administration.”.

SEC. 140. CONFORMING AMENDMENTS TO SUBTITLE VII.

(a) RECORDS OF EMPLOYMENT OF PILOT APPLICANTS.—Part A of subtitle VII of title 49, United States Code, is amended—

(1) by moving subsections (f), (g), and (h) of section 44936 from section 44936, inserting them at the end of section 44703, and redesignating them as subsections (h), (i), and (j), respectively; and

PUBLIC LAW 107-71—NOV. 19, 2001

(2) in subsections (i) and (j) of section 44703 (as moved to the end of section 44703 by paragraph (1) of this subsection), by striking “subsection (f)” each place it appears and inserting “subsection (h)”.

(b) INVESTIGATIONS AND PROCEDURES.—Chapter 461 of such title is amended—

(1) in each of sections 46101(a)(1), 46102(a), 46103(a), 46104(a), 46105(a), 46106, 46107(b), and 46110(a) by inserting after “(or” the following: “the Under Secretary of Transportation for Security with respect to security duties and powers designated to be carried out by the Under Secretary or”;

(2) by striking “or Administrator” each place it appears and inserting “, Under Secretary, or Administrator”;

(3) in section 46101(a)(2) by striking “of Transportation or the” and inserting “, Under Secretary, or”;

(4) in section 46102(b) by striking “and the Administrator” and inserting “, the Under Secretary, and the Administrator”;

(5) in section 46102(c) by striking “and Administrator” each place it appears and inserting “, Under Secretary, and Administrator”;

(6) in each of sections 46102(d) and 46104(b) by inserting “the Under Secretary,” after “Secretary,”;

(7) in the heading to section 46106 by striking “**Secretary of Transportation and Administrator of the Federal Aviation Administration**” and inserting “**Department of Transportation**”; and

(8) in the item relating to section 46106 of the analysis for such chapter by striking “Secretary of Transportation and Administrator of the Federal Aviation Administration” and inserting “Department of Transportation”.

(c) ADMINISTRATIVE.—Section 40113 of such title is amended—

(1) in subsection (a)—

(A) by inserting after “(or” the following: “the Under Secretary of Transportation for Security with respect to security duties and powers designated to be carried out by the Under Secretary or”;

(B) by striking “or Administrator” and inserting “, Under Secretary, or Administrator”; and

(2) in subsection (d)—

(A) by inserting after “The” the following: “Under Secretary of Transportation for Security or the”;

(B) by striking “Administration” the second place it appears and inserting “Transportation Security Administration or Federal Aviation Administration, as the case may be,”; and

(C) by striking “the Administrator decides” and inserting “the Under Secretary or Administrator, as the case may be, decides”.

(d) PENALTIES.—Chapter 463 of such title is amended—

(1) in section 46301(d)(2)—

(A) by striking “, chapter 449 (except sections 44902, 44903(d), 44907(a)–(d)(1)(A) and (d)(1)(C)–(f), 44908, and 44909),”;

(B) by inserting after the first sentence the following: “The Under Secretary of Transportation for Security may impose a civil penalty for a violation of chapter 449 (except sections 44902, 44903(d), 44907(a)–(d)(1)(A), 44907(d)(1)(C)–(f), 44908, and 44909) or a regulation prescribed or order issued under such chapter 449.”; and

(C) by inserting “Under Secretary or” before “Administrator shall”;

(2) in each of paragraphs (3) and (4) of section 46301(d) by striking “Administrator” each place it appears and inserting “Under Secretary or Administrator”;

49 USC 46101–
46105, 46107,
46110.

PUBLIC LAW 107-71—NOV. 19, 2001

(3) in section 46301(d)(8) by striking “Administrator” and inserting “Under Secretary, Administrator,”;

(4) in section 46301(h)(2) by inserting after “(or” the following: “the Under Secretary of Transportation for Security with respect to security duties and powers designated to be carried out by the Under Secretary or”;

(5) in section 46303(c)(2) by inserting “or the Under Secretary of Transportation for Security” after “Federal Aviation Administration”;

(6) in section 46311—

(A) by inserting after “Transportation,” the following: “the Under Secretary of Transportation for Security with respect to security duties and powers designated to be carried out by the Under Secretary,”;

(B) by inserting after “Secretary,” each place it appears the following: “Under Secretary,”; and

(C) by striking “or Administrator” each place it appears and inserting “, Under Secretary, or Administrator”;

(7) in each of sections 46313 and 46316 by inserting after “(or” the following: “the Under Secretary of Transportation for Security with respect to security duties and powers designated to be carried out by the Under Secretary or”;

(8) in section 46505(d)(2) by inserting “or the Under Secretary of Transportation for Security” after “Federal Aviation Administration”.

(2) SUITS BY OR AGAINST FAA.—Any suit by or against the Federal Aviation Administration begun before the date of the enactment of this Act shall be continued, insofar as it involves a function retained and transferred under this Act, with the Transportation Security Administration (to the extent the suit involves functions transferred to the Transportation Security Administration under this Act) substituted for the Federal Aviation Administration.

(3) REMANDED CASES.—If the court in a suit described in paragraph (1) remands a case to the Transportation Security Administration, subsequent proceedings related to such case shall proceed in accordance with applicable law and regulations as in effect at the time of such subsequent proceedings.

(e) CONTINUANCE OF ACTIONS AGAINST OFFICERS.—No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of the Federal Aviation Administration shall abate by reason of the enactment of this Act. No cause of action by or against the Federal Aviation Administration, or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this Act.

(f) EXERCISE OF AUTHORITIES.—Except as otherwise provided by law, an officer or employee of the Transportation Security Administration may, for purposes of performing a function transferred by this Act or the amendments made by this Act, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of the function immediately before the effective date of the transfer of the function under this Act.

(g) ACT DEFINED.—In this section, the term “Act” includes the amendments made by this Act.

31 USC 1105
note.

SEC. 142. BUDGET SUBMISSIONS.

The President’s budget submission for fiscal year 2003 and each fiscal year thereafter shall reflect the establishment of the Transportation Security Administration.

49 USC 47108
note.

SEC. 143. LAND ACQUISITION COSTS.

In the case of a grant for land acquisition issued to an airport under chapter 471 of title 49, United States Code, prior to January 1, 1995, the Secretary of Transportation may waive the provisions

PUBLIC LAW 107-71—NOV. 19, 2001

of section 47108 of such title and provide an upward adjustment in the maximum obligation of the United States under that chapter to assist the airport in funding land acquisition costs (and associated eligible costs) that increased as a result of a judicial order.

SEC. 144. LIMITATION ON LIABILITY FOR ACTS TO THWART CRIMINAL VIOLENCE OR AIRCRAFT PIRACY.

Section 44903 is amended by adding at the end the following: 49 USC 44903.
 “(h) **LIMITATION ON LIABILITY FOR ACTS TO THWART CRIMINAL VIOLENCE OR AIRCRAFT PIRACY.**—An individual shall not be liable for damages in any action brought in a Federal or State court arising out of the acts of the individual in attempting to thwart an act of criminal violence or piracy on an aircraft if that individual reasonably believed that such an act of criminal violence or piracy was occurring or was about to occur.”.

SEC. 141. SAVINGS PROVISION.

49 USC 44901
 note.

(a) **TRANSFER OF ASSETS AND PERSONNEL.**—Except as otherwise provided in this Act, those personnel, property, and records employed, used, held, available, or to be made available in connection with a function transferred to the Transportation Security Administration by this Act shall be transferred to the Transportation Security Administration for use in connection with the functions transferred. Unexpended balances of appropriations, allocations, and other funds made available to the Federal Aviation Administration to carry out such functions shall also be transferred to the Transportation Security Administration for use in connection with the functions transferred.

(b) **LEGAL DOCUMENTS.**—All orders, determinations, rules, regulations, permits, grants, loans, contracts, settlements, agreements, certificates, licenses, and privileges—

(1) that have been issued, made, granted, or allowed to become effective by the Federal Aviation Administration, any officer or employee thereof, or any other Government official, or by a court of competent jurisdiction, in the performance of any function that is transferred by this Act; and

(2) that are in effect on the effective date of such transfer (or become effective after such date pursuant to their terms as in effect on such effective date), shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the Under Secretary of Transportation for Security, any other authorized official, a court of competent jurisdiction, or operation of law.

(c) **PROCEEDINGS.**—

(1) **IN GENERAL.**—The provisions of this Act shall not affect any proceedings or any application for any license pending before the Federal Aviation Administration at the time this Act takes effect, insofar as those functions are transferred by this Act; but such proceedings and applications, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law.

(2) **STATUTORY CONSTRUCTION.**—Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any proceeding described in paragraph (1) under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

PUBLIC LAW 107-71—NOV. 19, 2001

(3) ORDERLY TRANSFER.—The Secretary of Transportation is authorized to provide for the orderly transfer of pending proceedings from the Federal Aviation Administration.

(d) SUITS.—

(1) IN GENERAL.—This Act shall not affect suits commenced before the date of the enactment of this Act, except as provided in paragraphs (2) and (3). In all such suits, proceeding shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

49 USC 40101
note.

SEC. 145. AIR CARRIERS REQUIRED TO HONOR TICKETS FOR SUSPENDED SERVICE.

(a) IN GENERAL.—Each air carrier that provides scheduled air transportation on a route shall provide, to the extent practicable, air transportation to passengers ticketed for air transportation on that route by any other air carrier that suspends, interrupts, or discontinues air passenger service on the route by reason of insolvency or bankruptcy of the other air carrier.

Deadline.

(b) PASSENGER OBLIGATION.—An air carrier is not required to provide air transportation under subsection (a) to a passenger unless that passenger makes alternative arrangements with the air carrier for such transportation within 60 days after the date on which that passenger's air transportation was suspended, interrupted, or discontinued (without regard to the originally scheduled travel date on the ticket).

(c) SUNSET.—This section does not apply to air transportation the suspension, interruption, or discontinuance of which occurs more than 18 months after the date of enactment of this Act.

Federal Register,
publication.

SEC. 146. AIRCRAFT OPERATIONS IN ENHANCED CLASS B AIRSPACE.

Upon request of an operator of an aircraft affected by the restrictions imposed under Notice to Airmen FDC 1/0618 issued by the Federal Aviation Administration, or any other notice issued after September 11, 2001, and prior to the date of enactment of this Act that restricts the ability of United States registered aircraft to conduct operations under part 91 of title 14, Code of Federal Regulations, in enhanced class B airspace (as defined by such Notice), such restrictions shall cease to be in effect for the affected class of operator beginning on the 30th day following the request, unless the Secretary of Transportation publishes a notice in the Federal Register before such 30th day reimposing the restriction and explaining the reasons for the restriction.

SEC. 147. AVIATION WAR RISK INSURANCE.

Section 44306(b) of title 49, United States Code, is amended by striking “60 days” each place it appears and inserting “1 year”.

TITLE II—LIABILITY LIMITATION

SEC. 201. AIR TRANSPORTATION SAFETY AND SYSTEM STABILIZATION ACT AMENDMENTS.

(a) RECOVERY OF COLLATERAL SOURCE OBLIGATIONS OF TERRORISTS.—Section 405(c)(3)(B)(i) of the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note) is amended by striking “obligations.” and inserting “obligations, or to a civil action against any person who is a knowing participant in any conspiracy to hijack any aircraft or commit any terrorist act.”.

49 USC 40101
note.

(b) EXTENSION OF LIABILITY RELIEF TO AIRCRAFT MANUFACTURERS AND OTHERS.—Section 408 of that Act is amended—

(1) by striking “air carrier” in the section heading;

(2) by striking subsection (a) and inserting the following:

“(a) IN GENERAL.—

PUBLIC LAW 107-71—NOV. 19, 2001

“(1) LIABILITY LIMITED TO INSURANCE COVERAGE.—Notwithstanding any other provision of law, liability for all claims, whether for compensatory or punitive damages or for contribution or indemnity, arising from the terrorist-related aircraft crashes of September 11, 2001, against an air carrier, aircraft manufacturer, airport sponsor, or person with a property interest in the World Trade Center, on September 11, 2001, whether fee simple, leasehold or easement, direct or indirect, or their directors, officers, employees, or agents, shall not be in an amount greater than the limits of liability insurance coverage maintained by that air carrier, aircraft manufacturer, airport sponsor, or person.

“(2) WILLFUL DEFAULTS ON REBUILDING OBLIGATION.—Paragraph (1) does not apply to any such person with a property interest in the World Trade Center if the Attorney General determines, after notice and an opportunity for a hearing on the record, that the person has defaulted willfully on a contractual obligation to rebuild, or assist in the rebuilding of, the World Trade Center.

“(3) LIMITATIONS ON LIABILITY FOR NEW YORK CITY.—Liability for all claims, whether for compensatory or punitive damages or for contribution or indemnity arising from the terrorist-related aircraft crashes of September 11, 2001, against the City of New York shall not exceed the greater of the city’s insurance coverage or \$350,000,000. If a claimant who is eligible to seek compensation under section 405 of this Act, submits a claim under section 405, the claimant waives the right to file a civil action (or to be a party to an action) in any Federal or State court for damages sustained as a result of the terrorist-related aircraft crashes of September 11, 2001, including any such action against the City of New York. The preceding sentence does not apply to a civil action to recover collateral source obligations.”; and

(3) by adding at the end of subsection (c) the following: “Subsections (a) and (b) do not apply to civil actions to recover collateral source obligations. Nothing in this section shall in any way limit any liability of any person who is engaged in the business of providing air transportation security and who is not an airline or airport sponsor or director, officer, or employee of an airline or airport sponsor.”.

(c) LIMITATION OF UNITED STATES SUBROGATION RIGHT.—Section 409 of that Act is amended by striking “title.” and inserting “title, subject to the limitations described in section 408.”.

(d) DEFINITIONS.—Section 402 of that Act is amended—

(1) by adding at the end of paragraph (1) the following: “The term ‘air carrier’ does not include a person, other than an air carrier, engaged in the business of providing air transportation security.”.

49 USC 40101
note.

49 USC 40101
note.

PUBLIC LAW 107-71—NOV. 19, 2001

(2) by redesignating paragraphs (3) through (8) as paragraphs (5) through (10), respectively; and

(3) by inserting after paragraph (2) the following:

“(3) AIRCRAFT MANUFACTURER.—The term ‘aircraft manufacturer’ means any entity that manufactured the aircraft or any parts or components of the aircraft involved in the terrorist related aircraft crashes of September 11, 2001, including employees and agents of that entity.

“(4) AIRPORT SPONSOR.—The term ‘airport sponsor’ means the owner or operator of an airport (as defined in section 40102 of title 49, United States Code).”.

Approved November 19, 2001.

LEGISLATIVE HISTORY—S. 1447 (H.R. 3150):

HOUSE REPORTS: No. 107-296 (Comm. of Conference).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 10, 11, considered and passed Senate.

Nov. 6, considered and passed House, amended, in lieu of H.R. 3150.

Nov. 16, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 37 (2001):

Nov. 19, Presidential statement.

TREASURY ACTS

PUBLIC LAW 107–127—JAN. 16, 2002

Public Law 107–127
107th Congress

An Act

To authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public.

Jan. 16, 2002

[H.R. 2751]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “General Shelton Congressional Gold Medal Act”.

General Shelton
Congressional
Gold Medal Act.
31 USC 5111
note.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) General Henry H. Shelton, Chairman of the Joint Chiefs of Staff, the principal military adviser to the President, the National Security Council, and the Secretary of Defense, has displayed strong leadership, competence, and professionalism in fulfilling his statutory responsibilities throughout Operation Allied Force.

(2) General Shelton and his subordinates brilliantly planned and coordinated at the national level the successful air campaign in support of Operation Allied Force.

(3) General Shelton’s leadership, foresight, and determination were directly responsible for ensuring a decisive military victory without a single allied combat casualty in Kosovo in 1999.

(4) As the principal military adviser to the President of the United States, the National Security Council, and the Secretary of Defense, General Shelton’s assessments, judgments, recommendations, and determination were invaluable and instrumental in the unprecedented military victory against the forces of Slobodan Milosevic.

(5) General Shelton’s distinction as a “soldier’s soldier”, as Chairman of the Joint Chiefs of Staff, and throughout his military service, including command of the Special Operations Command, the 18th Airborne Corps at Fort Bragg, North Carolina, helicopter forces in Operation Desert Storm, and special forces Green Berets in Vietnam, serves as an inspiration to the Congress and the people of the United States, a grateful Nation.

SEC. 3. CONGRESSIONAL GOLD MEDAL.

(a) **PRESENTATION AUTHORIZED.**—The President is authorized to present, on behalf of the Congress, to General Henry H. Shelton a gold medal of appropriate design in recognition of his performance as a military leader in coordinating the planning, strategy, and execution of the United States and NATO combat action and his invaluable contributions to the United States and to the successful return to peace in the Balkans as Chairman of the Joint Chiefs of Staff.

(b) **DESIGN AND STRIKING.**—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter referred to in this Act as the “Secretary”) shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

PUBLIC LAW 107-127—JAN. 16, 2002

SEC. 4. DUPLICATE MEDALS.

The Secretary may strike bronze duplicates of the gold medal struck pursuant to section 3, under such regulations as the Secretary may prescribe, and may sell such bronze duplicates at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

SEC. 5. NATIONAL MEDALS.

Medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS; PROCEEDS OF SALE.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated not to exceed \$30,000 to carry out section 3.

(b) **PROCEEDS OF SALES.**—Amounts received from sales of duplicate bronze medals under section 4 shall be credited to the appropriation made pursuant to the authorization provided in subsection (a).

Approved January 16, 2002.

LEGISLATIVE HISTORY—H.R. 2751:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Dec. 19, considered and passed House.

Dec. 20, considered and passed Senate.

VETERANS ACTS

PUBLIC LAW 107-95—DEC. 21, 2001

Public Law 107-95
107th Congress

An Act

To amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans.

Dec. 21, 2001
[H.R. 2716]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) **SHORT TITLE.**—This Act may be cited as the “Homeless Veterans Comprehensive Assistance Act of 2001”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

- Sec. 1. Short title; table of contents; references to title 38, United States Code.
- Sec. 2. Definitions.
- Sec. 3. National goal to end homelessness among veterans.
- Sec. 4. Sense of the Congress regarding the needs of homeless veterans and the responsibility of Federal agencies.
- Sec. 5. Consolidation and improvement of provisions of law relating to homeless veterans.
- Sec. 6. Evaluation centers for homeless veterans programs.
- Sec. 7. Study of outcome effectiveness of grant program for homeless veterans with special needs.
- Sec. 8. Expansion of other programs.
- Sec. 9. Coordination of employment services.
- Sec. 10. Use of real property.
- Sec. 11. Meetings of Interagency Council on Homeless.
- Sec. 12. Rental assistance vouchers for HUD Veterans Affairs Supported Housing program.

(c) **REFERENCES TO TITLE 38, UNITED STATES CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) The term “homeless veteran” has the meaning given such term in section 2002 of title 38, United States Code, as added by section 5(a)(1).

(2) The term “grant and per diem provider” means an entity in receipt of a grant under section 2011 or 2012 of title 38, United States Code, as so added.

SEC. 3. NATIONAL GOAL TO END HOMELESSNESS AMONG VETERANS.

(a) **NATIONAL GOAL.**—Congress hereby declares it to be a national goal to end chronic homelessness among veterans within a decade of the enactment of this Act.

(b) **COOPERATIVE EFFORTS ENCOURAGED.**—Congress hereby encourages all departments and agencies of Federal, State, and local governments, quasi-governmental organizations, private and public sector entities, including community-based organizations, faith-based organizations, and individuals to work cooperatively to end chronic homelessness among veterans within a decade.

SEC. 4. SENSE OF THE CONGRESS REGARDING THE NEEDS OF HOMELESS VETERANS AND THE RESPONSIBILITY OF FEDERAL AGENCIES.

It is the sense of the Congress that—

Homeless
Veterans
Comprehensive
Assistance Act of
2001.
38 USC 101 note.

38 USC 2001
note.

38 USC 2001
note.

38 USC 2001
note.

PUBLIC LAW 107-95—DEC. 21, 2001

(1) homelessness is a significant problem in the veterans community and veterans are disproportionately represented among homeless men;

(2) while many effective programs assist homeless veterans to again become productive and self-sufficient members of society, current resources provided to such programs and other activities that assist homeless veterans are inadequate to provide all needed essential services, assistance, and support to homeless veterans;

(3) the most effective programs for the assistance of homeless veterans should be identified and expanded;

(4) federally funded programs for homeless veterans should be held accountable for achieving clearly defined results;

(5) Federal efforts to assist homeless veterans should include prevention of homelessness; and

(6) Federal agencies, particularly the Department of Veterans Affairs, the Department of Housing and Urban Development, and the Department of Labor, should cooperate more fully to address the problem of homelessness among veterans.

SEC. 5. CONSOLIDATION AND IMPROVEMENT OF PROVISIONS OF LAW RELATING TO HOMELESS VETERANS.

(a) IN GENERAL.—(1) Part II is amended by inserting after chapter 19 the following new chapter:

“CHAPTER 20—BENEFITS FOR HOMELESS VETERANS

“SUBCHAPTER I—PURPOSE; DEFINITIONS; ADMINISTRATIVE MATTERS

“Sec.

“2001. Purpose.

“2002. Definitions.

“2003. Staffing requirements.

“SUBCHAPTER II—COMPREHENSIVE SERVICE PROGRAMS

“2011. Grants.

“2012. Per diem payments.

“2013. Authorization of appropriations.

“SUBCHAPTER III—TRAINING AND OUTREACH

“2021. Homeless veterans reintegration programs.

“2022. Coordination of outreach services for veterans at risk of homelessness.

“2023. Demonstration program of referral and counseling for veterans transitioning from certain institutions who are at risk for homelessness.

“SUBCHAPTER IV—TREATMENT AND REHABILITATION FOR SERIOUSLY MENTALLY ILL AND HOMELESS VETERANS

“2031. General treatment.

“2032. Therapeutic housing.

“2033. Additional services at certain locations.

“2034. Coordination with other agencies and organizations.

“SUBCHAPTER V—HOUSING ASSISTANCE

“2041. Housing assistance for homeless veterans.

“2042. Supported housing for veterans participating in compensated work therapies.

“2043. Domiciliary care programs.

“SUBCHAPTER VI—LOAN GUARANTEE FOR MULTIFAMILY TRANSITIONAL HOUSING

“2051. General authority.

“2052. Requirements.

“2053. Default.

“2054. Audit.

“SUBCHAPTER VII—OTHER PROVISIONS

“2061. Grant program for homeless veterans with special needs.

“2062. Dental care.

“2063. Employment assistance.

“2064. Technical assistance grants for nonprofit community-based groups.

“2065. Annual report on assistance to homeless veterans.

“2066. Advisory Committee on Homeless Veterans.

PUBLIC LAW 107-95—DEC. 21, 2001

“SUBCHAPTER I—PURPOSE; DEFINITIONS;
ADMINISTRATIVE MATTERS**“§ 2001. Purpose**

“The purpose of this chapter is to provide for the special needs of homeless veterans.

“§ 2002. Definitions

“In this chapter:

“(1) The term ‘homeless veteran’ means a veteran who is homeless (as that term is defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a)).

“(2) The term ‘grant and per diem provider’ means an entity in receipt of a grant under section 2011 or 2012 of this title.

“§ 2003. Staffing requirements

“(a) VBA STAFFING AT REGIONAL OFFICES.—The Secretary shall ensure that there is at least one full-time employee assigned to oversee and coordinate homeless veterans programs at each of the 20 Veterans Benefits Administration regional offices that the Secretary determines have the largest homeless veteran populations within the regions of the Administration. The programs covered by such oversight and coordination include the following:

“(1) Housing programs administered by the Secretary under this title or any other provision of law.

“(2) Compensation, pension, vocational rehabilitation, and education benefits programs administered by the Secretary under this title or any other provision of law.

“(3) The housing program for veterans supported by the Department of Housing and Urban Development.

“(4) The homeless veterans reintegration program of the Department of Labor under section 2021 of this title.

“(5) The programs under section 2033 of this title.

“(6) The assessments required by section 2034 of this title.

“(7) Such other programs relating to homeless veterans as may be specified by the Secretary.

“(b) VHA CASE MANAGERS.—The Secretary shall ensure that the number of case managers in the Veterans Health Administration is sufficient to assure that every veteran who is provided a housing voucher through section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is assigned to, and is seen as needed by, a case manager.

“SUBCHAPTER II—COMPREHENSIVE SERVICE PROGRAMS

“§ 2011. Grants

“(a) AUTHORITY TO MAKE GRANTS.—(1) Subject to the availability of appropriations provided for such purpose, the Secretary shall make grants to assist eligible entities in establishing programs to furnish, and expanding or modifying existing programs for furnishing, the following to homeless veterans:

“(A) Outreach.

“(B) Rehabilitative services.

“(C) Vocational counseling and training

“(D) Transitional housing assistance.

“(2) The authority of the Secretary to make grants under this section expires on September 30, 2005.

“(b) CRITERIA FOR GRANTS.—The Secretary shall establish criteria and requirements for grants under this section, including criteria for entities eligible to receive grants, and shall publish such criteria and requirements in the Federal Register. The criteria established under this subsection shall include the following:

“(1) Specification as to the kinds of projects for which grants are available, which shall include—

Expiration date.

Federal Register, publication.

PUBLIC LAW 107-95—DEC. 21, 2001

“(A) expansion, remodeling, or alteration of existing buildings, or acquisition of facilities, for use as service centers, transitional housing, or other facilities to serve homeless veterans; and

“(B) procurement of vans for use in outreach to and transportation for homeless veterans for purposes of a program referred to in subsection (a).

“(2) Specification as to the number of projects for which grants are available.

“(3) Criteria for staffing for the provision of services under a project for which grants are made.

“(4) Provisions to ensure that grants under this section—

“(A) shall not result in duplication of ongoing services; and

“(B) to the maximum extent practicable, shall reflect appropriate geographic dispersion and an appropriate balance between urban and other locations.

“(5) Provisions to ensure that an entity receiving a grant shall meet fire and safety requirements established by the Secretary, which shall include—

“(A) such State and local requirements that may apply; and

“(B) fire and safety requirements applicable under the Life Safety Code of the National Fire Protection Association or such other comparable fire and safety requirements as the Secretary may specify.

“(6) Specification as to the means by which an entity receiving a grant may contribute in-kind services to the start-up costs of a project for which a grant is sought and the methodology for assigning a cost to that contribution for purposes of subsection (c).

“(c) FUNDING LIMITATIONS.—A grant under this section may not be used to support operational costs. The amount of a grant under this section may not exceed 65 percent of the estimated cost of the project concerned.

“(d) ELIGIBLE ENTITIES.—The Secretary may make a grant under this section to an entity applying for such a grant only if the applicant for the grant—

“(1) is a public or nonprofit private entity with the capacity (as determined by the Secretary) to effectively administer a grant under this section;

“(2) demonstrates that adequate financial support will be available to carry out the project for which the grant is sought consistent with the plans, specifications, and schedule submitted by the applicant; and

“(3) agrees to meet the applicable criteria and requirements established under subsections (b) and (g) and has, as determined by the Secretary, the capacity to meet such criteria and requirements.

“(e) APPLICATION REQUIREMENT.—An entity seeking a grant for a project under this section shall submit to the Secretary an application for the grant. The application shall set forth the following:

“(1) The amount of the grant sought for the project.

“(2) A description of the site for the project.

“(3) Plans, specifications, and the schedule for implementation of the project in accordance with criteria and requirements prescribed by the Secretary under subsection (b).

“(4) Reasonable assurance that upon completion of the work for which the grant is sought, the project will become operational and the facilities will be used principally to provide to veterans the services for which the project was designed, and that not more than 25 percent of the services provided under the project will be provided to individuals who are not veterans.

PUBLIC LAW 107-95—DEC. 21, 2001

“(f) PROGRAM REQUIREMENTS.—The Secretary may not make a grant for a project to an applicant under this section unless the applicant in the application for the grant agrees to each of the following requirements:

“(1) To provide the services for which the grant is made at locations accessible to homeless veterans.

“(2) To maintain referral networks for homeless veterans for establishing eligibility for assistance and obtaining services, under available entitlement and assistance programs, and to aid such veterans in establishing eligibility for and obtaining such services.

“(3) To ensure the confidentiality of records maintained on homeless veterans receiving services through the project.

“(4) To establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant and to such payments as may be made under section 2012 of this title.

“(5) To seek to employ homeless veterans and formerly homeless veterans in positions created for purposes of the grant for which those veterans are qualified.

“(g) SERVICE CENTER REQUIREMENTS.—In addition to criteria and requirements established under subsection (b), in the case of an application for a grant under this section for a service center for homeless veterans, the Secretary shall require each of the following:

“(1) That such center provide services to homeless veterans during such hours as the Secretary may specify and be open to such veterans on an as-needed, unscheduled basis.

“(2) That space at such center be made available, as mutually agreeable, for use by staff of the Department of Veterans Affairs, the Department of Labor, and other appropriate agencies and organizations in assisting homeless veterans served by such center.

“(3) That such center be equipped and staffed to provide or to assist in providing health care, mental health services, hygiene facilities, benefits and employment counseling, meals, transportation assistance, and such other services as the Secretary determines necessary.

“(4) That such center be equipped and staffed to provide, or to assist in providing, job training, counseling, and placement services (including job readiness and literacy and skills training), as well as any outreach and case management services that may be necessary to carry out this paragraph.

“(h) RECOVERY OF UNUSED GRANT FUNDS.—(1) If a grant recipient under this section does not establish a program in accordance with this section or ceases to furnish services under such a program for which the grant was made, the United States shall be entitled to recover from such recipient the total of all unused grant amounts made under this section to such recipient in connection with such program.

“(2) Any amount recovered by the United States under paragraph (1) may be obligated by the Secretary without fiscal year limitation to carry out provisions of this subchapter.

“(3) An amount may not be recovered under paragraph (1) as an unused grant amount before the end of the three-year period beginning on the date on which the grant is made.

“§ 2012. Per diem payments

“(a) PER DIEM PAYMENTS FOR FURNISHING SERVICES TO HOMELESS VETERANS.—(1) Subject to the availability of appropriations provided for such purpose, the Secretary, pursuant to such criteria as the Secretary shall prescribe, shall provide to a recipient of a grant under section 2011 of this title (or an entity eligible to receive a grant under that section which after November 10, 1992, establishes a program that the Secretary determines carries out

PUBLIC LAW 107-95—DEC. 21, 2001

the purposes described in that section) per diem payments for services furnished to any homeless veteran—

“(A) whom the Secretary has referred to the grant recipient (or entity eligible for such a grant); or

“(B) for whom the Secretary has authorized the provision of services.

“(2)(A) The rate for such per diem payments shall be the daily cost of care estimated by the grant recipient or eligible entity adjusted by the Secretary under subparagraph (B). In no case may the rate determined under this paragraph exceed the rate authorized for State homes for domiciliary care under subsection (a)(1)(A) of section 1741 of this title, as the Secretary may increase from time to time under subsection (c) of that section.

“(B) The Secretary shall adjust the rate estimated by the grant recipient or eligible entity under subparagraph (A) to exclude other sources of income described in subparagraph (D) that the grant recipient or eligible entity certifies to be correct.

“(C) Each grant recipient or eligible entity shall provide to the Secretary such information with respect to other sources of income as the Secretary may require to make the adjustment under subparagraph (B).

“(D) The other sources of income referred to in subparagraphs (B) and (C) are payments to the grant recipient or eligible entity for furnishing services to homeless veterans under programs other than under this subchapter, including payments and grants from other departments and agencies of the United States, from departments or agencies of State or local government, and from private entities or organizations.

“(3) In a case in which the Secretary has authorized the provision of services, per diem payments under paragraph (1) may be paid retroactively for services provided not more than three days before the authorization was provided.

“(b) INSPECTIONS.—The Secretary may inspect any facility of a grant recipient or entity eligible for payments under subsection (a) at such times as the Secretary considers necessary. No per diem payment may be provided to a grant recipient or eligible entity under this section unless the facilities of the grant recipient or eligible entity meet such standards as the Secretary shall prescribe.

“(c) LIFE SAFETY CODE.—(1) Except as provided in paragraph (2), a per diem payment may not be provided under this section to a grant recipient or eligible entity unless the facilities of the grant recipient or eligible entity, as the case may be, meet applicable fire and safety requirements under the Life Safety Code of the National Fire Protection Association or such other comparable fire and safety requirements as the Secretary may specify.

“(2) During the five-year period beginning on the date of the enactment of this section, paragraph (1) shall not apply to an entity that received a grant under section 3 of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102-590; 38 U.S.C. 7721 note) before that date if the entity meets fire and safety requirements established by the Secretary.

“(3) From amounts available for purposes of this section, not less than \$5,000,000 shall be used only for grants to assist entities covered by paragraph (2) in meeting the Life Safety Code of the National Fire Protection Association or such other comparable fire and safety requirements as the Secretary may specify.

“§ 2013. Authorization of appropriations

“There are authorized to be appropriated to carry out this subchapter amounts as follows:

“(1) \$60,000,000 for fiscal year 2002.

“(2) \$75,000,000 for fiscal year 2003.

“(3) \$75,000,000 for fiscal year 2004.

“(4) \$75,000,000 for fiscal year 2005.

PUBLIC LAW 107-95—DEC. 21, 2001

“SUBCHAPTER III—TRAINING AND OUTREACH

“§ 2021. Homeless veterans reintegration programs

“(a) IN GENERAL.—Subject to the availability of appropriations provided for such purpose, the Secretary of Labor shall conduct, directly or through grant or contract, such programs as the Secretary determines appropriate to provide job training, counseling, and placement services (including job readiness and literacy and skills training) to expedite the reintegration of homeless veterans into the labor force.

“(b) REQUIREMENT TO MONITOR EXPENDITURES OF FUNDS.—(1) The Secretary of Labor shall collect such information as that Secretary considers appropriate to monitor and evaluate the distribution and expenditure of funds appropriated to carry out this section. The information shall include data with respect to the results or outcomes of the services provided to each homeless veteran under this section.

“(2) Information under paragraph (1) shall be furnished in such form and manner as the Secretary of Labor may specify.

“(c) ADMINISTRATION THROUGH THE ASSISTANT SECRETARY OF LABOR FOR VETERANS’ EMPLOYMENT AND TRAINING.—The Secretary of Labor shall carry out this section through the Assistant Secretary of Labor for Veterans’ Employment and Training.

“(d) BIENNIAL REPORT TO CONGRESS.—Not less than every two years, the Secretary of Labor shall submit to Congress a report on the programs conducted under this section. The Secretary of Labor shall include in the report an evaluation of services furnished to veterans under this section and an analysis of the information collected under subsection (b).

“(e) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to carry out this section amounts as follows:

“(A) \$50,000,000 for fiscal year 2002.

“(B) \$50,000,000 for fiscal year 2003.

“(C) \$50,000,000 for fiscal year 2004.

“(D) \$50,000,000 for fiscal year 2005.

“(E) \$50,000,000 for fiscal year 2006.

“(2) Funds appropriated to carry out this section shall remain available until expended. Funds obligated in any fiscal year to carry out this section may be expended in that fiscal year and the succeeding fiscal year.

“§ 2022. Coordination of outreach services for veterans at risk of homelessness

“(a) OUTREACH PLAN.—The Secretary, acting through the Under Secretary for Health, shall provide for appropriate officials of the Mental Health Service and the Readjustment Counseling Service of the Veterans Health Administration to develop a coordinated plan for joint outreach by the two Services to veterans at risk of homelessness, including particularly veterans who are being discharged or released from institutions after inpatient psychiatric care, substance abuse treatment, or imprisonment.

“(b) MATTERS TO BE INCLUDED.—The outreach plan under subsection (a) shall include the following:

“(1) Strategies to identify and collaborate with non-Department entities used by veterans who have not traditionally used Department services to further outreach efforts.

“(2) Strategies to ensure that mentoring programs, recovery support groups, and other appropriate support networks are optimally available to veterans.

“(3) Appropriate programs or referrals to family support programs.

“(4) Means to increase access to case management services.

“(5) Plans for making additional employment services accessible to veterans.

PUBLIC LAW 107-95—DEC. 21, 2001

“(6) Appropriate referral sources for mental health and substance abuse services.

“(c) COOPERATIVE RELATIONSHIPS.—The outreach plan under subsection (a) shall identify strategies for the Department to enter into formal cooperative relationships with entities outside the Department to facilitate making services and resources optimally available to veterans.

“(d) REVIEW OF PLAN.—The Secretary shall submit the outreach plan under subsection (a) to the Advisory Committee on Homeless Veterans for its review and consultation.

“(e) OUTREACH PROGRAM.—(1) The Secretary shall carry out an outreach program to provide information to homeless veterans and veterans at risk of homelessness. The program shall include at a minimum—

“(A) provision of information about benefits available to eligible veterans from the Department; and

“(B) contact information for local Department facilities, including medical facilities, regional offices, and veterans centers.

“(2) In developing and carrying out the program under paragraph (1), the Secretary shall, to the extent practicable, consult with appropriate public and private organizations, including the Bureau of Prisons, State social service agencies, the Department of Defense, and mental health, veterans, and homeless advocates—

“(A) for assistance in identifying and contacting veterans who are homeless or at risk of homelessness;

“(B) to coordinate appropriate outreach activities with those organizations; and

“(C) to coordinate services provided to veterans with services provided by those organizations.

Deadlines.

“(f) REPORTS.—(1) Not later than October 1, 2002, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives an initial report that contains an evaluation of outreach activities carried out by the Secretary with respect to homeless veterans, including outreach regarding clinical issues and other benefits administered under this title. The Secretary shall conduct the evaluation in consultation with the Under Secretary for Benefits, the Department of Veterans Affairs central office official responsible for the administration of the Readjustment Counseling Service, the Director of Homeless Veterans Programs, and the Department of Veterans Affairs central office official responsible for the administration of the Mental Health Strategic Health Care Group.

“(2) Not later than December 31, 2005, the Secretary shall submit to the committees referred to in paragraph (1) an interim report on outreach activities carried out by the Secretary with respect to homeless veterans. The report shall include the following:

“(A) The Secretary’s outreach plan under subsection (a), including goals and time lines for implementation of the plan for particular facilities and service networks.

“(B) A description of the implementation and operation of the outreach program under subsection (e).

“(C) A description of the implementation and operation of the demonstration program under section 2023 of this title.

“(3) Not later than July 1, 2007, the Secretary shall submit to the committees referred to in paragraph (1) a final report on outreach activities carried out by the Secretary with respect to homeless veterans. The report shall include the following:

“(A) An evaluation of the effectiveness of the outreach plan under subsection (a).

“(B) An evaluation of the effectiveness of the outreach program under subsection (e).

“(C) An evaluation of the effectiveness of the demonstration program under section 2023 of this title.

PUBLIC LAW 107-95—DEC. 21, 2001

“(D) Recommendations, if any, regarding an extension or modification of such outreach plan, such outreach program, and such demonstration program.

“§ 2023. Demonstration program of referral and counseling for veterans transitioning from certain institutions who are at risk for homelessness

“(a) PROGRAM AUTHORITY.—The Secretary and the Secretary of Labor (hereinafter in this section referred to as the ‘Secretaries’) shall carry out a demonstration program for the purpose of determining the costs and benefits of providing referral and counseling services to eligible veterans with respect to benefits and services available to such veterans under this title and under State law.

“(b) LOCATION OF DEMONSTRATION PROGRAM.—The demonstration program shall be carried out in at least six locations. One location shall be a penal institution under the jurisdiction of the Bureau of Prisons.

“(c) SCOPE OF PROGRAM.—(1) To the extent practicable, the demonstration program shall provide both referral and counseling services, and in the case of counseling services, shall include counseling with respect to job training and placement (including job readiness), housing, health care, and other benefits to assist the eligible veteran in the transition from institutional living.

“(2)(A) To the extent that referral or counseling services are provided at a location under the program, referral services shall be provided in person during such period of time that the Secretaries may specify that precedes the date of release or discharge of the eligible veteran, and counseling services shall be furnished after such date.

“(B) The Secretaries may, as part of the program, furnish to officials of penal institutions outreach information with respect to referral and counseling services for presentation to veterans in the custody of such officials during the 18-month period that precedes such date of release or discharge.

“(3) The Secretaries may enter into contracts to carry out the referral and counseling services required under the program with entities or organizations that meet such requirements as the Secretaries may establish.

“(4) In developing the program, the Secretaries shall consult with officials of the Bureau of Prisons, officials of penal institutions of States and political subdivisions of States, and such other officials as the Secretaries determine appropriate.

“(d) DURATION.—The authority of the Secretaries to provide referral and counseling services under the demonstration program shall cease on the date that is four years after the date of the commencement of the program.

“(e) DEFINITION.—In this section, the term ‘eligible veteran’ means a veteran who—

“(1) is a resident of a penal institution or an institution that provides long-term care for mental illness; and

“(2) is at risk for homelessness absent referral and counseling services provided under the demonstration program (as determined under guidelines established by the Secretaries).

“SUBCHAPTER V—HOUSING ASSISTANCE

“§ 2042. Supported housing for veterans participating in compensated work therapies

“The Secretary may authorize homeless veterans in the compensated work therapy program to be provided housing through the therapeutic residence program under section 2032 of this title or through grant and per diem providers under subchapter II of this chapter.

PUBLIC LAW 107-95—DEC. 21, 2001

“§ 2043. Domiciliary care programs

“(a) AUTHORITY.—The Secretary may establish up to 10 programs under section 1710(b) of this title (in addition to any program that is established as of the date of the enactment of this section) to provide domiciliary services under such section to homeless veterans.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary \$5,000,000 for each of fiscal years 2003 and 2004 to establish the programs referred to in subsection (a).

“SUBCHAPTER VII—OTHER PROVISIONS**“§ 2061. Grant program for homeless veterans with special needs**

“(a) ESTABLISHMENT.—The Secretary shall carry out a program to make grants to health care facilities of the Department and to grant and per diem providers in order to encourage development by those facilities and providers of programs for homeless veterans with special needs.

“(b) HOMELESS VETERANS WITH SPECIAL NEEDS.—For purposes of this section, homeless veterans with special needs include homeless veterans who are—

“(1) women, including women who have care of minor dependents;

“(2) frail elderly;

“(3) terminally ill; or

“(4) chronically mentally ill.

“(c) FUNDING.—(1) From amounts appropriated to the Department for ‘Medical Care’ for each of fiscal years 2003, 2004, and 2005, \$5,000,000 shall be available for each such fiscal year for the purposes of the program under this section.

“(2) The Secretary shall ensure that funds for grants under this section are designated for the first three years of operation of the program under this section as a special purpose program for which funds are not allocated through the Veterans Equitable Resource Allocation system.

“§ 2062. Dental care

“(a) IN GENERAL.—For purposes of section 1712(a)(1)(H) of this title, outpatient dental services and treatment of a dental condition or disability of a veteran described in subsection (b) shall be considered to be medically necessary, subject to subsection (c), if—

“(1) the dental services and treatment are necessary for the veteran to successfully gain or regain employment;

“(2) the dental services and treatment are necessary to alleviate pain; or

“(3) the dental services and treatment are necessary for treatment of moderate, severe, or severe and complicated gingival and periodontal pathology.

“(b) ELIGIBLE VETERANS.—Subsection (a) applies to a veteran—

“(1) who is enrolled for care under section 1705(a) of this title; and

“(2) who, for a period of 60 consecutive days, is receiving care (directly or by contract) in any of the following settings:

“(A) A domiciliary under section 1710 of this title.

“(B) A therapeutic residence under section 2032 of this title.

“(C) Community residential care coordinated by the Secretary under section 1730 of this title.

“(D) A setting for which the Secretary provides funds for a grant and per diem provider.

“(3) For purposes of paragraph (2), in determining whether a veteran has received treatment for a period of 60 consecutive

Applicability.

PUBLIC LAW 107-95—DEC. 21, 2001

days, the Secretary may disregard breaks in the continuity of treatment for which the veteran is not responsible.

“(c) **LIMITATION.**—Dental benefits provided by reason of this section shall be a one-time course of dental care provided in the same manner as the dental benefits provided to a newly discharged veteran.

“§ 2063. Employment assistance

“The Secretary may authorize homeless veterans receiving care through vocational rehabilitation programs to participate in the compensated work therapy program under section 1718 of this title.

“§ 2064. Technical assistance grants for nonprofit community-based groups

“(a) **GRANT PROGRAM.**—The Secretary shall carry out a program to make grants to entities or organizations with expertise in preparing grant applications. Under the program, the entities or organizations receiving grants shall provide technical assistance to nonprofit community-based groups with experience in providing assistance to homeless veterans in order to assist such groups in applying for grants under this chapter and other grants relating to addressing problems of homeless veterans.

“(b) **FUNDING.**—There is authorized to be appropriated \$750,000 for each of fiscal years 2002 through 2005 to carry out the program under this section.

“§ 2065. Annual report on assistance to homeless veterans

“(a) **ANNUAL REPORT.**—Not later than April 15 of each year, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the activities of the Department during the calendar year preceding the report under programs of the Department under this chapter and other programs of the Department for the provision of assistance to homeless veterans.

Deadline.

“(b) **GENERAL CONTENTS OF REPORT.**—Each report under subsection (a) shall include the following:

“(1) The number of homeless veterans provided assistance under the programs referred to in subsection (a).

“(2) The cost to the Department of providing such assistance under those programs.

“(3) The Secretary’s evaluation of the effectiveness of the programs of the Department in providing assistance to homeless veterans, including—

“(A) residential work-therapy programs;

“(B) programs combining outreach, community-based residential treatment, and case-management; and

“(C) contract care programs for alcohol and drug-dependence or use disabilities).

“(4) The Secretary’s evaluation of the effectiveness of programs established by recipients of grants under section 2011 of this title and a description of the experience of those recipients in applying for and receiving grants from the Secretary of Housing and Urban Development to serve primarily homeless persons who are veterans.

“(5) Any other information on those programs and on the provision of such assistance that the Secretary considers appropriate.

“(c) **HEALTH CARE CONTENTS OF REPORT.**—Each report under subsection (a) shall include, with respect to programs of the Department addressing health care needs of homeless veterans, the following:

“(1) Information about expenditures, costs, and workload under the program of the Department known as the Health Care for Homeless Veterans program (HCHV).

PUBLIC LAW 107-95—DEC. 21, 2001

“(2) Information about the veterans contacted through that program.

“(3) Information about program treatment outcomes under that program.

“(4) Information about supported housing programs.

“(5) Information about the Department’s grant and per diem provider program under subchapter II of this chapter.

“(6) The findings and conclusions of the assessments of the medical needs of homeless veterans conducted under section 2034(b) of this title.

“(7) Other information the Secretary considers relevant in assessing those programs.

“(d) **BENEFITS CONTENT OF REPORT.**—Each report under subsection (a) shall include, with respect to programs and activities of the Veterans Benefits Administration in processing of claims for benefits of homeless veterans during the preceding year, the following:

“(1) Information on costs, expenditures, and workload of Veterans Benefits Administration claims evaluators in processing claims for benefits of homeless veterans.

“(2) Information on the filing of claims for benefits by homeless veterans.

“(3) Information on efforts undertaken to expedite the processing of claims for benefits of homeless veterans.

“(4) Other information that the Secretary considers relevant in assessing the programs and activities.

“§ 2066. Advisory Committee on Homeless Veterans

“(a) **ESTABLISHMENT.**—(1) There is established in the Department the Advisory Committee on Homeless Veterans (hereinafter in this section referred to as the ‘Committee’).

“(2) The Committee shall consist of not more than 15 members appointed by the Secretary from among the following:

“(A) Veterans service organizations.

“(B) Advocates of homeless veterans and other homeless individuals.

“(C) Community-based providers of services to homeless individuals.

“(D) Previously homeless veterans.

“(E) State veterans affairs officials.

“(F) Experts in the treatment of individuals with mental illness.

“(G) Experts in the treatment of substance use disorders.

“(H) Experts in the development of permanent housing alternatives for lower income populations.

“(I) Experts in vocational rehabilitation.

“(J) Such other organizations or groups as the Secretary considers appropriate.

“(3) The Committee shall include, as ex officio members, the following:

“(A) The Secretary of Labor (or a representative of the Secretary selected after consultation with the Assistant Secretary of Labor for Veterans’ Employment).

“(B) The Secretary of Defense (or a representative of the Secretary).

“(C) The Secretary of Health and Human Services (or a representative of the Secretary).

“(D) The Secretary of Housing and Urban Development (or a representative of the Secretary).

“(4)(A) The Secretary shall determine the terms of service and allowances of the members of the Committee, except that a term of service may not exceed three years. The Secretary may reappoint any member for additional terms of service.

“(B) Members of the Committee shall serve without pay. Members may receive travel expenses, including per diem in lieu of

PUBLIC LAW 107-95—DEC. 21, 2001

subsistence for travel in connection with their duties as members of the Committee.

“(b) DUTIES.—(1) The Secretary shall consult with and seek the advice of the Committee on a regular basis with respect to the provision by the Department of benefits and services to homeless veterans.

“(2) In providing advice to the Secretary under this subsection, the Committee shall—

“(A) assemble and review information relating to the needs of homeless veterans;

“(B) provide an on-going assessment of the effectiveness of the policies, organizational structures, and services of the Department in assisting homeless veterans; and

“(C) provide on-going advice on the most appropriate means of providing assistance to homeless veterans.

“(3) The Committee shall—

“(A) review the continuum of services provided by the Department directly or by contract in order to define cross-cutting issues and to improve coordination of all services with the Department that are involved in addressing the special needs of homeless veterans;

“(B) identify (through the annual assessments under section 2034 of this title and other available resources) gaps in programs of the Department in serving homeless veterans, including identification of geographic areas with unmet needs, and provide recommendations to address those gaps;

“(C) identify gaps in existing information systems on homeless veterans, both within and outside the Department, and provide recommendations about redressing problems in data collection;

“(D) identify barriers under existing laws and policies to effective coordination by the Department with other Federal agencies and with State and local agencies addressing homeless populations;

“(E) identify opportunities for increased liaison by the Department with nongovernmental organizations and individual groups providing services to homeless populations;

“(F) with appropriate officials of the Department designated by the Secretary, participate with the Interagency Council on the Homeless under title II of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11311 et seq.);

“(G) recommend appropriate funding levels for specialized programs for homeless veterans provided or funded by the Department;

“(H) recommend appropriate placement options for veterans who, because of advanced age, frailty, or severe mental illness, may not be appropriate candidates for vocational rehabilitation or independent living; and

“(I) perform such other functions as the Secretary may direct.

“(c) REPORTS.—(1) Not later than March 31 of each year, the Committee shall submit to the Secretary a report on the programs and activities of the Department that relate to homeless veterans. Each such report shall include—

“(A) an assessment of the needs of homeless veterans;

“(B) a review of the programs and activities of the Department designed to meet such needs;

“(C) a review of the activities of the Committee; and

“(D) such recommendations (including recommendations for administrative and legislative action) as the Committee considers appropriate.

“(2) Not later than 90 days after the receipt of a report under paragraph (1), the Secretary shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives

Deadline.

Deadline.

PUBLIC LAW 107-95—DEC. 21, 2001

a copy of the report, together with any comments and recommendations concerning the report that the Secretary considers appropriate.

“(3) The Committee may also submit to the Secretary such other reports and recommendations as the Committee considers appropriate.

“(4) The Secretary shall submit with each annual report submitted to the Congress pursuant to section 529 of this title a summary of all reports and recommendations of the Committee submitted to the Secretary since the previous annual report of the Secretary submitted pursuant to that section.

“(d) TERMINATION.—The Committee shall cease to exist December 31, 2006.”

(2) The tables of chapters before part I and at the beginning of part II are each amended by inserting after the item relating to chapter 19 the following new item:

“20. Benefits for Homeless Veterans 2001”.

(b) HEALTH CARE.—(1) Subchapter VII of chapter 17 is transferred to chapter 20 (as added by subsection (a)), inserted after section 2023 (as so added), and redesignated as subchapter IV, and sections 1771, 1772, 1773, and 1774 therein are redesignated as sections 2031, 2032, 2033, and 2034, respectively.

(2) Subsection (a)(3) of section 2031, as so transferred and redesignated, is amended by striking “section 1772 of this title” and inserting “section 2032 of this title”.

(c) HOUSING ASSISTANCE.—Section 3735 is transferred to chapter 20 (as added by subsection (a)), inserted after the heading for subchapter V, and redesignated as section 2041.

(d) MULTIFAMILY TRANSITIONAL HOUSING.—(1) Subchapter VI of chapter 37 (other than section 3771) is transferred to chapter 20 (as added by subsection (a)) and inserted after section 2043 (as so added), and sections 3772, 3773, 3774, and 3775 therein are redesignated as sections 2051, 2052, 2053, and 2054, respectively.

(2) Such subchapter is amended—

(A) in the heading, by striking “FOR HOMELESS VETERANS”;

(B) in subsection (d)(1) of section 2051, as so transferred and redesignated, by striking “section 3773 of this title” and inserting “section 2052 of this title”; and

(C) in subsection (a) of section 2052, as so transferred and redesignated, by striking “section 3772 of this title” and inserting “section 2051 of this title”.

(3) Section 3771 is repealed.

(e) REPEAL OF CODIFIED PROVISIONS.—The following provisions of law are repealed:

(1) Sections 3, 4, and 12 of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102-590; 38 U.S.C. 7721 note).

(2) Section 1001 of the Veterans’ Benefits Improvements Act of 1994 (Public Law 103-446; 38 U.S.C. 7721 note).

(3) Section 4111.

(4) Section 738 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11448).

(f) EXTENSION OF EXPIRING AUTHORITIES.—Subsection (b) of section 2031, as redesignated by subsection (b)(1), and subsection (d) of section 2033, as so redesignated, are amended by striking “December 31, 2001” and inserting “December 31, 2006”.

(g) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 17 is amended by striking the item relating to subchapter VII and the items relating to sections 1771, 1772, 1773, and 1774.

(2) The table of sections at the beginning of chapter 37 is amended—

(A) by striking the item relating to section 3735; and

PUBLIC LAW 107-95—DEC. 21, 2001

(B) by striking the item relating to subchapter VI and the items relating to sections 3771, 3772, 3773, 3774, and 3775.

(3) The table of sections at the beginning of chapter 41 is amended by striking the item relating to section 4111.

SEC. 6. EVALUATION CENTERS FOR HOMELESS VETERANS PROGRAMS.

(a) **EVALUATION CENTERS.**—The Secretary of Veterans Affairs shall support the continuation within the Department of Veterans Affairs of at least one center for evaluation to monitor the structure, process, and outcome of programs of the Department of Veterans Affairs that address homeless veterans.

38 USC 2001
note.

(b) **ANNUAL PROGRAM ASSESSMENT.**—Section 2034(b), as transferred and redesignated by section 5(b)(1), is amended—

(1) by inserting “annual” in paragraph (1) after “to make an”; and

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

“(6) The Secretary shall review each annual assessment under this subsection and shall consolidate the findings and conclusions of each such assessment into the next annual report submitted to Congress under section 2065 of this title.”.

SEC. 7. STUDY OF OUTCOME EFFECTIVENESS OF GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS.

38 USC 2061
note.

(a) **STUDY.**—The Secretary of Veterans Affairs shall conduct a study of the effectiveness during fiscal year 2002 through fiscal year 2004 of the grant program under section 2061 of title 38, United States Code, as added by section 5(a), in meeting the needs of homeless veterans with special needs (as specified in that section). As part of the study, the Secretary shall compare the results of programs carried out under that section, in terms of veterans’ satisfaction, health status, reduction in addiction severity, housing, and encouragement of productive activity, with results for similar veterans in programs of the Department or of grant and per diem providers that are designed to meet the general needs of homeless veterans.

(b) **REPORT.**—Not later than March 31, 2005, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report setting forth the results of the study under subsection (a).

Deadline.

SEC. 8. EXPANSION OF OTHER PROGRAMS.

(a) **ACCESS TO MENTAL HEALTH SERVICES.**—Section 1706 is amended by adding at the end the following new subsection:

“(c) The Secretary shall ensure that each primary care health care facility of the Department develops and carries out a plan to provide mental health services, either through referral or direct provision of services, to veterans who require such services.”.

(b) **COMPREHENSIVE HOMELESS SERVICES PROGRAM.**—Subsection (b) of section 2033, as transferred and redesignated by section 5(b)(1), is amended—

(1) by striking “not fewer” in the first sentence and all that follows through “services) at”; and

(2) by adding at the end the following new sentence: “The Secretary shall carry out the program under this section in sites in at least each of the 20 largest metropolitan statistical areas.”.

(c) **ACCESS TO SUBSTANCE USE DISORDER SERVICES.**—Section 1720A is amended by adding at the end the following new subsection:

“(d)(1) The Secretary shall ensure that each medical center of the Department develops and carries out a plan to provide treatment for substance use disorders, either through referral or direct provision of services, to veterans who require such treatment.

“(2) Each plan under paragraph (1) shall make available clinically proven substance abuse treatment methods, including opioid

PUBLIC LAW 107-95—DEC. 21, 2001

substitution therapy, to veterans with respect to whom a qualified medical professional has determined such treatment methods to be appropriate.”

SEC. 9. COORDINATION OF EMPLOYMENT SERVICES.

(a) **DISABLED VETERANS’ OUTREACH PROGRAM.**—Section 4103A(c) is amended by adding at the end the following new paragraph:

“(11) Coordination of employment services with training assistance provided to veterans by entities receiving funds under section 2021 of this title.”

(b) **LOCAL VETERANS’ EMPLOYMENT REPRESENTATIVES.**—Section 4104(b) is amended—

(1) by striking “and” at the end of paragraph (11);

(2) by striking the period at the end of paragraph (12) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(13) coordinate employment services with training assistance provided to veterans by entities receiving funds under section 2021 of this title.”

SEC. 10. USE OF REAL PROPERTY.

(a) **LIMITATION ON DECLARING PROPERTY EXCESS TO THE NEEDS OF THE DEPARTMENT.**—Section 8122(d) is amended by inserting before the period at the end the following: “and is not suitable for use for the provision of services to homeless veterans by the Department or by another entity under an enhanced-use lease of such property under section 8162 of this title”.

(b) **WAIVER OF COMPETITIVE SELECTION PROCESS FOR ENHANCED-USE LEASES FOR PROPERTIES USED TO SERVE HOMELESS VETERANS.**—Section 8162(b)(1) is amended—

(1) by inserting “(A)” after “(b)(1)”; and

(2) by adding at the end the following:

“(B) In the case of a property that the Secretary determines is appropriate for use as a facility to furnish services to homeless veterans under chapter 20 of this title, the Secretary may enter into an enhanced-use lease with a provider of homeless services without regard to the selection procedures required under subparagraph (A).”

(c) **EFFECTIVE DATE.**—The amendments made by subsection (b) shall apply to leases entered into on or after the date of the enactment of this Act.

SEC. 11. MEETINGS OF INTERAGENCY COUNCIL ON HOMELESS.

Section 202(c) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11312(c)) is amended to read as follows:

“(c) **MEETINGS.**—The Council shall meet at the call of its Chairperson or a majority of its members, but not less often than annually.”

SEC. 12. RENTAL ASSISTANCE VOUCHERS FOR HUD VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.

Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended by adding at the end the following new paragraph:

“(19) **RENTAL VOUCHERS FOR VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.**—

“(A) **SET ASIDE.**—Subject to subparagraph (C), the Secretary shall set aside, from amounts made available for rental assistance under this subsection, the amounts specified in subparagraph (B) for use only for providing such assistance through a supported housing program administered in conjunction with the Department of Veterans Affairs. Such program shall provide rental assistance on behalf of homeless veterans who have chronic mental illnesses or chronic substance use disorders, shall require

Applicability.
38 USC 8162
note.

PUBLIC LAW 107-95—DEC. 21, 2001

agreement of the veteran to continued treatment for such mental illness or substance use disorder as a condition of receipt of such rental assistance, and shall ensure such treatment and appropriate case management for each veteran receiving such rental assistance.

“(B) AMOUNT.—The amount specified in this subparagraph is—

“(i) for fiscal year 2003, the amount necessary to provide 500 vouchers for rental assistance under this subsection;

“(ii) for fiscal year 2004, the amount necessary to provide 1,000 vouchers for rental assistance under this subsection;

“(iii) for fiscal year 2005, the amount necessary to provide 1,500 vouchers for rental assistance under this subsection; and

“(iv) for fiscal year 2006, the amount necessary to provide 2,000 vouchers for rental assistance under this subsection.

“(C) FUNDING THROUGH INCREMENTAL ASSISTANCE.—In any fiscal year, to the extent that this paragraph requires the Secretary to set aside rental assistance amounts for use under this paragraph in an amount that exceeds the amount set aside in the preceding fiscal year, such requirement shall be effective only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year for incremental rental assistance under this subsection.”.

Approved December 21, 2001.

LEGISLATIVE HISTORY—H.R. 2716 (S. 739):

HOUSE REPORTS: No. 107-241, Pt. 1 (Comm. on Veterans' Affairs).

SENATE REPORTS: No. 107-82 accompanying S. 739 (Comm. on Veterans' Affairs).

CONGRESSIONAL RECORD, Vol. 147 (2001):

Oct. 16, considered and passed House.

Dec. 6, considered and passed Senate, amended.

Dec. 11, House concurred in Senate amendment.

VETERANS ACTS

PUBLIC LAW 107-103—DEC. 27, 2001

Public Law 107-103
107th Congress

An Act

Dec. 27, 2001
[H.R. 1291]

To amend title 38, United States Code, to modify and improve authorities relating to education benefits, compensation and pension benefits, housing benefits, burial benefits, and vocational rehabilitation benefits for veterans, to modify certain authorities relating to the United States Court of Appeals for Veterans Claims, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Veterans
Education and
Benefits
Expansion Act of
2001.
38 USC 101 note.

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Veterans Education and Benefits Expansion Act of 2001”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

- Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—EDUCATIONAL ASSISTANCE PROVISIONS

- Sec. 101. Increase in rates of basic educational assistance under Montgomery GI Bill.
Sec. 102. Increase in rates of survivors’ and dependents’ educational assistance.
Sec. 103. Restoration of certain education benefits of individuals being ordered to active duty.
Sec. 104. Accelerated payments of educational assistance under Montgomery GI Bill for education leading to employment in high technology industry.
Sec. 105. Eligibility for Montgomery GI Bill benefits of certain additional Vietnam era veterans.
Sec. 106. Increase in maximum allowable annual Senior ROTC educational assistance for eligibility for benefits under the Montgomery GI Bill.
Sec. 107. Expansion of work-study opportunities.
Sec. 108. Eligibility for survivors’ and dependents’ educational assistance of spouses and surviving spouses of veterans with total service-connected disabilities.
Sec. 109. Expansion of special restorative training benefit to certain disabled spouses or surviving spouses.
Sec. 110. Inclusion of certain private technology entities in definition of educational institution.
Sec. 111. Distance education.

TITLE II—COMPENSATION AND PENSION PROVISIONS

- Sec. 201. Modification and extension of authorities on presumption of service-connection for herbicide-related disabilities of Vietnam veterans.
Sec. 202. Payment of compensation for Persian Gulf War veterans with certain chronic disabilities.
Sec. 203. Preservation of service connection for undiagnosed illnesses to provide for participation in research projects by Persian Gulf War veterans.
Sec. 204. Repeal of limitation on payments of benefits to incompetent institutionalized veterans.
Sec. 205. Extension of round-down requirement for compensation cost-of-living adjustments.
Sec. 206. Expansion of presumptions of permanent and total disability for veterans applying for nonservice-connected pension.
Sec. 207. Eligibility of veterans 65 years of age or older for veterans’ pension benefits.

TITLE III—TRANSITION AND OUTREACH PROVISIONS

- Sec. 301. Authority to establish overseas veterans assistance offices to expand transition assistance.
Sec. 302. Timing of preseparation counseling.
Sec. 303. Improvement in education and training outreach services for separating servicemembers and veterans.
Sec. 304. Improvement of veterans outreach programs.

PUBLIC LAW 107-103—DEC. 27, 2001

TITLE IV—HOUSING MATTERS

- Sec. 401. Increase in home loan guaranty amount for construction and purchase of homes.
- Sec. 402. Native American veteran housing loan pilot program.
- Sec. 403. Modification of loan assumption notice requirement.
- Sec. 404. Increase in assistance amount for specially adapted housing.
- Sec. 405. Extension of other housing authorities.
- Sec. 406. Clarifying amendment relating to eligibility of members of the Selected Reserve for housing loans.

TITLE V—OTHER MATTERS

- Sec. 501. Increase in burial benefits.
- Sec. 502. Government markers for marked graves at private cemeteries.
- Sec. 503. Increase in amount of assistance for automobile and adaptive equipment for certain disabled veterans.
- Sec. 504. Extension of limitation on pension for certain recipients of medicaid-covered nursing home care.
- Sec. 505. Prohibition on provision of certain benefits with respect to persons who are fugitive felons.
- Sec. 506. Limitation on payment of compensation for veterans remaining incarcerated since October 7, 1980.
- Sec. 507. Elimination of requirement for providing a copy of notice of appeal to the Secretary of Veterans Affairs.
- Sec. 508. Increase in fiscal year limitation on number of veterans in programs of independent living services and assistance.
- Sec. 509. Technical and clerical amendments.

TITLE VI—UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

- Sec. 601. Facilitation of staggered terms of judges through temporary expansion of the Court.
- Sec. 602. Repeal of requirement for written notice regarding acceptance of re-appointment as condition to retirement from the Court.
- Sec. 603. Termination of notice of disagreement as jurisdictional requirement for the Court.
- Sec. 604. Registration fees.
- Sec. 605. Administrative authorities.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—EDUCATIONAL ASSISTANCE PROVISIONS**SEC. 101. INCREASE IN RATES OF BASIC EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL.**

(a) IN GENERAL.—(1) Paragraph (1) of section 3015(a) is amended to read as follows:

“(1) for an approved program of education pursued on a full-time basis, at the monthly rate of—

“(A) for months beginning on or after January 1, 2002, \$800;

“(B) for months occurring during fiscal year 2003, \$900;

“(C) for months occurring during fiscal year 2004, \$985;

and

“(D) for months occurring during a subsequent fiscal year, the amount for months occurring during the previous fiscal year increased under subsection (h); or”.

(2) Paragraph (1) of section 3015(b) is amended to read as follows:

“(1) for an approved program of education pursued on a full-time basis, at the monthly rate of—

“(A) for months beginning on or after January 1, 2002, \$650;

“(B) for months occurring during fiscal year 2003, \$732;

“(C) for months occurring during fiscal year 2004, \$800;

and

PUBLIC LAW 107-103—DEC. 27, 2001

“(D) for months occurring during a subsequent fiscal year, the amount for months occurring during the previous fiscal year increased under subsection (h); or”.

38 USC 3015
note.

(b) CPI ADJUSTMENT.—No adjustment in rates of educational assistance shall be made under section 3015(h) of title 38, United States Code, for fiscal years 2003 and 2004.

SEC. 102. INCREASE IN RATES OF SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.

(a) SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.—Section 3532 is amended—

(1) in subsection (a)(1)—

(A) by striking “\$588” and inserting “\$670”;

(B) by striking “\$441” and inserting “\$503”; and

(C) by striking “\$294” and inserting “\$335”;

(2) in subsection (a)(2), by striking “\$588” and inserting “\$670”;

(3) in subsection (b), by striking “\$588” and inserting “\$670”; and

(4) in subsection (c)(2)—

(A) by striking “\$475” and inserting “\$541”;

(B) by striking “\$356” and inserting “\$406”; and

(C) by striking “\$238” and inserting “\$271”.

(b) CORRESPONDENCE COURSES.—Section 3534(b) is amended by striking “\$588” and inserting “\$670”.

(c) SPECIAL RESTORATIVE TRAINING.—Section 3542(a) is amended—

(1) by striking “\$588” and inserting “\$670”; and

(2) by striking “\$184” each place it appears and inserting “\$210”.

(d) APPRENTICESHIP TRAINING.—Section 3687(b)(2) is amended—

(1) by striking “\$428” and inserting “\$488”;

(2) by striking “\$320” and inserting “\$365”;

(3) by striking “\$212” and inserting “\$242”; and

(4) by striking “\$107” and inserting “\$122”.

38 USC 3532
note.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect as of January 1, 2002, and shall apply with respect to educational assistance allowances payable under chapter 35 and section 3687(b)(2) of title 38, United States Code, for months beginning on or after that date.

SEC. 103. RESTORATION OF CERTAIN EDUCATION BENEFITS OF INDIVIDUALS BEING ORDERED TO ACTIVE DUTY.

(a) IN GENERAL.—Sections 3013(f)(2)(A), 3231(a)(5)(B)(i), and 3511(a)(2)(B)(i) are each amended by striking “, in connection with the Persian Gulf War, to serve on active duty under section 672 (a), (d), or (g), 673, 673b, or 688 of title 10;” and inserting “to serve on active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10;”.

(b) INCREASE IN CHAPTER 35 DELIMITING PERIOD.—Section 3512 is amended by adding at the end the following new subsection:

“(h) Notwithstanding any other provision of this section, if an eligible person, during the delimiting period otherwise applicable to such person under this section, serves on active duty pursuant to an order to active duty issued under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10, such person shall be granted an extension of such delimiting period for the length of time equal to the period of such active duty plus four months.”.

(c) APPLICATION TO CHAPTER 31.—(1) Section 3105 is amended by adding at the end the following new subsection:

“(e)(1) Notwithstanding any other provision of this chapter or chapter 36 of this title, any payment of a subsistence allowance and other assistance described in paragraph (2) shall not—

PUBLIC LAW 107-103—DEC. 27, 2001

“(A) be charged against any entitlement of any veteran under this chapter; or

“(B) be counted toward the aggregate period for which section 3695 of this title limits an individual’s receipt of allowance or assistance.

“(2) The payment of the subsistence allowance and other assistance referred to in paragraph (1) is the payment of such an allowance or assistance for the period described in paragraph (3) to a veteran for participation in a vocational rehabilitation program under this chapter if the Secretary finds that the veteran had to suspend or discontinue participation in such vocational rehabilitation program as a result of being ordered to serve on active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10.

“(3) The period for which, by reason of this subsection, a subsistence allowance and other assistance is not charged against entitlement or counted toward the applicable aggregate period under section 3695 of this title shall be the period of participation in the vocational rehabilitation program for which the veteran failed to receive credit or with respect to which the veteran lost training time, as determined by the Secretary.”

(2) Section 3103 is amended by adding at the end the following new subsection:

“(e) In any case in which the Secretary has determined that a veteran was prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility otherwise prescribed in this section as a result of being ordered to serve on active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, or 12304 of title 10, such period of eligibility shall not run for the period of such active duty service plus four months.

(d) CONFORMING AMENDMENTS.—Sections 3013(f)(2)(B) and 3231(a)(5)(B)(ii) of such title are each amended by striking “, in connection with such War,”

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 11, 2001.

38 USC 3013
note.

SEC. 104. ACCELERATED PAYMENTS OF EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL FOR EDUCATION LEADING TO EMPLOYMENT IN HIGH TECHNOLOGY INDUSTRY.

(a) IN GENERAL.—(1) Chapter 30 is amended by inserting after section 3014 the following new section:

“§ 3014A. Accelerated payment of basic educational assistance for education leading to employment in high technology industry

“(a) An individual described in subsection (b) who is entitled to basic educational assistance under this subchapter may elect to receive an accelerated payment of the basic educational assistance allowance otherwise payable to the individual under section 3015 of this title.

“(b) An individual described in this subsection is an individual who is—

“(1) enrolled in an approved program of education that leads to employment in a high technology industry (as determined pursuant to regulations prescribed by the Secretary); and

“(2) charged tuition and fees for the program of education that, when divided by the number of months (and fractions thereof) in the enrollment period, exceeds the amount equal to 200 percent of the monthly rate of basic educational assistance allowance otherwise payable to the individual under section 3015 of this title.

PUBLIC LAW 107-103—DEC. 27, 2001

“(c)(1) The amount of the accelerated payment of basic educational assistance made to an individual making an election under subsection (a) for a program of education shall be the lesser of—

“(A) the amount equal to 60 percent of the established charges for the program of education; or

“(B) the aggregate amount of basic educational assistance to which the individual remains entitled under this chapter at the time of the payment.

“(2) In this subsection, the term ‘established charges’, in the case of a program of education, means the actual charges (as determined pursuant to regulations prescribed by the Secretary) for tuition and fees which similarly circumstanced nonveterans enrolled in the program of education would be required to pay. Established charges shall be determined on the following basis:

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

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

“(3) The educational institution providing the program of education for which an accelerated payment of basic educational assistance allowance is elected by an individual under subsection (a) shall certify to the Secretary the amount of the established charges for the program of education.

“(d) An accelerated payment of basic educational assistance made to an individual under this section for a program of education shall be made not later than the last day of the month immediately following the month in which the Secretary receives a certification from the educational institution regarding—

“(1) the individual’s enrollment in and pursuit of the program of education; and

“(2) the amount of the established charges for the program of education.

“(e)(1) Except as provided in paragraph (2), for each accelerated payment of basic educational assistance made to an individual under this section, the individual’s entitlement to basic educational assistance under this chapter shall be charged the number of months (and any fraction thereof) determined by dividing the amount of the accelerated payment by the full-time monthly rate of basic educational assistance allowance otherwise payable to the individual under section 3015 of this title as of the beginning date of the enrollment period for the program of education for which the accelerated payment is made.

“(2) If the monthly rate of basic educational assistance allowance otherwise payable to an individual under section 3015 of this title increases during the enrollment period of a program of education for which an accelerated payment of basic educational assistance is made under this section, the charge to the individual’s entitlement to basic educational assistance under this chapter shall be determined by prorating the entitlement chargeable, in the matter provided for under paragraph (1), for the periods covered by the initial rate and increased rate, respectively, in accordance with regulations prescribed by the Secretary.

“(f) The Secretary may not make an accelerated payment under this section for a program of education to an individual who has received an advance payment under section 3680(d) of this title for the same enrollment period.

“(g) The Secretary shall prescribe regulations to carry out this section. The regulations shall include requirements, conditions, and methods for the request, issuance, delivery, certification of receipt and use, and recovery of overpayment of an accelerated payment under this section.”.

PUBLIC LAW 107-103—DEC. 27, 2001

(2) The table of sections at the beginning of that chapter is amended by inserting after the item relating to section 3014 the following new item:

“3014A. Accelerated payment of basic educational assistance for education leading to employment in high technology industry.”

(b) RESTATEMENT AND ENHANCEMENT OF CERTAIN ADMINISTRATIVE AUTHORITIES.—Subsection (g) of section 3680 is amended to read as follows:

“DETERMINATION OF ENROLLMENT, PURSUIT, AND ATTENDANCE

“(g)(1) The Secretary may, pursuant to regulations which the Secretary shall prescribe, determine and define with respect to an eligible veteran and eligible person the following: Regulations.

“(A) Enrollment in a course or program of education or training.

“(B) Pursuit of a course or program of education or training.

“(C) Attendance at a course or program of education or training.

“(2) The Secretary may withhold payment of benefits to an eligible veteran or eligible person until the Secretary receives such proof as the Secretary may require of enrollment in and satisfactory pursuit of a program of education by the eligible veteran or eligible person. The Secretary shall adjust the payment withheld, when necessary, on the basis of the proof the Secretary receives.

“(3) In the case of an individual other than an individual described in paragraph (4), the Secretary may accept the individual’s monthly certification of enrollment in and satisfactory pursuit of a program of education as sufficient proof of the certified matters.

“(4) In the case of an individual who has received an accelerated payment of basic educational assistance under section 3014A of this title during an enrollment period for a program of education, the Secretary may accept the individual’s certification of enrollment in and satisfactory pursuit of the program of education as sufficient proof of the certified matters if the certification is submitted after the enrollment period has ended.”

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect October 1, 2002, and shall apply with respect to enrollments in courses or programs of education or training beginning on or after that date.

38 USC 3014A
note.

SEC. 105. ELIGIBILITY FOR MONTGOMERY GI BILL BENEFITS OF CERTAIN ADDITIONAL VIETNAM ERA VETERANS.

(a) ACTIVE DUTY PROGRAM.—Section 3011(a)(1) is amended—

(1) by striking “or” at the end of subparagraph (A);

(2) by adding “or” at the end of subparagraph (B); and

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

“(C) as of December 31, 1989, was eligible for educational assistance benefits under chapter 34 of this title and—

“(i) was not on active duty on October 19, 1984;

“(ii) reenlists or reenters on a period of active duty on or after October 19, 1984; and

“(iii) on or after July 1, 1985, either—

“(I) serves at least three years of continuous active duty in the Armed Forces; or

“(II) is discharged or released from active duty (aa) for a service-connected disability, for a medical condition which preexisted such service on active duty and which the Secretary determines is not service connected, for hardship, or for a physical or mental condition that was not characterized as a disability, as described in subparagraph (A)(ii)(I) of this paragraph, (bb) for the convenience of the Government, if the individual completed

PUBLIC LAW 107-103—DEC. 27, 2001

not less than 30 months of continuous active duty after that date, or (cc) involuntarily for the convenience of the Government as a result of a reduction in force, as determined by the Secretary of the military department concerned in accordance with regulations prescribed by the Secretary of Defense or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy;”.

(b) **SELECTED RESERVE PROGRAM.**—Section 3012(a)(1) is amended—

- (1) by striking “or” at the end of subparagraph (A);
- (2) by adding “or” at the end of subparagraph (B); and
- (3) by adding at the end the following new subparagraph:
 - “(C) as of December 31, 1989, was eligible for educational assistance under chapter 34 of this title and—
 - “(i) was not on active duty on October 19, 1984;
 - “(ii) reenlists or reenters on a period of active duty on or after October 19, 1984; and
 - “(iii) on or after July 1, 1985—

“(I) serves at least two years of continuous active duty in the Armed Forces, subject to subsection (b) of this section, characterized by the Secretary concerned as honorable service; and

“(II) subject to subsection (b) of this section and beginning within one year after completion of such two years of service, serves at least four continuous years in the Selected Reserve during which the individual participates satisfactorily in training as prescribed by the Secretary concerned;”.

(c) **TIME FOR USE OF ENTITLEMENT.**—Section 3031 is amended—

(1) in subsection (a)—

(A) by striking “and” at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting “; and”; and

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

“(3) in the case of an individual who becomes entitled to such assistance under section 3011(a)(1)(C) or 3012(a)(1)(C) of this title, on the date of the enactment of this paragraph.”; and

(2) in subsection (e)(1), by striking “section 3011(a)(1)(B) or 3012(a)(1)(B)” and inserting “section 3011(a)(1)(B), 3011(a)(1)(C), 3012(a)(1)(B), or 3012(a)(1)(C)”.

SEC. 106. INCREASE IN MAXIMUM ALLOWABLE ANNUAL SENIOR ROTC EDUCATIONAL ASSISTANCE FOR ELIGIBILITY FOR BENEFITS UNDER THE MONTGOMERY GI BILL.

(a) **IN GENERAL.**—Sections 3011(c)(3)(B) and 3012(d)(3)(B) are each amended by striking “\$2,000” and inserting “\$3,400”.

38 USC 3011
note.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply with respect to educational assistance allowances paid under chapter 30 of title 38, United States Code, for months beginning after the date of the enactment of this Act.

SEC. 107. EXPANSION OF WORK-STUDY OPPORTUNITIES.

(a) **FIVE-YEAR EXPANSION OF QUALIFYING WORK-STUDY ACTIVITIES.**—Subsection (a) of section 3485 is amended to read as follows:

“(a)(1) Individuals utilized under the authority of subsection (b) shall be paid an additional educational assistance allowance (hereinafter in this section referred to as ‘work-study allowance’). Such allowance shall be paid in return for an individual’s entering into an agreement described in paragraph (3).

“(2) Such work-study allowance shall be paid in an amount equal to the product of—

PUBLIC LAW 107-103—DEC. 27, 2001

“(A) the applicable hourly minimum wage; and

“(B) the number of hours worked during the applicable period.

“(3) An agreement described in this paragraph is an agreement of an individual to perform services, during or between periods of enrollment, aggregating not more than a number of hours equal to 25 times the number of weeks in the semester or other applicable enrollment period, required in connection with a qualifying work-study activity.

“(4) For the purposes of this section, the term ‘qualifying work-study activity’ means any of the following:

“(A) The outreach services program under subchapter II of chapter 77 of this title as carried out under the supervision of a Department employee or, during the five-year period beginning on the date of the enactment of the Veterans Education and Benefits Expansion Act of 2001, outreach services to servicemembers and veterans furnished by employees of a State approving agency.

“(B) The preparation and processing of necessary papers and other documents at educational institutions or regional offices or facilities of the Department.

“(C) The provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, including, during the five-year period beginning on the date of the enactment of the Veterans Education and Benefits Expansion Act of 2001, the provision of such care to veterans in a State home for which payment is made under section 1741 of this title.

“(D) Any other activity of the Department as the Secretary determines appropriate.

“(E) In the case of an individual who is receiving educational assistance under chapter 1606 of title 10, an activity relating to the administration of that chapter at Department of Defense, Coast Guard, or National Guard facilities.

“(F) During the five-year period beginning on the date of the enactment of the Veterans Education and Benefits Expansion Act of 2001, an activity relating to the administration of a national cemetery or a State veterans’ cemetery.

“(5) An individual may elect, in a manner prescribed by the Secretary, to be paid in advance an amount equal to 40 percent of the total amount of the work-study allowance agreed to be paid under the agreement in return for the individual’s agreement to perform the number of hours of work specified in the agreement (but not more than an amount equal to 50 times the applicable hourly minimum wage).

“(6) For the purposes of this subsection and subsection (e), the term ‘applicable hourly minimum wages’ means—

“(A) the hourly minimum wage under section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)); or

“(B) the hourly minimum wage under comparable law of the State in which the services are to be performed, if such wage is higher than the wage referred to in subparagraph (A) and the Secretary has made a determination to pay such higher wage.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to agreements entered into under section 3485 of title 38, United States Code, on or after the date of the enactment of this Act.

38 USC 3485
note.

SEC. 108. ELIGIBILITY FOR SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL ASSISTANCE OF SPOUSES AND SURVIVING SPOUSES OF VETERANS WITH TOTAL SERVICE-CONNECTED DISABILITIES.

(a) DESIGNATION OF ELIGIBILITY.—Section 3501(a)(1)(D) is amended—

PUBLIC LAW 107-103—DEC. 27, 2001

- (1) by inserting “(i)” after “(D)”; and
 (2) by inserting “(ii)” after “or”.

(b) **RESTATEMENT AND EXPANSION OF TREATMENT OF USE OF ELIGIBILITY.**—(1) Section 3511 is amended by adding at the end the following new subsection:

“(c) Any entitlement used by an eligible person as a result of eligibility under section 3501(a)(1)(A)(iii), 3501(a)(1)(C), or 3501(a)(1)(D)(i) of this title shall be deducted from any entitlement to which such person may subsequently be entitled under this chapter.”

(2) Section 3512 is amended by striking subsection (g).

(c) **DELIMITING PERIOD.**—(1) Section 3511(a)(1) is amended by adding at the end the following new sentence: “In no event may the aggregate educational assistance afforded to a spouse made eligible under both 3501(a)(1)(D)(i) and 3501(a)(1)(D)(ii) of this title exceed 45 months.”

(2) Paragraph (1) of section 3512(b) is amended to read as follows:

“(1)(A) Except as provided in subparagraph (B), a person made eligible by subparagraph (B) or (D) of section 3501(a)(1) of this title may be afforded educational assistance under this chapter during the 10-year period beginning on the date (as determined by the Secretary) the person becomes an eligible person within the meaning of section 3501(a)(1)(B), 3501(a)(1)(D)(i), or 3501(a)(1)(D)(ii) of this title. In the case of a surviving spouse made eligible by clause (ii) of section 3501(a)(1)(D) of this title, the 10-year period may not be reduced by any earlier period during which the person was eligible for educational assistance under this chapter as a spouse made eligible by clause (i) of that section.

“(B) Notwithstanding subparagraph (A), an eligible person referred to in that subparagraph may, subject to the Secretary’s approval, elect a later beginning date for the 10-year period than would otherwise be applicable to the person under that subparagraph. The beginning date so elected may be any date between the beginning date determined for the person under subparagraph (A) and whichever of the following dates applies:

“(i) The date on which the Secretary notifies the veteran from whom eligibility is derived that the veteran has a service-connected total disability permanent in nature.

“(ii) The date on which the Secretary determines that the veteran from whom eligibility is derived died of a service-connected disability.”

(3) Section 3512(b) is further amended by striking paragraph (3).

(4) The amendments made by this subsection shall apply with respect to any determination (whether administrative or judicial) of the eligibility of a spouse or surviving spouse for educational assistance under chapter 35 of title 38, United States Code, made on or after the date of the enactment of this Act, whether pursuant to an original claim for such assistance or pursuant to a reapplication or attempt to reopen or readjudicate a claim for such assistance.

SEC. 109. EXPANSION OF SPECIAL RESTORATIVE TRAINING BENEFIT TO CERTAIN DISABLED SPOUSES OR SURVIVING SPOUSES.

(a) **IN GENERAL.**—Section 3540 is amended by striking “section 3501(a)(1)(A) of this title” and inserting “subparagraphs (A), (B), and (D) of section 3501(a)(1) of this title”.

(b) **CONFORMING AMENDMENTS.**—(1) Section 3541(a) is amended in the matter preceding paragraph (1) by striking “of the parent or guardian”.

(2) Section 3542(a) is amended—

(A) by striking “the parent or guardian shall be entitled to receive on behalf of such person” and inserting “the eligible person shall be entitled to receive”; and

Applicability.
 38 USC 3511
 note.

PUBLIC LAW 107-103—DEC. 27, 2001

(B) by striking “upon election by the parent or guardian of the eligible person” and inserting “upon election by the eligible person”.

(3) The second sentence of section 3543(a) is amended by striking “the parent or guardian for the training provided to an eligible person” and inserting “for the training provided to the eligible person”.

(4) Section 3543 is amended by adding at the end the following new subsection:

“(c) In a case in which the Secretary authorizes training under section 3541(a) of this title on behalf of an eligible person, the parent or guardian shall be entitled—

“(1) to receive on behalf of the eligible person the special training allowance provided for under section 3542(a) of this title;

“(2) to elect an increase in the basic monthly allowance provided for under such section; and

“(3) to agree with the Secretary on the fair and reasonable amounts which may be charged under subsection (a).”.

SEC. 110. INCLUSION OF CERTAIN PRIVATE TECHNOLOGY ENTITIES IN DEFINITION OF EDUCATIONAL INSTITUTION.

(a) IN GENERAL.—Sections 3452(c) and 3501(a)(6) are each amended by adding at the end the following new sentence: “Such term also includes any private entity (that meets such requirements as the Secretary may establish) that offers, either directly or under an agreement with another entity (that meets such requirements), a course or courses to fulfill requirements for the attainment of a license or certificate generally recognized as necessary to obtain, maintain, or advance in employment in a profession or vocation in a high technology occupation (as determined by the Secretary).”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to enrollments in courses beginning on or after the date of the enactment of this Act.

38 USC 3452
note.

SEC. 111. DISTANCE EDUCATION.

(a) IN GENERAL.—Subsection (a)(4) of section 3680A is amended—

(1) by inserting “(A)” after “leading”; and

(2) by inserting before the period the following: “, or (B) to a certificate that reflects educational attainment offered by an institution of higher learning”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to enrollments in independent study courses beginning on or after the date of the enactment of this Act.

38 USC 3680A
note.

TITLE II—COMPENSATION AND PENSION PROVISIONS

SEC. 201. MODIFICATION AND EXTENSION OF AUTHORITIES ON PRESUMPTION OF SERVICE-CONNECTION FOR HERBICIDE-RELATED DISABILITIES OF VIETNAM VETERANS.

(a) PRESUMPTIVE PERIOD FOR RESPIRATORY CANCERS.—(1)(A) Subparagraph (F) of subsection (a)(2) of section 1116 is amended by striking “within 30 years” and all that follows through “May 7, 1975”.

(B) The amendment made by subparagraph (A) shall take effect January 1, 2002.

(2) The Secretary of Veterans Affairs shall enter into a contract with the National Academy of Sciences, not later than six months after the date of the enactment of this Act, for the performance of a study to include a review of all available scientific literature on the effects of exposure to an herbicide agent containing dioxin on the development of respiratory cancers in humans and whether

Effective date.
38 USC 1116
note.
Contracts.
Deadline.
38 USC 1116
note.

PUBLIC LAW 107-103—DEC. 27, 2001

Reports. it is possible to identify a period of time after exposure to herbicides after which a presumption of service-connection for such exposure would not be warranted. Under the contract, the National Academy of Sciences shall submit a report to the Secretary setting forth its conclusions. The report shall be submitted not later than 18 months after the contract is entered into.

38 USC 1116
note.

(3) For a period of six months beginning on the date of the receipt of the report of the National Academy of Sciences under paragraph (2), the Secretary may, if warranted by clear scientific evidence presented in the National Academy of Sciences report, initiate a rulemaking under which the Secretary would specify a limit on the number of years after a claimant's departure from Vietnam after which respiratory cancers would not be presumed to have been associated with the claimant's exposure to herbicides while serving in Vietnam. Any such limit under such a rule may not take effect until 120 days have passed after the publication of a final rule to impose such a limit.

38 USC 1116
note.

(4)(A) Subject to subparagraphs (B) and (C), if the Secretary imposes such a limit under paragraph (3), that limit shall be effective only as to claims filed on or after the effective date of that limit.

(B) In the case of any veteran whose disability or death due to respiratory cancer is found by the Secretary to be service-connected under section 1116(a)(2)(F) of title 38, United States Code, as amended by paragraph (1), such disability or death shall remain service-connected for purposes of all provisions of law under such title notwithstanding the imposition, if any, of a time limit by the Secretary by rulemaking authorized under paragraph (3).

(C) Subparagraph (B) does not apply in a case in which—

(i) the original award of compensation or service connection was based on fraud; or

(ii) it is clearly shown from military records that the person concerned did not have the requisite service or character of discharge.

(b) PRESUMPTION THAT DIABETES MELLITUS (TYPE 2) IS SERVICE-CONNECTED.—Subsection (a)(2) of section 1116 is further amended by adding at the end the following new subparagraph: “(H) Diabetes Mellitus (Type 2).”.

(c) PRESUMPTION OF EXPOSURE TO HERBICIDE AGENTS IN VIETNAM DURING VIETNAM ERA.—(1) Section 1116 is further amended—

(A) by transferring paragraph (3) of subsection (a) to the end of the section and redesignating such paragraph, as so transferred, as subsection (f);

(B) by redesignating paragraph (4) of subsection (a) as paragraph (3); and

(C) in subsection (f), as transferred and redesignated by subparagraph (A) of this paragraph—

(i) by striking “For the purposes of this subsection, a veteran” and inserting “For purposes of establishing service connection for a disability or death resulting from exposure to a herbicide agent, including a presumption of service-connection under this section, a veteran”; and

(ii) by striking “and has a disease referred to in paragraph (1)(B) of this subsection”.

(2)(A) The heading of that section is amended to read as follows:

PUBLIC LAW 107-103—DEC. 27, 2001

“§ 1116. Presumptions of service connection for diseases associated with exposure to certain herbicide agents; presumption of exposure for veterans who served in the Republic of Vietnam”.

(B) The item relating to that section in the table of sections at the beginning of chapter 11 is amended to read as follows:

“1116. Presumptions of service connection for diseases associated with exposure to certain herbicide agents; presumption of exposure for veterans who served in the Republic of Vietnam.”.

(d) EXTENSION OF AUTHORITY TO PRESUME SERVICE-CONNECTION FOR ADDITIONAL DISEASES.—(1) Subsection (e) of such section is amended by striking “10 years” and all that follows through “Agent Orange Act of 1991” and inserting “on September 30, 2015”.

(2) Section 3(i) of the Agent Orange Act of 1991 (38 U.S.C. 1116 note) is amended by striking “10 years” and all that follows and inserting “on October 1, 2014.”.

SEC. 202. PAYMENT OF COMPENSATION FOR PERSIAN GULF WAR VETERANS WITH CERTAIN CHRONIC DISABILITIES.

(a) ILLNESSES THAT CANNOT BE CLEARLY DEFINED.—(1) Subsection (a) of section 1117 is amended to read as follows:

“(a)(1) The Secretary may pay compensation under this subchapter to a Persian Gulf veteran with a qualifying chronic disability that became manifest—

“(A) during service on active duty in the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War; or

“(B) to a degree of 10 percent or more during the presumptive period prescribed under subsection (b).

“(2) For purposes of this subsection, the term ‘qualifying chronic disability’ means a chronic disability resulting from any of the following (or any combination of any of the following):

“(A) An undiagnosed illness.

“(B) A medically unexplained chronic multisymptom illness (such as chronic fatigue syndrome, fibromyalgia, and irritable bowel syndrome) that is defined by a cluster of signs or symptoms.

“(C) Any diagnosed illness that the Secretary determines in regulations prescribed under subsection (d) warrants a presumption of service-connection.”.

(2) Subsection (c)(1) of such section is amended—

(A) in the matter preceding subparagraph (A), by striking “for an undiagnosed illness (or combination of undiagnosed illnesses)”;

(B) in subparagraph (A), by striking “for such illness (or combination of illnesses)”.

(b) SIGNS OR SYMPTOMS THAT MAY INDICATE UNDIAGNOSED ILLNESSES.—(1) Such section is further amended by adding at the end the following new subsection:

“(g) For purposes of this section, signs or symptoms that may be a manifestation of an undiagnosed illness or a chronic multisymptom illness include the following:

“(1) Fatigue.

“(2) Unexplained rashes or other dermatological signs or symptoms.

“(3) Headache.

“(4) Muscle pain.

“(5) Joint pain.

“(6) Neurological signs and symptoms.

“(7) Neuropsychological signs or symptoms.

“(8) Signs or symptoms involving the upper or lower respiratory system.

“(9) Sleep disturbances.

“(10) Gastrointestinal signs or symptoms.

PUBLIC LAW 107-103—DEC. 27, 2001

- “(11) Cardiovascular signs or symptoms.
- “(12) Abnormal weight loss.
- “(13) Menstrual disorders.”.

(2) Section 1118(a) is amended by adding at the end the following new paragraph:

“(4) For purposes of this section, signs or symptoms that may be a manifestation of an undiagnosed illness include the signs and symptoms listed in section 1117(g) of this title.”.

38 USC 1117
note.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on March 1, 2002.

(d) CLARIFICATION OF AUTHORITY TO PRESUME SERVICE-CONNECTION FOR ADDITIONAL DISEASES.—(1) Sections 1117(c)(2) and 1118(e) are each amended by striking “10 years” and all that follows through “of 1998” and inserting “on September 30, 2011”.

(2) Section 1603(j) of the Persian Gulf War Veterans Act of 1998 (38 U.S.C. 1117 note) is amended by striking “10 years” and all that follows and inserting “on October 1, 2010.”.

SEC. 203. PRESERVATION OF SERVICE CONNECTION FOR UNDIAGNOSED ILLNESSES TO PROVIDE FOR PARTICIPATION IN RESEARCH PROJECTS BY PERSIAN GULF WAR VETERANS.

(a) AUTHORITY FOR SECRETARY TO PROVIDE FOR PARTICIPATION WITHOUT LOSS OF BENEFITS.—Section 1117 is amended by adding after subsection (g), as added by section 202(b), the following new subsection:

“(h)(1) If the Secretary determines with respect to a medical research project sponsored by the Department that it is necessary for the conduct of the project that Persian Gulf veterans in receipt of compensation under this section or section 1118 of this title participate in the project without the possibility of loss of service connection under either such section, the Secretary shall provide that service connection granted under either such section for disability of a veteran who participated in the research project may not be terminated. Except as provided in paragraph (2), notwithstanding any other provision of law any grant of service-connection protected under this subsection shall remain service-connected for purposes of all provisions of law under this title.

“(2) Paragraph (1) does not apply in a case in which—

“(A) the original award of compensation or service connection was based on fraud; or

“(B) it is clearly shown from military records that the person concerned did not have the requisite service or character of discharge.

Federal Register,
publication.

“(3) The Secretary shall publish in the Federal Register a list of medical research projects sponsored by the Department for which service connection granted under this section or section 1118 of this title may not be terminated pursuant to paragraph (1).”.

38 USC 1117
note.

(b) EFFECTIVE DATE.—The authority provided by subsection (h) of section 1117 of title 38, United States Code, as added by subsection (a), may be used by the Secretary of Veterans Affairs with respect to any medical research project of the Department of Veterans Affairs, whether commenced before, on, or after the date of the enactment of this Act.

SEC. 204. REPEAL OF LIMITATION ON PAYMENTS OF BENEFITS TO INCOMPETENT INSTITUTIONALIZED VETERANS.

(a) REPEAL.—Section 5503 is amended—

(1) by striking subsections (b) and (c); and

(2) by redesignating subsections (d), (e), and (f) as subsections (b), (c), and (d), respectively.

(b) CONFORMING AMENDMENTS.—(1) Section 1114(r) is amended by striking “section 5503(e)” and inserting “section 5503(c)”.

(2) Section 5112 is amended by striking subsection (c).

PUBLIC LAW 107-103—DEC. 27, 2001

SEC. 205. EXTENSION OF ROUND-DOWN REQUIREMENT FOR COMPENSATION COST-OF-LIVING ADJUSTMENTS.

Sections 1104(a) and 1303(a) are amended by striking “2002” and inserting “2011”.

SEC. 206. EXPANSION OF PRESUMPTIONS OF PERMANENT AND TOTAL DISABILITY FOR VETERANS APPLYING FOR NONSERVICE-CONNECTED PENSION.

(a) **IN GENERAL.**—Section 1502(a) is amended by striking “such a person” and all that follows through the end of the subsection and inserting the following: “such person is any of the following:

“(1) A patient in a nursing home for long-term care because of disability.

“(2) Disabled, as determined by the Commissioner of Social Security for purposes of any benefits administered by the Commissioner.

“(3) Unemployable as a result of disability reasonably certain to continue throughout the life of the person.

“(4) Suffering from—

“(A) any disability which is sufficient to render it impossible for the average person to follow a substantially gainful occupation, but only if it is reasonably certain that such disability will continue throughout the life of the person; or

“(B) any disease or disorder determined by the Secretary to be of such a nature or extent as to justify a determination that persons suffering therefrom are permanently and totally disabled.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect as of September 17, 2001.

38 USC 1502
note.

SEC. 207. ELIGIBILITY OF VETERANS 65 YEARS OF AGE OR OLDER FOR VETERANS' PENSION BENEFITS.

(a) **IN GENERAL.**—(1) Subchapter II of chapter 15 is amended by inserting after section 1512 the following new section:

“§ 1513. Veterans 65 years of age and older

“(a) The Secretary shall pay to each veteran of a period of war who is 65 years of age or older and who meets the service requirements of section 1521 of this title (as prescribed in subsection (j) of that section) pension at the rates prescribed by 1521 of this title and under the conditions (other than the permanent and total disability requirement) applicable to pension paid under that section.

“(b) If a veteran is eligible for pension under both this section and section 1521 of this title, pension shall be paid to the veteran only under section 1521 of this title.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1512 the following new item:

“1513. Veterans 65 years of age and older.”.

(b) **CONFORMING AMENDMENTS.**—(1) Section 1521(f)(1) is amended by inserting “or the age and service requirements prescribed in section 1513 of this title,” after “of this section,”.

(2) Section 1522(a) is amended by inserting “1513 or” after “under section”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as of September 17, 2001.

38 USC 1513
note.

PUBLIC LAW 107-103—DEC. 27, 2001

TITLE III—TRANSITION AND OUTREACH PROVISIONS

SEC. 301. AUTHORITY TO ESTABLISH OVERSEAS VETERANS ASSISTANCE OFFICES TO EXPAND TRANSITION ASSISTANCE.

Section 7723(a) is amended by inserting after the first sentence the following new sentence: “The Secretary may maintain such offices on such military installations located elsewhere as the Secretary, after consultation with the Secretary of Defense, determines to be necessary to carry out such purposes.”.

SEC. 302. TIMING OF PRESEPARATION COUNSELING.

(a) IN GENERAL.—(1) The first sentence of section 1142(a)(1) of title 10, United States Code, is amended to read as follows: “Within the time periods specified in paragraph (3), the Secretary concerned shall (except as provided in paragraph (4)) provide for individual preseparation counseling of each member of the armed forces whose discharge or release from active duty is anticipated as of a specific date.”.

(2) Such section is further amended by adding at the end the following new paragraphs:

“(3)(A) In the case of an anticipated retirement, preseparation counseling shall commence as soon as possible during the 24-month period preceding the anticipated retirement date. In the case of a separation other than a retirement, preseparation counseling shall commence as soon as possible during the 12-month period preceding the anticipated date. Except as provided in subparagraph (B), in no event shall preseparation counseling commence later than 90 days before the date of discharge or release.

“(B) In the event that a retirement or other separation is unanticipated until there are 90 or fewer days before the anticipated retirement or separation date, preseparation counseling shall begin as soon as possible within the remaining period of service.

“(4)(A) Subject to subparagraph (B), the Secretary concerned shall not provide preseparation counseling to a member who is being discharged or released before the completion of that member’s first 180 days of active duty.

“(B) Subparagraph (A) shall not apply in the case of a member who is being retired or separated for disability.”.

(b) CONFORMING AMENDMENT.—The second sentence of section 1144(a)(1) of title 10, United States Code, is amended by striking “during the 180-day period” and all that follows and inserting “within the time periods provided under paragraph (3) of section 1142(a) of this title, except that the Secretary concerned shall not provide preseparation counseling to a member described in paragraph (4)(A) of such section.”.

SEC. 303. IMPROVEMENT IN EDUCATION AND TRAINING OUTREACH SERVICES FOR SEPARATING SERVICEMEMBERS AND VETERANS.

(a) PROVIDING OUTREACH THROUGH STATE APPROVING AGENCIES.—Section 3672(d) is amended by inserting “and State approving agencies” before “shall actively promote the development of programs of training on the job”.

(b) ADDITIONAL DUTY.—Such section is further amended—

(1) by inserting “(1)” after “(d)”; and

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

“(2) In conjunction with outreach services provided by the Secretary under chapter 77 of this title for education and training benefits, each State approving agency shall conduct outreach programs and provide outreach services to eligible persons and veterans about education and training benefits available under applicable Federal and State law.”.

PUBLIC LAW 107-103—DEC. 27, 2001

SEC. 304. IMPROVEMENT OF VETERANS OUTREACH PROGRAMS.

Section 7722(c) is amended—

- (1) by inserting “(1)” after “(c)”; and
- (2) by adding at the end the following:

“(2) Whenever a veteran or dependent first applies for any benefit under laws administered by the Secretary (including a request for burial or related benefits or an application for life insurance proceeds), the Secretary shall provide to the veteran or dependent information concerning benefits and health care services under programs administered by the Secretary. Such information shall be provided not later than three months after the date of such application.”.

TITLE IV—HOUSING MATTERS**SEC. 401. INCREASE IN HOME LOAN GUARANTY AMOUNT FOR CONSTRUCTION AND PURCHASE OF HOMES.**

Section 3703(a)(1) is amended by striking “\$50,750” each place it appears in subparagraphs (A)(i)(IV) and (B) and inserting “\$60,000”.

SEC. 402. NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.

(a) EXTENSION OF PILOT PROGRAM.—Section 3761(c) is amended by striking “December 31, 2001” and inserting “December 31, 2005”.

(b) AUTHORIZATION OF THE USE OF CERTAIN FEDERAL MEMORANDUMS OF UNDERSTANDING.—Section 3762(a)(1) is amended—

- (1) by inserting “(A)” after “(1)”; and

(2) by striking “and” after the semicolon and inserting “or”; and

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

“(B) the tribal organization that has jurisdiction over the veteran has entered into a memorandum of understanding with any department or agency of the United States with respect to direct housing loans to Native Americans that the Secretary determines substantially complies with the requirements of subsection (b); and”.

(c) EXTENSION OF ANNUAL REPORT.—Section 3762(j) is amended by striking “2002” and inserting “2006”.

SEC. 403. MODIFICATION OF LOAN ASSUMPTION NOTICE REQUIREMENT.

Section 3714(d) is amended to read as follows:

“(d) With respect to a loan guaranteed, insured, or made under this chapter, the Secretary shall provide, by regulation, that at least one instrument evidencing either the loan or the mortgage or deed of trust therefor, shall conspicuously contain, in such form as the Secretary shall specify, a notice in substantially the following form: ‘This loan is not assumable without the approval of the Department of Veterans Affairs or its authorized agent.’.”

Regulations.

SEC. 404. INCREASE IN ASSISTANCE AMOUNT FOR SPECIALLY ADAPTED HOUSING.

Section 2102 is amended—

- (1) in the matter preceding paragraph (1) of subsection (a), by striking “\$43,000” and inserting “\$48,000”; and

(2) in subsection (b)(2), by striking “\$8,250” and inserting “\$9,250”.

SEC. 405. EXTENSION OF OTHER HOUSING AUTHORITIES.

(a) HOUSING LOANS FOR MEMBERS OF THE SELECTED RESERVE.—Section 3702(a)(2)(E) is amended by striking “September 30, 2007” and inserting “September 30, 2009”.

PUBLIC LAW 107-103—DEC. 27, 2001

(b) ENHANCED LOAN ASSET SALE AUTHORITY.—Section 3720(h)(2) is amended by striking “December 31, 2008” and inserting “December 31, 2011”.

(c) HOME LOAN FEE AUTHORITIES.—The table in section 3729(b)(2) is amended by striking “October 1, 2008” each place it appears and inserting “October 1, 2011”.

(d) PROCEDURES APPLICABLE TO LIQUIDATION SALES ON DEFAULTED HOME LOANS GUARANTEED BY THE DEPARTMENT OF VETERANS AFFAIRS.—Section 3732(c)(11) is amended by striking “October 1, 2008” and inserting “October 1, 2011”.

SEC. 406. CLARIFYING AMENDMENT RELATING TO ELIGIBILITY OF MEMBERS OF THE SELECTED RESERVE FOR HOUSING LOANS.

Section 3729(b)(4)(B) is amended by inserting before the period the following: “who is eligible under section 3702(a)(2)(E) of this title”.

TITLE V—OTHER MATTERS

SEC. 501. INCREASE IN BURIAL BENEFITS.

(a) BURIAL AND FUNERAL EXPENSES.—(1) Clause (1) of section 2307 is amended by striking “\$1,500” and inserting “\$2,000”.

38 USC 2307
note.

(2) The amendment made by paragraph (1) shall apply to deaths occurring on or after September 11, 2001.

(b) PLOT ALLOWANCE.—(1) Section 2303(b) is amended by striking “\$150” each place it appears and inserting “\$300”.

Applicability.
38 USC 2303
note.

(2) The amendments made by paragraph (1) shall apply to deaths occurring on or after December 1, 2001.

SEC. 502. GOVERNMENT MARKERS FOR MARKED GRAVES AT PRIVATE CEMETERIES.

(a) GOVERNMENT MARKER BENEFIT.—Section 2306 of title 38, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

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

“(d)(1) The Secretary shall furnish, when requested, an appropriate Government marker at the expense of the United States for the grave of an individual described in paragraph (2) or (5) of subsection (a) who is buried in a private cemetery, notwithstanding that the grave is marked by a headstone or marker furnished at private expense. Such a marker may be furnished only if the individual making the request for the Government marker certifies to the Secretary that the marker will be placed on the grave for which the marker is requested.

“(2) Any marker furnished under this subsection shall be delivered by the Secretary directly to the cemetery where the grave is located.

Expiration date.

“(3) The authority to furnish a marker under this subsection expires on December 31, 2006.

Deadline.
Reports.

“(4) Not later than February 1, 2006, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the use of the authority under this subsection. The report shall include the following:

“(A) The rate of use of the benefit under this subsection, shown by fiscal year.

“(B) An assessment as to the extent to which markers furnished under this subsection are being delivered to cemeteries and placed on grave sites consistent with the provisions of this subsection.

“(C) The Secretary’s recommendation for extension or repeal of the expiration date specified in paragraph (3).”.

PUBLIC LAW 107-103—DEC. 27, 2001

(b) DESIGN OF MARKER.—Subsection (c) of such section is amended by striking “subsection (a) or (b)” and inserting “subsection (a), (b), or (d)”.

(c) CROSS REFERENCE CORRECTION.—Subsection (a)(5) of such section is amended by striking “chapter 67” and inserting “chapter 1223”.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to markers for the graves of individuals dying on or after the date of the enactment of this Act.

38 USC 2306
note.

SEC. 503. INCREASE IN AMOUNT OF ASSISTANCE FOR AUTOMOBILE AND ADAPTIVE EQUIPMENT FOR CERTAIN DISABLED VETERANS.

Section 3902(a) is amended by striking “\$8,000” and inserting “\$9,000”.

SEC. 504. EXTENSION OF LIMITATION ON PENSION FOR CERTAIN RECIPIENTS OF MEDICAID-COVERED NURSING HOME CARE.

Paragraph (7) of subsection (d) of section 5503, as redesignated by section 204(a), is amended by striking “September 30, 2008” and inserting “September 30, 2011”.

SEC. 505. PROHIBITION ON PROVISION OF CERTAIN BENEFITS WITH RESPECT TO PERSONS WHO ARE FUGITIVE FELONS.

(a) PROHIBITION.—(1) Chapter 53 is amended by inserting after section 5313A the following new section:

“§ 5313B. Prohibition on providing certain benefits with respect to persons who are fugitive felons

“(a) A veteran who is otherwise eligible for a benefit specified in subsection (c) may not be paid or otherwise provided such benefit for any period during which such veteran is a fugitive felon. A dependent of a veteran who is otherwise eligible for a benefit specified in subsection (c) may not be paid or otherwise provided such benefit for any period during which such veteran or such dependent is a fugitive felon.

“(b) For purposes of this section:

“(1) The term ‘fugitive felon’ means a person who is a fugitive by reason of—

“(A) fleeing to avoid prosecution, or custody or confinement after conviction, for an offense, or an attempt to commit an offense, which is a felony under the laws of the place from which the person flees; or

“(B) violating a condition of probation or parole imposed for commission of a felony under Federal or State law.

“(2) The term ‘felony’ includes a high misdemeanor under the laws of a State which characterizes as high misdemeanors offenses that would be felony offenses under Federal law.

“(3) The term ‘dependent’ means a spouse, surviving spouse, child, or dependent parent of a veteran.

“(c) A benefit specified in this subsection is a benefit under any of the following:

“(1) Chapter 11 of this title.

“(2) Chapter 13 of this title.

“(3) Chapter 15 of this title.

“(4) Chapter 17 of this title.

“(5) Chapter 19 of this title.

“(6) Chapter 30, 31, 32, 34, or 35 of this title.

“(7) Chapter 37 of this title.

“(d)(1) The Secretary shall furnish to any Federal, State, or local law enforcement official, upon the written request of such official, the most current address maintained by the Secretary of a person who is eligible for a benefit specified in subsection (c) if such official—

PUBLIC LAW 107-103—DEC. 27, 2001

“(A) provides to the Secretary such information as the Secretary may require to fully identify the person;

“(B) identifies the person as being a fugitive felon; and

“(C) certifies to the Secretary that apprehending such person is within the official duties of such official.

“(2) The Secretary shall enter into memoranda of understanding with Federal law enforcement agencies, and may enter into agreements with State and local law enforcement agencies, for purposes of furnishing information to such agencies under paragraph (1).”.

(2) The table of sections at the beginning of that chapter is amended by inserting after the item relating to section 5313A the following new item:

“5313B. Prohibition on providing certain benefits with respect to persons who are fugitive felons.”.

(b) SENSE OF CONGRESS ON ENTRY INTO MEMORANDA OF UNDERSTANDING AND AGREEMENTS.—It is the sense of Congress that the memoranda of understanding and agreements referred to in section 5313B(d)(2) of title 38, United States Code (as added by subsection (a)), should be entered into as soon as practicable after the date of the enactment of this Act, but not later than six months after that date.

38 USC 5313
note.

SEC. 506. LIMITATION ON PAYMENT OF COMPENSATION FOR VETERANS REMAINING INCARCERATED SINCE OCTOBER 7, 1980.

(a) LIMITATION.—Section 5313 of title 38, United States Code, other than subsection (d) of that section, shall apply with respect to the payment of compensation to or with respect to any veteran described in subsection (b).

(b) COVERED VETERANS.—A veteran described in this subsection is a veteran who is entitled to compensation and who—

(1) on October 7, 1980, was incarcerated in a Federal, State, or local penal institution for a felony committed before that date; and

(2) remains so incarcerated for conviction of that felony as of the date of the enactment of this Act.

(c) EFFECTIVE DATE.—This section shall apply with respect to the payment of compensation for months beginning on or after the end of the 90-day period beginning on the date of the enactment of this Act.

(d) COMPENSATION DEFINED.—For purposes of this section, the term “compensation” has the meaning given that term in section 5313 of title 38, United States Code.

SEC. 507. ELIMINATION OF REQUIREMENT FOR PROVIDING A COPY OF NOTICE OF APPEAL TO THE SECRETARY OF VETERANS AFFAIRS.

(a) REPEAL.—Section 7266 is amended by striking subsection (b).

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) by striking “(1)” after “(a)”;

(2) by redesignating paragraph (2) as subsection (b);

(3) by redesignating paragraph (3) as subsection (c) and redesignating subparagraphs (A) and (B) thereof as paragraphs (1) and (2); and

(4) by redesignating paragraph (4) as subsection (d) and by striking “paragraph (3)(B)” therein and inserting “subsection (c)(2)”.

SEC. 508. INCREASE IN FISCAL YEAR LIMITATION ON NUMBER OF VETERANS IN PROGRAMS OF INDEPENDENT LIVING SERVICES AND ASSISTANCE.

(a) INCREASE IN LIMITATION.—Section 3120(e) is amended by striking “five hundred” and inserting “2,500”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of September 30, 2001.

38 USC 3120
note.

PUBLIC LAW 107-103—DEC. 27, 2001

SEC. 509. TECHNICAL AND CLERICAL AMENDMENTS.

(a) **REPEAL OF EXPIRED PROVISION.**—(1) Section 712 is repealed.
 (2) The table of sections at the beginning of chapter 7 is amended by striking the item relating to section 712.

(b) **CORRECTION OF WORD OMISSION.**—Section 1710B(c)(2)(B) is amended by inserting “on” before “November 30, 1999”.

(c) **REPEAL OF ERRONEOUS CROSS REFERENCE.**—Section 1729B(b) is amended—

(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(d) **CORRECTION OF CROSS REFERENCE.**—Section 3695(a)(5) is amended by striking “1610” and inserting “1611”.

(e) **STYLISTIC CORRECTION.**—Section 1001(a)(2) of the Veterans’ Benefits Improvements Act of 1994 (Public Law 103-446; 38 U.S.C. 7721 note) is amended by striking “and” at the end of subparagraph (C).

(f) **CORRECTION OF PREVIOUS AMENDMENT.**—Effective November 30, 1999, and as if included therein as originally enacted, section 204(e)(3) of the Veterans Millennium Health Care and Benefits Act (Public Law 106-117; 113 Stat. 1563) is amended by striking “and inserting ‘a;’” and inserting “the first place it appears and inserting ‘an;’”.

Effective date.

38 USC 7366.

TITLE VI—UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

SEC. 601. FACILITATION OF STAGGERED TERMS OF JUDGES THROUGH TEMPORARY EXPANSION OF THE COURT.

(a) **IN GENERAL.**—Section 7253 is amended by adding at the end the following new subsection:

“(h) **TEMPORARY EXPANSION OF COURT.**—(1) During the period from January 1, 2002, through August 15, 2005, the authorized number of judges of the Court specified in subsection (a) is increased by two.

“(2)(A) Of the two additional judges authorized by this subsection—

“(i) only one may be appointed pursuant to a nomination made in 2002; and

“(ii) only one may be appointed pursuant to a nomination made in 2003.

“(B) If a judge is not appointed under this subsection pursuant to a nomination made in 2002, a judge may be appointed under this subsection pursuant to a nomination made in 2004. If a judge is not appointed under this subsection pursuant to a nomination made in 2003, a judge may be appointed under this subsection pursuant to a nomination made in 2004. In either case, such an appointment may be made only pursuant to a nomination made before October 1, 2004.

“(3) The term of office and the eligibility for retirement of a judge appointed under this subsection, other than a judge described in paragraph (4), are governed by the provisions of section 1012 of the Court of Appeals for Veterans Claims Amendments of 1999 (title X of Public Law 106-117; 113 Stat. 1590; 38 U.S.C. 7296 note) if the judge is one of the first two judges appointed to the Court after November 30, 1999.

“(4) A judge of the Court as of the date of the enactment of this subsection who was appointed to the Court before January 1, 1991, may accept appointment as a judge of the Court under this subsection notwithstanding that the term of office of the judge on the Court has not yet expired under this section. The term of office of an incumbent judge who receives an appointment as described in the preceding sentence shall be 15 years, which

PUBLIC LAW 107-103—DEC. 27, 2001

includes any period remaining in the unexpired term of the judge. Any service following an appointment under this subsection shall be treated as though served as part of the original term of office of that judge on the Court.

“(5) Notwithstanding paragraph (1), an appointment may not be made to the Court if the appointment would result in there being more than seven judges on the Court who were appointed after January 1, 1997. For the purposes of this paragraph, a judge serving in recall status under section 7257 of this title shall be disregarded in counting the number of judges appointed to the Court after such date.”.

(b) **STYLISTIC AMENDMENTS.**—That section is further amended—

(1) in subsection (b), by inserting “APPOINTMENT.—” before “The judges”;

(2) in subsection (c), by inserting “TERM OF OFFICE.—” before “The term”;

(3) in subsection (f), by striking “(f)(1)” and inserting “(f) REMOVAL.—(1)”;

(4) in subsection (g), by striking “(g)(1)” and inserting “(g) RULES.—(1)”.

SEC. 602. REPEAL OF REQUIREMENT FOR WRITTEN NOTICE REGARDING ACCEPTANCE OF REAPPOINTMENT AS CONDITION TO RETIREMENT FROM THE COURT.

Section 7296(b)(2) is amended by striking the second sentence.

SEC. 603. TERMINATION OF NOTICE OF DISAGREEMENT AS JURISDICTIONAL REQUIREMENT FOR THE COURT.

(a) **TERMINATION.**—Section 402 of the Veterans’ Judicial Review Act (division A of Public Law 100-687; 102 Stat. 4122; 38 U.S.C. 7251 note) is repealed.

(b) **ATTORNEY FEES.**—Section 403 of the Veterans’ Judicial Review Act (102 Stat. 4122; 38 U.S.C. 5904 note) is repealed.

38 USC 7251
note.

(c) **CONSTRUCTION.**—The repeal in subsection (a) may not be construed to confer upon the United States Court of Appeals for Veterans Claims jurisdiction over any appeal or other matter not within the jurisdiction of the Court as provided in section 7266(a) of title 38, United States Code.

(d) **APPLICABILITY.**—The repeals made by subsections (a) and (b) shall apply to any appeal filed with the United States Court of Appeals for Veterans Claims—

(1) on or after the date of the enactment of this Act;

or

(2) before the date of the enactment of this Act but in which a final decision has not been made under section 7291 of title 38, United States Code, as of that date.

SEC. 604. REGISTRATION FEES.

(a) **FEES FOR COURT-SPONSORED ACTIVITIES.**—Subsection (a) of section 7285 is amended by adding at the end the following new sentence: “The Court may also impose a registration fee on persons (other than judges of the Court) participating at judicial conferences convened pursuant to section 7286 of this title or in any other court-sponsored activity.”.

(b) **USE OF FEES.**—Subsection (b) of such section is amended by striking “for the purposes of (1)” and all that follows through the period and inserting “for the following purposes:

“(1) Conducting investigations and proceedings, including employing independent counsel, to pursue disciplinary matters.

PUBLIC LAW 107-103—DEC. 27, 2001

“(2) Defraying the expenses of—

“(A) judicial conferences convened pursuant to section 7286 of this title; and

“(B) other activities and programs of the Court that are intended to support and foster communication and relationships between the Court and persons practicing before the Court or the study, understanding, public commemoration, or improvement of veterans law or of the work of the Court.”.

(c) CLERICAL AMENDMENTS.—(1) The heading for such section is amended to read as follows:

“§ 7285. Practice and registration fees”.

(2) The item relating to such section in the table of sections at the beginning of chapter 72 is amended to read as follows:

“7285. Practice and registration fees.”.

SEC. 605. ADMINISTRATIVE AUTHORITIES.

(a) IN GENERAL.—Subchapter III of chapter 72 is amended by inserting after section 7286 the following new section:

“§ 7287. Administration

“Notwithstanding any other provision of law, the Court of Appeals for Veterans Claims may exercise, for purposes of management, administration, and expenditure of funds of the Court, the authorities provided for such purposes by any provision of law (including any limitation with respect to such provision of law) applicable to a court of the United States (as that term is defined in section 451 of title 28), except to the extent that such provision of law is inconsistent with a provision of this chapter.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item related to section 7286 the following new item:

“7287. Administration.”.

Approved November 13, 1999.

LEGISLATIVE HISTORY—H.R. 1291:

HOUSE REPORTS: No. 106-416 (Comm. on Resources).

CONGRESSIONAL RECORD, Vol. 145 (1999):

Nov. 1, considered and passed House.

Nov. 8, considered and passed Senate.

VETERANS ACTS

PUBLIC LAW 107-135—JAN. 23, 2002

Public Law 107-135
107th Congress

An Act

Jan. 23, 2002
[H.R. 3447]

To amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Department of
Veterans Affairs
Health Care
Programs
Enhancement
Act of 2001.
38 USC 101 note.

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Department of Veterans Affairs Health Care Programs Enhancement Act of 2001”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

**TITLE I—ENHANCEMENT OF NURSE RECRUITMENT AND RETENTION
AUTHORITIES**

Subtitle A—Recruitment Authorities

- Sec. 101. Enhancement of employee incentive scholarship program.
Sec. 102. Enhancement of education debt reduction program.
Sec. 103. Report on requests for waivers of pay reductions for reemployed annuitants to fill nurse positions.

Subtitle B—Retention Authorities

- Sec. 121. Additional pay for Saturday tours of duty for additional health care professionals in the Veterans Health Administration.
Sec. 122. Unused sick leave included in annuity computation of registered nurses within the Veterans Health Administration.
Sec. 123. Evaluation of Department of Veterans Affairs nurse managed clinics.
Sec. 124. Staffing levels for operations of medical facilities.
Sec. 125. Annual report on use of authorities to enhance retention of experienced nurses.
Sec. 126. Report on mandatory overtime for nurses and nursing assistants in Department of Veterans Affairs facilities.

Subtitle C—Other Authorities

- Sec. 131. Organizational responsibility of the Director of the Nursing Service.
Sec. 132. Computation of annuity for part-time service performed by certain health-care professionals before April 7, 1986.
Sec. 133. Modification of nurse locality pay authorities.

Subtitle D—National Commission on VA Nursing

- Sec. 141. Establishment of Commission.
Sec. 142. Duties of Commission.
Sec. 143. Reports.
Sec. 144. Powers.
Sec. 145. Personnel matters.
Sec. 146. Termination of Commission.

TITLE II—OTHER MATTERS

- Sec. 201. Authority for Secretary of Veterans Affairs to provide service dogs for veterans with certain disabilities.
Sec. 202. Payment of health care for certain low-income veterans.
Sec. 203. Maintenance of capacity for specialized treatment and rehabilitative needs of disabled veterans.
Sec. 204. Program for provision of chiropractic care and services to veterans.
Sec. 205. Funds for field offices of the Office of Research Compliance and Assurance.
Sec. 206. Major medical facility construction.
Sec. 207. Sense of Congress on special telephone services for veterans.
Sec. 208. Recodification of bereavement counseling authority and certain other health-related authorities.

PUBLIC LAW 107-135—JAN. 23, 2002

- Sec. 209. Extension of expiring collections authorities.
 Sec. 210. Personal emergency response system for veterans with service-connected disabilities.
 Sec. 211. One-year extension of eligibility for health care of veterans who served in Southwest Asia during the Persian Gulf War.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ENHANCEMENT OF NURSE RECRUITMENT AND RETENTION AUTHORITIES

Subtitle A—Recruitment Authorities

SEC. 101. ENHANCEMENT OF EMPLOYEE INCENTIVE SCHOLARSHIP PROGRAM.

- (a) **PERMANENT AUTHORITY.**—(1) Section 7676 is repealed. 38 USC 7676.
 (2) The table of sections at the beginning of chapter 76 is amended by striking the item relating to section 7676.
 (b) **MINIMUM PERIOD OF DEPARTMENT EMPLOYMENT FOR ELIGIBILITY.**—Section 7672(b) is amended by striking “2 years” and inserting “one year”.
 (c) **SCHOLARSHIP AMOUNT.**—Subsection (b) of section 7673 is amended—
 (1) in paragraph (1), by striking “for any 1 year” and inserting “for the equivalent of one year of full-time coursework”; and
 (2) by striking paragraph (2) and inserting the following new paragraph (2):
 “(2) in the case of a participant in the Program who is a part-time student, shall bear the same ratio to the amount that would be paid under paragraph (1) if the participant were a full-time student in the course of education or training being pursued by the participant as the coursework carried by the participant to full-time coursework in that course of education or training.”
 (d) **LIMITATION ON PAYMENT.**—Subsection (c) of section 7673 is amended to read as follows:
 “(c) **LIMITATIONS ON PERIOD OF PAYMENT.**—(1) The maximum number of school years for which a scholarship may be paid under subsection (a) to a participant in the Program shall be six school years.
 “(2) A participant in the Program may not receive a scholarship under subsection (a) for more than the equivalent of three years of full-time coursework.”
 (e) **FULL-TIME COURSEWORK.**—Section 7673 is further amended by adding at the end the following new subsection: 38 USC 7673.
 “(e) **FULL-TIME COURSEWORK.**—For purposes of this section, full-time coursework shall consist of the following:
 “(1) In the case of undergraduate coursework, 30 semester hours per undergraduate school year.
 “(2) In the case of graduate coursework, 18 semester hours per graduate school year.”
 (f) **ANNUAL ADJUSTMENT OF MAXIMUM SCHOLARSHIP AMOUNT.**—Section 7631 is amended—
 (1) in subsection (a)(1), by striking “and the maximum Selected Reserve member stipend amount” and inserting “the maximum Selected Reserve member stipend amount, the maximum employee incentive scholarship amount,”; and

PUBLIC LAW 107-135—JAN. 23, 2002

(2) in subsection (b)—

(A) by redesignating paragraph (4) as paragraph (6); and

(B) by inserting after paragraph (3) the following new paragraph (4):

“(4) The term ‘maximum employee incentive scholarship amount’ means the maximum amount of the scholarship payable to a participant in the Department of Veterans Affairs Employee Incentive Scholarship Program under subchapter VI of this chapter, as specified in section 7673(b)(1) of this title and as previously adjusted (if at all) in accordance with this section.”.

(g) TECHNICAL AMENDMENTS.—Section 7631(b) is further amended by striking “this subsection” each place it appears and inserting “this section”.

SEC. 102. ENHANCEMENT OF EDUCATION DEBT REDUCTION PROGRAM.

(a) PERMANENT AUTHORITY.—(1) Section 7684 is repealed.

(2) The table of sections at the beginning of chapter 76 is amended by striking the item relating to section 7684.

(b) ELIGIBLE INDIVIDUALS.—Subsection (a)(1) of section 7682 is amended—

(1) by striking “under an appointment under section 7402(b) of this title in a position” and inserting “in a position (as determined by the Secretary) providing direct-patient care services or services incident to direct-patient care services”; and

(2) by striking “(as determined by the Secretary)” and inserting “(as so determined)”.

(c) MAXIMUM DEBT REDUCTION AMOUNT.—Section 7683(d)(1) is amended—

(1) by striking “for a year”; and

(2) by striking “exceed—” and all that follows through the end of the paragraph and inserting “exceed \$44,000 over a total of five years of participation in the Program, of which not more than \$10,000 of such payments may be made in each of the fourth and fifth years of participation in the Program.”.

(d) ANNUAL ADJUSTMENT OF MAXIMUM DEBT REDUCTION PAYMENTS AMOUNT.—(1) Section 7631, as amended by section 101(f) of this Act, is further amended—

(A) in subsection (a)(1), by inserting before the period at the end of the first sentence the following: “and the maximum education debt reduction payments amount”; and

(B) in subsection (b), by inserting after paragraph (4) the following new paragraph (5):

“(5) The term ‘maximum education debt reduction payments amount’ means the maximum amount of education debt reduction payments payable to a participant in the Department of Veterans Affairs Education Debt Reduction Program under subchapter VII of this chapter, as specified in section 7683(d)(1) of this title and as previously adjusted (if at all) in accordance with this section.”.

(2) Notwithstanding section 7631(a)(1) of title 38, United States Code, as amended by paragraph (1), the Secretary of Veterans Affairs shall not increase the maximum education debt reduction payments amount under that section in calendar year 2002.

(e) TEMPORARY EXPANSION OF INDIVIDUALS ELIGIBLE FOR PARTICIPATION IN PROGRAM.—(1) Notwithstanding section 7682(c) of title 38, United States Code, the Secretary of Veterans Affairs may treat a covered individual as being a recently appointed employee in the Veterans Health Administration under section 7682(a) of that title for purposes of eligibility in the Education Debt Reduction Program if the Secretary determines that the

38 USC 7631
note.

38 USC 7682
note.

PUBLIC LAW 107-135—JAN. 23, 2002

participation of the individual in the Program under this subsection would further the purposes of the Program.

(2) For purposes of this subsection, a covered individual is any individual otherwise described by section 7682(a) of title 38, United States Code, as in effect on the day before the date of the enactment of this Act, who—

(A) was appointed as an employee in a position described in paragraph (1) of that section, as so in effect, between January 1, 1999, and December 31, 2001; and

(B) is an employee in such position, or in another position described in paragraph (1) of that section, as so in effect, at the time of application for treatment as a covered individual under this subsection.

(3) The Secretary shall make determinations regarding the exercise of the authority in this subsection on a case-by-case basis.

(4) The Secretary may not exercise the authority in this subsection after June 30, 2002. The expiration of the authority in this subsection shall not affect the treatment of an individual under this subsection before that date as a covered individual for purposes of eligibility in the Education Debt Reduction Program.

Expiration date.

(5) In this subsection, the term “Education Debt Reduction Program” means the Department of Veterans Affairs Education Debt Reduction Program under subchapter VII of chapter 76 of title 38, United States Code.

SEC. 103. REPORT ON REQUESTS FOR WAIVERS OF PAY REDUCTIONS FOR REEMPLOYED ANNUITANTS TO FILL NURSE POSITIONS.

38 USC 7451
note.

(a) **REPORT.**—Not later than March 28 of each of 2002 and 2003, the Secretary of Veterans Affairs shall submit to the Committees on Veterans’ Affairs of the Senate and the House of Representatives and to the National Commission on VA Nursing established under subtitle D a report describing each request of the Secretary, during the fiscal year preceding such report, to the Director of the Office of Personnel Management for the following:

Deadline.

(1) A waiver under subsection (i)(1)(A) of section 8344 of title 5, United States Code, of the provisions of such section in order to meet requirements of the Department of Veterans Affairs for appointments to nurse positions in the Veterans Health Administration.

(2) A waiver under subsection (f)(1)(A) of section 8468 of title 5, United States Code, of the provisions of such section in order to meet requirements of the Department for appointments to such positions.

(3) A grant of authority under subsection (i)(1)(B) of section 8344 of title 5, United States Code, for the waiver of the provisions of such section in order to meet requirements of the Department for appointments to such positions.

(4) A grant of authority under subsection (f)(1)(B) of section 8468 of title 5, United States Code, for the waiver of the provisions of such section in order to meet requirements of the Department for appointments to such positions.

(b) **INFORMATION ON RESPONSES TO REQUESTS.**—The report under subsection (a) shall specify for each request covered by the report—

(1) the response of the Director to such request; and

(2) if such request was granted, whether or not the waiver or authority, as the case may be, assisted the Secretary in meeting requirements of the Department for appointments to nurse positions in the Veterans Health Administration.

PUBLIC LAW 107-135—JAN. 23, 2002

Subtitle B—Retention Authorities

SEC. 121. ADDITIONAL PAY FOR SATURDAY TOURS OF DUTY FOR ADDITIONAL HEALTH CARE PROFESSIONALS IN THE VETERANS HEALTH ADMINISTRATION.

38 USC 7454.

(a) IN GENERAL.—Section 7454(b) is amended—

(1) by inserting “(1)” after “(b)”; and

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

“(2) Health care professionals employed in positions referred to in paragraph (1) shall be entitled to additional pay on the same basis as provided for nurses in section 7453(c) of this title.”.

38 USC 7454
note.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to pay periods beginning on or after the date of the enactment of this Act.

SEC. 122. UNUSED SICK LEAVE INCLUDED IN ANNUITY COMPUTATION OF REGISTERED NURSES WITHIN THE VETERANS HEALTH ADMINISTRATION.

(a) ANNUITY COMPUTATION.—Section 8415 of title 5, United States Code, is amended by adding at the end the following new subsection:

“(i) In computing an annuity under this subchapter, the total service of an employee who retires from the position of a registered nurse with the Veterans Health Administration on an immediate annuity, or dies while employed in that position leaving any survivor entitled to an annuity, includes the days of unused sick leave to the credit of that employee under a formal leave system, except that such days shall not be counted in determining average pay or annuity eligibility under this subchapter.”.

(b) DEPOSIT NOT REQUIRED.—Section 8422(d) of such title is amended—

(1) by inserting “(1)” before “Under such regulations”; and

(2) by adding at the end the following:

“(2) Deposit may not be required for days of unused sick leave credited under section 8415(i).”.

Applicability.
5 USC 8415 note.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 60 days after the date of the enactment of this Act and shall apply to individuals who separate from service on or after that effective date.

38 USC 7311
note.

SEC. 123. EVALUATION OF DEPARTMENT OF VETERANS AFFAIRS NURSE MANAGED CLINICS.

(a) EVALUATION.—The Secretary of Veterans Affairs shall carry out an evaluation of the efficacy of the nurse managed health care clinics of the Department of Veterans Affairs. The Secretary shall complete the evaluation not later than 18 months after the date of the enactment of this Act.

Deadline.

(b) CLINICS TO BE EVALUATED.—(1) In carrying out the evaluation under subsection (a), the Secretary shall consider nurse managed health care clinics, including primary care clinics and geriatric care clinics, located in three different geographic service areas of the Department.

(2) If there are not nurse managed health care clinics located in three different geographic service areas as of the commencement of the evaluation, the Secretary shall—

(A) establish nurse managed health care clinics in additional geographic service areas such that there are nurse managed health care clinics in three different geographic service areas for purposes of the evaluation; and

(B) include such clinics, as so established, in the evaluation.

(c) MATTERS TO BE EVALUATED.—In carrying out the evaluation under subsection (a), the Secretary shall address the following:

(1) Patient satisfaction.

(2) Provider experiences.

PUBLIC LAW 107-135—JAN. 23, 2002

- (3) Cost of care.
- (4) Access to care, including waiting time for care.
- (5) The functional status of patients receiving care.
- (6) Any other matters the Secretary considers appropriate.

(d) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the evaluation carried out under subsection (a). The report shall address the matters specified in subsection (c) and include any other information, and any recommendations, that the Secretary considers appropriate. The Secretary shall provide a copy of the report to the National Commission on VA Nursing established under subtitle D.

Deadline.

Records.

SEC. 124. STAFFING LEVELS FOR OPERATIONS OF MEDICAL FACILITIES.

(a) IN GENERAL.—Section 8110(a) is amended—

38 USC 8110.

(1) in paragraph (1), by inserting after “complete care of patients,” in the fifth sentence the following: “and in a manner consistent with the policies of the Secretary on overtime,”; and

(2) in paragraph (2)—

(A) by inserting “, including the staffing required to maintain such capacities,” after “all Department medical facilities”;

(B) by striking “and to minimize” and inserting “, to minimize”; and

(C) by inserting before the period the following: “, and to ensure that eligible veterans are provided such care and services in an appropriate manner”.

(b) NATIONWIDE POLICY ON STAFFING.—Paragraph (3) of that section is amended—

(1) in subparagraph (A), by inserting “the adequacy of staff levels for compliance with the policy established under subparagraph (C),” after “regarding”; and

(2) by inserting after subparagraph (B) the following new subparagraph:

“(C) The Secretary shall, in consultation with the Under Secretary for Health, establish a nationwide policy on the staffing of Department medical facilities in order to ensure that such facilities have adequate staff for the provision to veterans of appropriate, high-quality care and services. The policy shall take into account the staffing levels and mixture of staff skills required for the range of care and services provided veterans in Department facilities.”.

Policy

SEC. 125. ANNUAL REPORT ON USE OF AUTHORITIES TO ENHANCE RETENTION OF EXPERIENCED NURSES.

(a) ANNUAL REPORT.—(1) Subchapter II of chapter 73 is amended by adding at the end the following new section:

“§ 7324. Annual report on use of authorities to enhance retention of experienced nurses

“(a) ANNUAL REPORT.—Not later than January 31 each year, the Secretary, acting through the Under Secretary for Health, shall submit to Congress a report on the use during the preceding year of authorities for purposes of retaining experienced nurses in the Veterans Health Administration, as follows:

Deadline.

“(1) The authorities under chapter 76 of this title.

“(2) The authority under VA Directive 5102.1, relating to the Department of Veterans Affairs nurse qualification standard, dated November 10, 1999, or any successor directive.

“(3) Any other authorities available to the Secretary for those purposes.

“(b) REPORT ELEMENTS.—Each report under subsection (a) shall specify for the period covered by such report, for each Department

PUBLIC LAW 107-135—JAN. 23, 2002

medical facility and for each geographic service area of the Department, the following:

“(1) The number of waivers requested under the authority referred to in subsection (a)(2), and the number of waivers granted under that authority, to promote to the Nurse II grade or Nurse III grade under the Nurse Schedule under section 7404(b)(1) of this title any nurse who has not completed a baccalaureate degree in nursing in a recognized school of nursing, set forth by age, race, and years of experience of the individuals subject to such waiver requests and waivers, as the case may be.

“(2) The programs carried out to facilitate the use of nursing education programs by experienced nurses, including programs for flexible scheduling, scholarships, salary replacement pay, and on-site classes.”.

(2) The table of sections at the beginning of chapter 73 is amended by inserting after the item relating to section 7323 the following new item:

“7324. Annual report on use of authorities to enhance retention of experienced nurses.”.

38 USC 7324
note.

(b) INITIAL REPORT.—The initial report required under section 7324 of title 38, United States Code, as added by subsection (a), shall be submitted to the National Commission on VA Nursing established under subtitle D as well as to Congress.

SEC. 126. REPORT ON MANDATORY OVERTIME FOR NURSES AND NURSING ASSISTANTS IN DEPARTMENT OF VETERANS AFFAIRS FACILITIES.

Deadline.

(a) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives and to the National Commission on VA Nursing established under subtitle D a report on the mandatory overtime required of licensed nurses and nursing assistants providing direct patient care at Department of Veterans Affairs medical facilities during 2001.

(b) MANDATORY OVERTIME.—For purposes of the report under subsection (a), mandatory overtime shall consist of any period in which a nurse or nursing assistant is mandated or otherwise required, whether directly or indirectly, to work or be in on-duty status in excess of—

- (1) a scheduled workshift or duty period;
- (2) 12 hours in any 24-hour period; or
- (3) 80 hours in any period of 14 consecutive days.

(c) ELEMENTS.—The report under subsection (a) shall include the following:

(1) A description of the amount of mandatory overtime described in that subsection at each Department medical facility during the period covered by the report.

(2) A description of the mechanisms employed by the Secretary to monitor overtime of the nurses and nursing assistants referred to in that subsection.

(3) An assessment of the effects of the mandatory overtime of such nurses and nursing assistants on patient care, including any reported association with medical errors.

(4) Recommendations regarding mechanisms for preventing mandatory overtime in other than emergency situations by such nurses and nursing assistants.

(5) Any other matters that the Secretary considers appropriate.

PUBLIC LAW 107-135—JAN. 23, 2002

Subtitle C—Other Authorities

SEC. 131. ORGANIZATIONAL RESPONSIBILITY OF THE DIRECTOR OF THE NURSING SERVICE.

Section 7306(a)(5) is amended by inserting “, and report directly to,” after “responsible to”. 38 USC 7306.

SEC. 132. COMPUTATION OF ANNUITY FOR PART-TIME SERVICE PERFORMED BY CERTAIN HEALTH-CARE PROFESSIONALS BEFORE APRIL 7, 1986.

Section 7426 is amended by adding at the end the following new subsection:

“(c) The provisions of subsection (b) shall not apply to the part-time service before April 7, 1986, of a registered nurse, physician assistant, or expanded-function dental auxiliary. In computing the annuity under the applicable provision of law specified in that subsection of an individual covered by the preceding sentence, the service described in that sentence shall be credited as full-time service.”.

SEC. 133. MODIFICATION OF NURSE LOCALITY PAY AUTHORITIES.

Section 7451 is amended—

(1) in subsection (d)(3)—

(A) in subparagraph (A), by striking “beginning rates of” each place it appears;

(B) in subparagraph (B), by striking “beginning rates of” the first place it appears; and

(C) in subparagraph (C)(i), by striking “beginning rates of” each place it appears;

(2) in subsection (d)(4)—

(A) by striking “or at any other time that an adjustment in rates of pay is scheduled to take place under this subsection” in the first sentence; and

(B) by striking the second sentence; and

(3) in subsection (e)(4)—

(A) in subparagraph (A), by striking “grade in a”;

(B) in subparagraph (B)—

(i) by striking “grade of a”; and

(ii) by striking “that grade” and inserting “that position”; and

(C) in subparagraph (D), by striking “grade of a”.

Subtitle D—National Commission on VA Nursing

SEC. 141. ESTABLISHMENT OF COMMISSION.

38 USC 7451
note.

(a) ESTABLISHMENT.—There is hereby established in the Department of Veterans Affairs a commission to be known as the “National Commission on VA Nursing” (hereinafter in this subtitle referred to as the “Commission”).

(b) COMPOSITION.—The Commission shall be composed of 12 members appointed by the Secretary of Veterans Affairs as follows:

(1) At least two shall be recognized representatives of employees (including nurses) of the Department of Veterans Affairs.

(2) At least one shall be a representative of professional associations of nurses of the Department or similar organizations affiliated with the Department’s health care practitioners.

(3) At least one shall be a nurse from a nursing school affiliated with the Department of Veterans Affairs.

(4) At least two shall be representatives of veterans.

(5) At least one shall be an economist.

PUBLIC LAW 107-135—JAN. 23, 2002

(6) The remainder shall be appointed in such manner as the Secretary considers appropriate.

(c) CHAIR OF COMMISSION.—The Secretary of Veterans Affairs shall designate one of the members of the Commission to chair the Commission.

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment.

Deadlines.

(e) INITIAL ORGANIZATION REQUIREMENTS.—All appointments to the Commission shall be made not later than 60 days after the date of the enactment of this Act. The Commission shall convene its first meeting not later than 60 days after the date as of which all members of the Commission have been appointed.

38 USC 7451
note.

SEC. 142. DUTIES OF COMMISSION.

(a) ASSESSMENT.—The Commission shall—

(1) consider legislative and organizational policy changes to enhance the recruitment and retention of nurses and other nursing personnel by the Department of Veterans Affairs; and

(2) assess the future of the nursing profession within the Department.

(b) RECOMMENDATIONS.—The Commission shall recommend legislative and organizational policy changes to enhance the recruitment and retention of nurses and other nursing personnel in the Department.

38 USC 7451
note.
Deadline.

SEC. 143. REPORTS.

(a) COMMISSION REPORT.—The Commission shall, not later than two years after the date of its first meeting, submit to Congress and the Secretary of Veterans Affairs a report on the Commission's findings and recommendations.

Deadline.

(b) SECRETARY OF VETERANS AFFAIRS REPORT.—Not later than 60 days after the date of the Commission's report under subsection (a), the Secretary shall submit to Congress a report—

(1) providing the Secretary's views on the Commission's findings and recommendations; and

(2) explaining what actions, if any, the Secretary intends to take to implement the recommendations of the Commission and the Secretary's reasons for doing so.

38 USC 7451
note.

SEC. 144. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this subtitle, hold hearings and take testimony to the extent that the Commission or any member considers advisable.

(b) INFORMATION.—The Commission may secure directly from any Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this subtitle.

38 USC 7451
note.

SEC. 145. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Members of the Commission shall serve without pay by reason of their work on the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The Secretary may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties.

PUBLIC LAW 107-135—JAN. 23, 2002

(2) The Secretary may fix the pay of the staff director and other personnel appointed under paragraph (1) without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS-15 of the General Schedule.

(d) **DETAIL OF GOVERNMENT EMPLOYEES.**—Upon request of the Secretary, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

SEC. 146. TERMINATION OF COMMISSION.38 USC 7451
note.

The Commission shall terminate 90 days after the date of the submission of its report under section 143(a).

TITLE II—OTHER MATTERS**SEC. 201. AUTHORITY FOR SECRETARY OF VETERANS AFFAIRS TO PROVIDE SERVICE DOGS FOR VETERANS WITH CERTAIN DISABILITIES.**

(a) **AUTHORITY.**—Section 1714 is amended—

38 USC 1714.

(1) in subsection (b)—

(A) by striking “seeing-eye or” the first place it appears;

(B) by striking “who are entitled to disability compensation” and inserting “who are enrolled under section 1705 of this title”;

(C) by striking “, and may pay” and all that follows through “such seeing-eye or guide dogs”; and

(D) by striking “handicap” and inserting “disability”;

and

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

“(c) The Secretary may, in accordance with the priority specified in section 1705 of this title, provide—

“(1) service dogs trained for the aid of the hearing impaired to veterans who are hearing impaired and are enrolled under section 1705 of this title; and

“(2) service dogs trained for the aid of persons with spinal cord injury or dysfunction or other chronic impairment that substantially limits mobility to veterans with such injury, dysfunction, or impairment who are enrolled under section 1705 of this title.

“(d) In the case of a veteran provided a dog under subsection (b) or (c), the Secretary may pay travel and incidental expenses for that veteran under the terms and conditions set forth in section 111 of this title to and from the veteran’s home for expenses incurred in becoming adjusted to the dog.”.

(b) **CLERICAL AMENDMENTS.**—(1) The heading for such section is amended to read as follows:

PUBLIC LAW 107-135—JAN. 23, 2002

“§ 1714. Fitting and training in use of prosthetic appliances; guide dogs; service dogs”.

(2) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

“1714. Fitting and training in use of prosthetic appliances; guide dogs; service dogs.”.

SEC. 202. MANAGEMENT OF HEALTH CARE FOR CERTAIN LOW-INCOME VETERANS.

38 USC 1705. (a) PRIORITY OF ENROLLMENT IN PATIENT ENROLLMENT SYSTEM.—Section 1705(a) is amended by striking paragraph (7) and inserting the following new paragraphs:

“(7) Veterans described in section 1710(a)(3) of this title who are eligible for treatment as a low-income family under section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) for the area in which such veterans reside, regardless of whether such veterans are treated as single person families under paragraph (3)(A) of such section 3(b) or as families under paragraph (3)(B) of such section 3(b).

“(8) Veterans described in section 1710(a)(3) of this title who are not covered by paragraph (7).”.

(b) REDUCED COPAYMENTS FOR CARE.—Subsection (f) of section 1710 is amended—

(1) in paragraph (1), by inserting “or (4)” after “paragraph (2)”;

(2) by redesignating paragraph (4) as paragraph (5); and
(3) by inserting after paragraph (3) the following new paragraph (4):

“(4) In the case of a veteran covered by this subsection who is also described by section 1705(a)(7) of this title, the amount for which the veteran shall be liable to the United States for hospital care under this subsection shall be an amount equal to 20 percent of the total amount for which the veteran would otherwise be liable for such care under subparagraphs (2)(B) and (3)(A) but for this paragraph.”.

38 USC 1705
note.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2002.

SEC. 203. MAINTENANCE OF CAPACITY FOR SPECIALIZED TREATMENT AND REHABILITATIVE NEEDS OF DISABLED VETERANS.

38 USC 1706. (a) MAINTENANCE OF CAPACITY ON A GEOGRAPHIC SERVICE AREA BASIS.—Section 1706(b) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by inserting “(and each geographic service area of the Veterans Health Administration)” after “ensure that the Department”; and

(B) in clause (B), by inserting “(and each geographic service area of the Veterans Health Administration)” after “overall capacity of the Department”;

(2) by redesignating paragraphs (2) and (3) as paragraphs (5) and (6), respectively; and

(3) by inserting after paragraph (1) the following new paragraphs;

“(2) For purposes of paragraph (1), the capacity of the Department (and each geographic service area of the Veterans Health Administration) to provide for the specialized treatment and rehabilitative needs of disabled veterans (including veterans with spinal cord dysfunction, traumatic brain injury, blindness, prosthetics and sensory aids, and mental illness) within distinct programs or facilities shall be measured for seriously mentally ill veterans as follows (with all such data to be provided by geographic service area and totaled nationally):

“(A) For mental health intensive community-based care, the number of discrete intensive care teams constituted to

PUBLIC LAW 107-135—JAN. 23, 2002

provide such intensive services to seriously mentally ill veterans and the number of veterans provided such care.

“(B) For opioid substitution programs, the number of patients treated annually and the amounts expended.

“(C) For dual-diagnosis patients, the number treated annually and the amounts expended.

“(D) For substance-use disorder programs—

“(i) the number of beds (whether hospital, nursing home, or other designated beds) employed and the average bed occupancy of such beds;

“(ii) the percentage of unique patients admitted directly to outpatient care during the fiscal year who had two or more additional visits to specialized outpatient care within 30 days of their first visit, with a comparison from 1996 until the date of the report;

“(iii) the percentage of unique inpatients with substance-use disorder diagnoses treated during the fiscal year who had one or more specialized clinic visits within three days of their index discharge, with a comparison from 1996 until the date of the report;

“(iv) the percentage of unique outpatients seen in a facility or geographic service area during the fiscal year who had one or more specialized clinic visits, with a comparison from 1996 until the date of the report; and

“(v) the rate of recidivism of patients at each specialized clinic in each geographic service area of the Veterans Health Administration.

“(E) For mental health programs, the number and type of staff that are available at each facility to provide specialized mental health treatment, including satellite clinics, outpatient programs, and community-based outpatient clinics, with a comparison from 1996 to the date of the report.

“(F) The number of such clinics providing mental health care, the number and type of mental health staff at each such clinic, and the type of mental health programs at each such clinic.

“(G) The total amounts expended for mental health during the fiscal year.

“(3) For purposes of paragraph (1), the capacity of the Department (and each geographic service area of the Veterans Health Administration) to provide for the specialized treatment and rehabilitative needs of disabled veterans within distinct programs or facilities shall be measured for veterans with spinal cord dysfunction, traumatic brain injury, blindness, or prosthetics and sensory aids as follows (with all such data to be provided by geographic service area and totaled nationally):

“(A) For spinal cord injury and dysfunction specialized centers and for blind rehabilitation specialized centers, the number of staffed beds and the number of full-time equivalent employees assigned to provide care at such centers.

“(B) For prosthetics and sensory aids, the annual amount expended.

“(C) For traumatic brain injury, the number of patients treated annually and the amounts expended.

“(4) In carrying out paragraph (1), the Secretary may not use patient outcome data as a substitute for, or the equivalent of, compliance with the requirement under that paragraph for maintenance of capacity.”

(b) EXTENSION OF ANNUAL REPORT REQUIREMENT.—Paragraph (5) of such section, as so redesignated, is amended—

(1) by inserting “(A)” before “Not later than”;

(2) by striking “April 1, 1999, April 1, 2000, and April 1, 2001” and inserting “April 1 of each year through 2004”;

(3) by adding at the end of subparagraph (A), as designated by paragraph (1), the following new sentence: “Each such report

PUBLIC LAW 107-135—JAN. 23, 2002

shall include information on recidivism rates associated with substance-use disorder treatment.”; and

(4) by adding at the end of such paragraph the following new subparagraphs:

“(B) In preparing each report under subparagraph (A), the Secretary shall use standardized data and data definitions.

Certification.

“(C) Each report under subparagraph (A) shall be audited by the Inspector General of the Department, who shall submit to Congress a certification as to the accuracy of each such report.”.

38 USC 1710
note.

SEC. 204. PROGRAM FOR PROVISION OF CHIROPRACTIC CARE AND SERVICES TO VETERANS.

(a) **REQUIREMENT FOR PROGRAM.**—Subject to the provisions of this section, the Secretary of Veterans Affairs shall carry out a program to provide chiropractic care and services to veterans through Department of Veterans Affairs medical centers and clinics.

(b) **ELIGIBLE VETERANS.**—Veterans eligible to receive chiropractic care and services under the program are veterans who are enrolled in the system of patient enrollment under section 1705 of title 38, United States Code.

Urban and rural
areas.

(c) **LOCATION OF PROGRAM.**—The program shall be carried out at sites designated by the Secretary for purposes of the program. The Secretary shall designate at least one site for such program in each geographic service area of the Veterans Health Administration. The sites so designated shall be medical centers and clinics located in urban areas and in rural areas.

(d) **CARE AND SERVICES AVAILABLE.**—The chiropractic care and services available under the program shall include a variety of chiropractic care and services for neuro-musculoskeletal conditions, including subluxation complex.

Contacts.

(e) **OTHER ADMINISTRATIVE MATTERS.**—(1) The Secretary shall carry out the program through personal service contracts and by appointment of licensed chiropractors in Department medical centers and clinics.

(2) As part of the program, the Secretary shall provide training and materials relating to chiropractic care and services to Department health care providers assigned to primary care teams for the purpose of familiarizing such providers with the benefits of chiropractic care and services.

(f) **REGULATIONS.**—The Secretary shall prescribe regulations to carry out this section.

Establishment.

(g) **CHIROPRACTIC ADVISORY COMMITTEE.**—(1) The Secretary shall establish an advisory committee to provide direct assistance and advice to the Secretary in the development and implementation of the chiropractic health program.

(2) The membership of the advisory committee shall include members of the chiropractic care profession and such other members as the Secretary considers appropriate.

(3) Matters on which the advisory committee shall assist and advise the Secretary shall include the following:

(A) Protocols governing referral to chiropractors.

(B) Protocols governing direct access to chiropractic care.

(C) Protocols governing scope of practice of chiropractic practitioners.

(D) Definition of services to be provided.

(E) Such other matters the Secretary determines to be appropriate.

Termination
date.

(4) The advisory committee shall cease to exist on December 31, 2004.

SEC. 205. FUNDS FOR FIELD OFFICES OF THE OFFICE OF RESEARCH COMPLIANCE AND ASSURANCE.

38 USC 7303.

(a) **IN GENERAL.**—Section 7303 is amended by adding at the end the following new subsection:

PUBLIC LAW 107-135—JAN. 23, 2002

“(e) Amounts for the activities of the field offices of the Office of Research Compliance and Assurance of the Department shall be derived from amounts appropriated for the Veterans Health Administration for Medical Care (rather than from amounts appropriated for the Veterans Health Administration for Medical and Prosthetic Research).”.

(b) **APPLICABILITY TO FISCAL YEAR 2002.**—In order to carry out subsection (e) of section 7303 of title 38, United States Code, as added by subsection (a), for fiscal year 2002, the Secretary of Veterans Affairs shall transfer such sums as necessary for that purpose from amounts appropriated for the Veterans Health Administration for Medical and Prosthetic Research for fiscal year 2002 to amounts appropriated for the Veterans Health Administration for Medical Care for that fiscal year.

38 USC 7303
note.

SEC. 206. MAJOR MEDICAL FACILITY CONSTRUCTION.

(a) **PROJECT AUTHORIZED.**—The Secretary of Veterans Affairs may carry out a major medical facility project for the renovation from electrical fire of the Department of Veterans Affairs Medical Center, Miami, Florida, in an amount not to exceed \$28,300,000.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary of Veterans Affairs for the Construction, Major Projects Account, for fiscal year 2002, \$28,300,000 for the project authorized by subsection (a).

(c) **LIMITATION.**—The project authorized by subsection (a) may only be carried out using—

(1) funds appropriated for fiscal year 2002 pursuant to the authorization of appropriations in subsection (b);

(2) funds appropriated for Construction, Major Projects, for a fiscal year before fiscal year 2002 that remain available for obligation; and

(3) funds appropriated for Construction, Major Projects, for fiscal year 2002 for a category of activity not specific to a project.

SEC. 207. SENSE OF CONGRESS ON SPECIAL TELEPHONE SERVICES FOR VETERANS.

It is the sense of Congress that the Secretary of Veterans Affairs should conduct an assessment of all special telephone services for veterans (such as help lines and hotlines) that are provided by the Department of Veterans Affairs and that any such assessment, if conducted, should include assessment of the geographical coverage, availability, utilization, effectiveness, management, coordination, staffing, and cost of those services and should include a survey of veterans to measure their satisfaction with current special telephone services and the demand for additional services.

SEC. 208. RECODIFICATION OF BEREAVEMENT COUNSELING AUTHORITY AND CERTAIN OTHER HEALTH-RELATED AUTHORITIES.

(a) **STATUTORY REORGANIZATION.**—Subchapter I of chapter 17 is amended—

(1) in section 1701(6)—

(A) by striking subparagraph (B) and the sentence following that subparagraph;

(B) by striking “services—” in the matter preceding subparagraph (A) and inserting “services, the following.”; and

(C) by striking subparagraph (A) and inserting the following:

“(A) Surgical services.

“(B) Dental services and appliances as described in sections 1710 and 1712 of this title.

“(C) Optometric and podiatric services.

“(D) Preventive health services.

38 USC 1701.

PUBLIC LAW 107-135—JAN. 23, 2002

“(E) In the case of a person otherwise receiving care or services under this chapter—

“(i) wheelchairs, artificial limbs, trusses, and similar appliances;

“(ii) special clothing made necessary by the wearing of prosthetic appliances; and

“(iii) such other supplies or services as the Secretary determines to be reasonable and necessary.

“(F) Travel and incidental expenses pursuant to section 111 of this title.”; and

38 USC 1707.

(2) in section 1707—

(A) by inserting “(a)” at the beginning of the text of the section; and

(B) by adding at the end the following:

“(b) The Secretary may furnish sensori-neural aids only in accordance with guidelines prescribed by the Secretary.”.

(b) CONSOLIDATION OF PROVISIONS RELATING TO PERSONS OTHER THAN VETERANS.—Such chapter is further amended by adding at the end the following new subchapter:

“SUBCHAPTER VIII—HEALTH CARE OF PERSONS OTHER THAN VETERANS

“§ 1782. Counseling, training, and mental health services for immediate family members

“(a) COUNSELING FOR FAMILY MEMBERS OF VETERANS RECEIVING SERVICE-CONNECTED TREATMENT.—In the case of a veteran who is receiving treatment for a service-connected disability pursuant to paragraph (1) or (2) of section 1710(a) of this title, the Secretary shall provide to individuals described in subsection (c) such consultation, professional counseling, training, and mental health services as are necessary in connection with that treatment.

“(b) COUNSELING FOR FAMILY MEMBERS OF VETERANS RECEIVING NON-SERVICE-CONNECTED TREATMENT.—In the case of a veteran who is eligible to receive treatment for a non-service-connected disability under the conditions described in paragraph (1), (2), or (3) of section 1710(a) of this title, the Secretary may, in the discretion of the Secretary, provide to individuals described in subsection (c) such consultation, professional counseling, training, and mental health services as are necessary in connection with that treatment if—

“(1) those services were initiated during the veteran’s hospitalization; and

“(2) the continued provision of those services on an outpatient basis is essential to permit the discharge of the veteran from the hospital.

“(c) ELIGIBLE INDIVIDUALS.—Individuals who may be provided services under this subsection are—

“(1) the members of the immediate family or the legal guardian of a veteran; or

“(2) the individual in whose household such veteran certifies an intention to live.

“(d) TRAVEL AND TRANSPORTATION AUTHORIZED.—Services provided under subsections (a) and (b) may include, under the terms and conditions set forth in section 111 of this title, travel and incidental expenses of individuals described in subsection (c) in the case of any of the following:

“(1) A veteran who is receiving care for a service-connected disability.

“(2) A dependent or survivor receiving care under the last sentence of section 1783(b) of this title.

“§ 1783. Bereavement counseling

“(a) DEATHS OF VETERANS.—In the case of an individual who was a recipient of services under section 1782 of this title at

PUBLIC LAW 107-135—JAN. 23, 2002

the time of the death of the veteran, the Secretary may provide bereavement counseling to that individual in the case of a death—

“(1) that was unexpected; or

“(2) that occurred while the veteran was participating in a hospice program (or a similar program) conducted by the Secretary.

“(b) DEATHS IN ACTIVE SERVICE.—The Secretary may provide bereavement counseling to an individual who is a member of the immediate family of a member of the Armed Forces who dies in the active military, naval, or air service in the line of duty and under circumstances not due to the person’s own misconduct.

“(c) BEREAVEMENT COUNSELING DEFINED.—For purposes of this section, the term ‘bereavement counseling’ means such counseling services, for a limited period, as the Secretary determines to be reasonable and necessary to assist an individual with the emotional and psychological stress accompanying the death of another individual.

“§ 1784. Humanitarian care

“The Secretary may furnish hospital care or medical services as a humanitarian service in emergency cases, but the Secretary shall charge for such care and services at rates prescribed by the Secretary.”.

(c) TRANSFER OF CHAMPVA SECTION.—Section 1713 is—

(1) transferred to subchapter VIII of chapter 17 of title 38, United States Code, as added by subsection (b), and inserted after the subchapter heading;

(2) redesignated as section 1781; and

(3) amended by adding at the end of subsection (b) the following new sentence: “A dependent or survivor receiving care under the preceding sentence shall be eligible for the same medical services as a veteran, including services under sections 1782 and 1783 of this title.”

38 USC 1781.

(d) REPEAL OF RECODIFIED AUTHORITY.—Section 1711 is amended by striking subsection (b).

(e) CROSS REFERENCE AMENDMENTS.—Title 38, United States Code, is further amended as follows:

(1) Section 103(d)(5)(B) is amended by striking “1713” and inserting “1781”.

(2) Section 1701(5) is amended by striking “1713(b)” in subparagraphs (B) and (C)(i) and inserting “1781(b)”.

(3) Section 1712A(b) is amended—

(A) in the last sentence of paragraph (1), by striking “section 1711(b)” and inserting “section 1784”; and

(A) in paragraph (2), by striking “section 1701(6)(B)” and inserting “sections 1782 and 1783”.

(4) Section 1729(f) is amended by striking “section 1711(b)” and inserting “section 1784”.

(5) Section 1729A(b) is amended—

(A) by redesignating paragraph (7) as paragraph (8); and

(B) by inserting after paragraph (6) the following new paragraph (7):

“(7) Section 1784 of this title.”.

(6) Section 8111(g) is amended—

38 USC 8111.

(A) in paragraph (4), by inserting “services under sections 1782 and 1783 of this title” after “of this title.”; and

(B) in paragraph (5), by striking “section 1711(b) or 1713” and inserting “section 1782, 1783, or 1784”.

(7) Section 8111A(a)(2) is amended by inserting “, and the term ‘medical services’ includes services under sections 1782 and 1783 of this title” before the period at the end.

(8) Section 8152(1) is amended by inserting “services under sections 1782 and 1783 of this title,” after “of this title”).”.

PUBLIC LAW 107-135—JAN. 23, 2002

(9) Sections 8502(b), 8520(a), and 8521 are amended by striking “the last sentence of section 1713(b)” and inserting “the penultimate sentence of section 1781(b)”.

(f) CLERICAL AMENDMENTS.—

(1) The table of sections at the beginning of such chapter is amended—

(A) by striking the item relating to section 1707 and inserting the following:

“1707. Limitations.”;

(B) by striking the item relating to section 1713; and

(C) by adding at the end the following:

“SUBCHAPTER VIII—HEALTH CARE OF PERSONS OTHER THAN VETERANS

“1781. Medical care for survivors and dependents of certain veterans.

“1782. Counseling, training, and mental health services for immediate family members.

“1783. Bereavement counseling.

“1784. Humanitarian care.”.

(2) The heading for section 1707 is amended to read as follows:

“§ 1707. Limitations”.

SEC. 209. EXTENSION OF EXPIRING COLLECTIONS AUTHORITIES.

(a) HEALTH CARE COPAYMENTS.—Section 1710(f)(2)(B) is amended by striking “September 30, 2002” and inserting “September 30, 2007”.

(b) MEDICAL CARE COST RECOVERY.—Section 1729(a)(2)(E) is amended by striking “October 1, 2002” and inserting “October 1, 2007”.

38 USC 1710
note.

SEC. 210. PERSONAL EMERGENCY RESPONSE SYSTEM FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES.

Deadline.

(a) EVALUATION AND STUDY.—The Secretary of Veterans Affairs shall carry out an evaluation and study of the feasibility and desirability of providing a personal emergency response system to veterans who have service-connected disabilities. The evaluation and study shall be commenced not later than 60 days after the date of the enactment of this Act.

Deadline.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the evaluation and study under subsection (a). The Secretary shall include in the report the Secretary’s findings resulting from the evaluation and study and the Secretary’s conclusion as to whether the Department of Veterans Affairs should provide a personal emergency response system to veterans with service-connected disabilities.

(c) AUTHORITY TO PROVIDE SYSTEM.—If the Secretary concludes in the report under subsection (b) that a personal emergency response system should be provided by the Department of Veterans Affairs to veterans with service-connected disabilities—

(1) the Secretary may provide such a system, without charge, to any veteran with a service-connected disability who is enrolled under section 1705 of title 38, United States Code, and who submits an application for such a system under subsection (d); and

(2) the Secretary may contract with one or more vendors to furnish such a system.

(d) APPLICATION.—A personal emergency response system may be provided to a veteran under subsection (c)(1) only upon the submission by the veteran of an application for the system. Any such application shall be in such form and manner as the Secretary may require.

(e) DEFINITION.—For purposes of this section, the term “personal emergency response system” means a device—

PUBLIC LAW 107-135—JAN. 23, 2002

(1) that can be activated by an individual who is experiencing a medical emergency to notify appropriate emergency medical personnel that the individual is experiencing a medical emergency; and

(2) that provides the individual's location through a Global Positioning System indicator.

SEC. 211. ONE-YEAR EXTENSION OF ELIGIBILITY FOR HEALTH CARE OF VETERANS WHO SERVED IN SOUTHWEST ASIA DURING THE PERSIAN GULF WAR.

Section 1710(e)(3)(B) is amended by striking “December 31, 2001” and inserting “December 31, 2002”. 38 USC 1710.

Approved January 23, 2002.

LEGISLATIVE HISTORY—H.R. 3447:

CONGRESSIONAL RECORD, Vol. 147 (2001):

Dec. 11, considered and passed House.

Dec. 20, considered and passed Senate.