

## ***In the House of Representatives, U. S.,***

*February 6, 2018.*

*Resolved*, That the House agree to the amendment of the Senate to the bill (H.R. 1892) entitled “An Act to amend title 4, United States Code, to provide for the flying of the flag at half-staff in the event of the death of a first responder in the line of duty.”, with the following

### **HOUSE AMENDMENT TO SENATE AMENDMENT:**

At the end of the matter inserted by the Senate amendment, insert the following:

1     ***DIVISION B—FURTHER EXTENSION OF***  
2     ***CONTINUING APPROPRIATIONS ACT, 2018***  
3         *SEC. 1001. The Continuing Appropriations Act, 2018*  
4     *(division D of Public Law 115–56) is further amended—*  
5         *(1) by striking the date specified in section*  
6         *106(3) and inserting “March 23, 2018”; and*  
7         *(2) by adding after section 155 the following:*  
8         *“SEC. 156. Notwithstanding section 101, amounts are*  
9     *provided for ‘Department of Commerce—Bureau of the Cen-*  
10    *sus—Periodic Censuses and Programs’ at a rate for oper-*  
11    *ations of \$1,251,000,000, and such amounts may be appor-*  
12    *tioned up to the rate for operations necessary to maintain*  
13    *the schedule and deliver the required data according to stat-*  
14    *utory deadlines in the 2020 Decennial Census Program.*

1       “SEC. 157. Notwithstanding section 101, the matter  
2 preceding the first proviso and the first proviso under the  
3 heading ‘Power Marketing Administrations—Operation  
4 and Maintenance, Southeastern Power Administration’ in  
5 division D of Public Law 115–31 shall be applied by sub-  
6 stituting ‘\$6,379,000’ for ‘\$1,000,000’ each place it appears.

7       “SEC. 158. As authorized by section 404 of the Bipar-  
8 tisan Budget Act of 2015 (Public Law 114–74; 42 U.S.C.  
9 6239 note), the Secretary of Energy shall draw down and  
10 sell not to exceed \$350,000,000 of crude oil from the Stra-  
11 tegic Petroleum Reserve in fiscal year 2018: Provided, That  
12 the proceeds from such drawdown and sale shall be depos-  
13 ited into the ‘Energy Security and Infrastructure Mod-  
14 ernization Fund’ (in this section referred to as the ‘Fund’)  
15 during fiscal year 2018: Provided further, That in addition  
16 to amounts otherwise made available by section 101, and  
17 notwithstanding section 104, any amounts deposited in the  
18 Fund shall be made available and shall remain available  
19 until expended at a rate for operations of \$350,000,000, for  
20 necessary expenses in carrying out the Life Extension II  
21 project for the Strategic Petroleum Reserve.

22       “SEC. 159. Amounts made available by section 101 for  
23 ‘The Judiciary—Courts of Appeals, District Courts, and  
24 Other Judicial Services—Fees of Jurors and Commis-

1 sioners' may be apportioned up to the rate for operations  
2 necessary to accommodate increased juror usage.

3       “SEC. 160. (a) In addition to amounts otherwise made  
4 available by section 101, there is appropriated for an addi-  
5 tional amount for the ‘Small Business Administration—  
6 Disaster Loans Program Account’ \$225,000,000, to remain  
7 available until expended, for the cost of direct loans author-  
8 ized by section 7(b) of the Small Business Act: Provided,  
9 That such amount is designated by the Congress as an emer-  
10 gency requirement pursuant to section 251(b)(2)(A)(i) of  
11 the Balanced Budget and Emergency Deficit Control Act  
12 of 1985.

13       “(b) The amount designated in subsection (a) by the  
14 Congress as an emergency requirement pursuant to section  
15 251(b)(2)(A)(i) of the Balanced Budget and Emergency  
16 Deficit Control Act of 1985 shall be available only if the  
17 President subsequently so designates such amount and  
18 transmits such designation to the Congress.”.

19       This division may be cited as the “Further Extension  
20 of Continuing Appropriations Act, 2018”.

21       ***DIVISION C—DEPARTMENT OF DEFENSE***

22                   ***APPROPRIATIONS ACT, 2018***

23       That the following sums are appropriated, out of any  
24 money in the Treasury not otherwise appropriated, for the  
25 fiscal year ending September 30, 2018, for military func-

1 tions administered by the Department of Defense and for  
2 other purposes, namely:

3 *TITLE I*

4 *MILITARY PERSONNEL*

5 *MILITARY PERSONNEL, ARMY*

6 *For pay, allowances, individual clothing, subsistence,*  
7 *interest on deposits, gratuities, permanent change of station*  
8 *travel (including all expenses thereof for organizational*  
9 *movements), and expenses of temporary duty travel between*  
10 *permanent duty stations, for members of the Army on active*  
11 *duty (except members of reserve components provided for*  
12 *elsewhere), cadets, and aviation cadets; for members of the*  
13 *Reserve Officers' Training Corps; and for payments pursu-*  
14 *ant to section 156 of Public Law 97-377, as amended (42*  
15 *U.S.C. 402 note), and to the Department of Defense Mili-*  
16 *tary Retirement Fund, \$41,427,054,000.*

17 *MILITARY PERSONNEL, NAVY*

18 *For pay, allowances, individual clothing, subsistence,*  
19 *interest on deposits, gratuities, permanent change of station*  
20 *travel (including all expenses thereof for organizational*  
21 *movements), and expenses of temporary duty travel between*  
22 *permanent duty stations, for members of the Navy on active*  
23 *duty (except members of the Reserve provided for elsewhere),*  
24 *midshipmen, and aviation cadets; for members of the Re-*  
25 *serve Officers' Training Corps; and for payments pursuant*

1 *to section 156 of Public Law 97–377, as amended (42*  
2 *U.S.C. 402 note), and to the Department of Defense Mili-*  
3 *tary Retirement Fund, \$28,707,918,000 (reduced by*  
4 *\$2,000,000) (increased by \$2,000,000).*

5 *MILITARY PERSONNEL, MARINE CORPS*

6 *For pay, allowances, individual clothing, subsistence,*  
7 *interest on deposits, gratuities, permanent change of station*  
8 *travel (including all expenses thereof for organizational*  
9 *movements), and expenses of temporary duty travel between*  
10 *permanent duty stations, for members of the Marine Corps*  
11 *on active duty (except members of the Reserve provided for*  
12 *elsewhere); and for payments pursuant to section 156 of*  
13 *Public Law 97–377, as amended (42 U.S.C. 402 note), and*  
14 *to the Department of Defense Military Retirement Fund,*  
15 *\$13,165,714,000.*

16 *MILITARY PERSONNEL, AIR FORCE*

17 *For pay, allowances, individual clothing, subsistence,*  
18 *interest on deposits, gratuities, permanent change of station*  
19 *travel (including all expenses thereof for organizational*  
20 *movements), and expenses of temporary duty travel between*  
21 *permanent duty stations, for members of the Air Force on*  
22 *active duty (except members of reserve components provided*  
23 *for elsewhere), cadets, and aviation cadets; for members of*  
24 *the Reserve Officers' Training Corps; and for payments*  
25 *pursuant to section 156 of Public Law 97–377, as amended*

1 *(42 U.S.C. 402 note), and to the Department of Defense*  
2 *Military Retirement Fund, \$28,738,320,000.*

3 *RESERVE PERSONNEL, ARMY*

4 *For pay, allowances, clothing, subsistence, gratuities,*  
5 *travel, and related expenses for personnel of the Army Re-*  
6 *serve on active duty under sections 10211, 10302, and 3038*  
7 *of title 10, United States Code, or while serving on active*  
8 *duty under section 12301(d) of title 10, United States Code,*  
9 *in connection with performing duty specified in section*  
10 *12310(a) of title 10, United States Code, or while under-*  
11 *going reserve training, or while performing drills or equiva-*  
12 *lent duty or other duty, and expenses authorized by section*  
13 *16131 of title 10, United States Code; and for payments*  
14 *to the Department of Defense Military Retirement Fund,*  
15 *\$4,721,128,000.*

16 *RESERVE PERSONNEL, NAVY*

17 *For pay, allowances, clothing, subsistence, gratuities,*  
18 *travel, and related expenses for personnel of the Navy Re-*  
19 *serve on active duty under section 10211 of title 10, United*  
20 *States Code, or while serving on active duty under section*  
21 *12301(d) of title 10, United States Code, in connection with*  
22 *performing duty specified in section 12310(a) of title 10,*  
23 *United States Code, or while undergoing reserve training,*  
24 *or while performing drills or equivalent duty, and expenses*  
25 *authorized by section 16131 of title 10, United States Code;*

1 *and for payments to the Department of Defense Military*  
2 *Retirement Fund, \$1,987,662,000.*

3 *RESERVE PERSONNEL, MARINE CORPS*

4 *For pay, allowances, clothing, subsistence, gratuities,*  
5 *travel, and related expenses for personnel of the Marine*  
6 *Corps Reserve on active duty under section 10211 of title*  
7 *10, United States Code, or while serving on active duty*  
8 *under section 12301(d) of title 10, United States Code, in*  
9 *connection with performing duty specified in section*  
10 *12310(a) of title 10, United States Code, or while under-*  
11 *going reserve training, or while performing drills or equiva-*  
12 *lent duty, and for members of the Marine Corps platoon*  
13 *leaders class, and expenses authorized by section 16131 of*  
14 *title 10, United States Code; and for payments to the De-*  
15 *partment of Defense Military Retirement Fund,*  
16 *\$762,793,000.*

17 *RESERVE PERSONNEL, AIR FORCE*

18 *For pay, allowances, clothing, subsistence, gratuities,*  
19 *travel, and related expenses for personnel of the Air Force*  
20 *Reserve on active duty under sections 10211, 10305, and*  
21 *8038 of title 10, United States Code, or while serving on*  
22 *active duty under section 12301(d) of title 10, United States*  
23 *Code, in connection with performing duty specified in sec-*  
24 *tion 12310(a) of title 10, United States Code, or while un-*  
25 *dergoing reserve training, or while performing drills or*

1 *equivalent duty or other duty, and expenses authorized by*  
2 *section 16131 of title 10, United States Code; and for pay-*  
3 *ments to the Department of Defense Military Retirement*  
4 *Fund, \$1,808,434,000.*

5 *NATIONAL GUARD PERSONNEL, ARMY*

6 *For pay, allowances, clothing, subsistence, gratuities,*  
7 *travel, and related expenses for personnel of the Army Na-*  
8 *tional Guard while on duty under sections 10211, 10302,*  
9 *or 12402 of title 10 or section 708 of title 32, United States*  
10 *Code, or while serving on duty under section 12301(d) of*  
11 *title 10 or section 502(f) of title 32, United States Code,*  
12 *in connection with performing duty specified in section*  
13 *12310(a) of title 10, United States Code, or while under-*  
14 *going training, or while performing drills or equivalent*  
15 *duty or other duty, and expenses authorized by section*  
16 *16131 of title 10, United States Code; and for payments*  
17 *to the Department of Defense Military Retirement Fund,*  
18 *\$8,252,426,000.*

19 *NATIONAL GUARD PERSONNEL, AIR FORCE*

20 *For pay, allowances, clothing, subsistence, gratuities,*  
21 *travel, and related expenses for personnel of the Air Na-*  
22 *tional Guard on duty under sections 10211, 10305, or*  
23 *12402 of title 10 or section 708 of title 32, United States*  
24 *Code, or while serving on duty under section 12301(d) of*  
25 *title 10 or section 502(f) of title 32, United States Code,*



1 *in connection with performing duty specified in section*  
2 *12310(a) of title 10, United States Code, or while under-*  
3 *going training, or while performing drills or equivalent*  
4 *duty or other duty, and expenses authorized by section*  
5 *16131 of title 10, United States Code; and for payments*  
6 *to the Department of Defense Military Retirement Fund,*  
7 *\$3,406,137,000.*

## 8 *TITLE II*

### 9 *OPERATION AND MAINTENANCE*

#### 10 *OPERATION AND MAINTENANCE, ARMY*

11 *For expenses, not otherwise provided for, necessary for*  
12 *the operation and maintenance of the Army, as authorized*  
13 *by law, \$38,483,846,000 (reduced by \$5,000,000) (reduced*  
14 *by \$5,600,000) (reduced by \$6,000,000): Provided, That not*  
15 *to exceed \$12,478,000 can be used for emergencies and ex-*  
16 *traordinary expenses, to be expended on the approval or au-*  
17 *thority of the Secretary of the Army, and payments may*  
18 *be made on his certificate of necessity for confidential mili-*  
19 *tary purposes.*

#### 20 *OPERATION AND MAINTENANCE, NAVY*

21 *For expenses, not otherwise provided for, necessary for*  
22 *the operation and maintenance of the Navy and the Marine*  
23 *Corps, as authorized by law, \$45,980,133,000 (reduced by*  
24 *\$598,000) (reduced by \$7,000,000): Provided, That not to*  
25 *exceed \$15,055,000 can be used for emergencies and extraor-*

1 *dinary expenses, to be expended on the approval or author-*  
2 *ity of the Secretary of the Navy, and payments may be*  
3 *made on his certificate of necessity for confidential military*  
4 *purposes.*

5 *OPERATION AND MAINTENANCE, MARINE CORPS*

6 *For expenses, not otherwise provided for, necessary for*  
7 *the operation and maintenance of the Marine Corps, as au-*  
8 *thorized by law, \$6,885,884,000.*

9 *OPERATION AND MAINTENANCE, AIR FORCE*

10 *For expenses, not otherwise provided for, necessary for*  
11 *the operation and maintenance of the Air Force, as author-*  
12 *ized by law, \$38,592,745,000: Provided, That not to exceed*  
13 *\$7,699,000 can be used for emergencies and extraordinary*  
14 *expenses, to be expended on the approval or authority of*  
15 *the Secretary of the Air Force, and payments may be made*  
16 *on his certificate of necessity for confidential military pur-*  
17 *poses.*

18 *OPERATION AND MAINTENANCE, DEFENSE-WIDE*

19 *(INCLUDING TRANSFER OF FUNDS)*

20 *For expenses, not otherwise provided for, necessary for*  
21 *the operation and maintenance of activities and agencies*  
22 *of the Department of Defense (other than the military de-*  
23 *partments), as authorized by law, \$33,771,769,000 (in-*  
24 *creased by \$5,000,000) (reduced by \$10,000,000) (reduced*  
25 *by \$100,000) (increased by \$100,000) (reduced by*

1 \$194,897,000) (increased by \$194,897,000) (reduced by  
2 \$26,200,000) (reduced by \$20,000,000) (reduced by  
3 \$6,000,000) (reduced by \$4,000,000) (reduced by  
4 \$20,000,000) (reduced by \$1,000,000) (reduced by  
5 \$10,000,000) (reduced by \$2,500,000) (reduced by  
6 \$2,000,000) (reduced by \$8,000,000) (reduced by  
7 \$6,250,000) (reduced by \$10,000,000) (reduced by  
8 \$10,000,000) (reduced by \$30,000,000) (reduced by  
9 \$34,734,000) (reduced by \$60,000,000): *Provided, That not*  
10 *more than \$15,000,000 may be used for the Combatant*  
11 *Commander Initiative Fund authorized under section 166a*  
12 *of title 10, United States Code: Provided further, That not*  
13 *to exceed \$36,000,000 can be used for emergencies and ex-*  
14 *traordinary expenses, to be expended on the approval or au-*  
15 *thority of the Secretary of Defense, and payments may be*  
16 *made on his certificate of necessity for confidential military*  
17 *purposes: Provided further, That of the funds provided*  
18 *under this heading, not less than \$38,458,000 shall be made*  
19 *available for the Procurement Technical Assistance Cooper-*  
20 *ative Agreement Program, of which not less than \$3,600,000*  
21 *shall be available for centers defined in 10 U.S.C.*  
22 *2411(1)(D): Provided further, That none of the funds ap-*  
23 *propriated or otherwise made available by this Act may be*  
24 *used to plan or implement the consolidation of a budget*  
25 *or appropriations liaison office of the Office of the Secretary*

1 of Defense, the office of the Secretary of a military depart-  
2 ment, or the service headquarters of one of the Armed Forces  
3 into a legislative affairs or legislative liaison office: Pro-  
4 vided further, That \$9,385,000, to remain available until  
5 expended, is available only for expenses relating to certain  
6 classified activities, and may be transferred as necessary  
7 by the Secretary of Defense to operation and maintenance  
8 appropriations or research, development, test and evalua-  
9 tion appropriations, to be merged with and to be available  
10 for the same time period as the appropriations to which  
11 transferred: Provided further, That any ceiling on the in-  
12 vestment item unit cost of items that may be purchased with  
13 operation and maintenance funds shall not apply to the  
14 funds described in the preceding proviso: Provided further,  
15 That of the funds provided under this heading,  
16 \$415,000,000, of which \$100,000,000 to remain available  
17 until September 30, 2019, shall be available to provide sup-  
18 port and assistance to foreign security forces or other groups  
19 or individuals to conduct, support or facilitate counterter-  
20 rorism, crisis response, or other Department of Defense se-  
21 curity cooperation programs: Provided further, That the  
22 transfer authority provided under this heading is in addi-  
23 tion to any other transfer authority provided elsewhere in  
24 this Act.

1        *OPERATION AND MAINTENANCE, ARMY RESERVE*

2        *For expenses, not otherwise provided for, necessary for*  
3 *the operation and maintenance, including training, organi-*  
4 *zation, and administration, of the Army Reserve; repair of*  
5 *facilities and equipment; hire of passenger motor vehicles;*  
6 *travel and transportation; care of the dead; recruiting; pro-*  
7 *curement of services, supplies, and equipment; and commu-*  
8 *nications, \$2,870,163,000.*

9        *OPERATION AND MAINTENANCE, NAVY RESERVE*

10       *For expenses, not otherwise provided for, necessary for*  
11 *the operation and maintenance, including training, organi-*  
12 *zation, and administration, of the Navy Reserve; repair of*  
13 *facilities and equipment; hire of passenger motor vehicles;*  
14 *travel and transportation; care of the dead; recruiting; pro-*  
15 *curement of services, supplies, and equipment; and commu-*  
16 *nications, \$1,038,507,000.*

17       *OPERATION AND MAINTENANCE, MARINE CORPS RESERVE*

18       *For expenses, not otherwise provided for, necessary for*  
19 *the operation and maintenance, including training, organi-*  
20 *zation, and administration, of the Marine Corps Reserve;*  
21 *repair of facilities and equipment; hire of passenger motor*  
22 *vehicles; travel and transportation; care of the dead; recruit-*  
23 *ing; procurement of services, supplies, and equipment; and*  
24 *communications, \$282,337,000.*

1     *OPERATION AND MAINTENANCE, AIR FORCE RESERVE*

2           *For expenses, not otherwise provided for, necessary for*  
3 *the operation and maintenance, including training, organi-*  
4 *zation, and administration, of the Air Force Reserve; repair*  
5 *of facilities and equipment; hire of passenger motor vehicles;*  
6 *travel and transportation; care of the dead; recruiting; pro-*  
7 *curement of services, supplies, and equipment; and commu-*  
8 *nications, \$3,233,745,000.*

9     *OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD*

10          *For expenses of training, organizing, and admin-*  
11 *istering the Army National Guard, including medical and*  
12 *hospital treatment and related expenses in non-Federal hos-*  
13 *pitals; maintenance, operation, and repairs to structures*  
14 *and facilities; hire of passenger motor vehicles; personnel*  
15 *services in the National Guard Bureau; travel expenses*  
16 *(other than mileage), as authorized by law for Army per-*  
17 *sonnel on active duty, for Army National Guard division,*  
18 *regimental, and battalion commanders while inspecting*  
19 *units in compliance with National Guard Bureau regula-*  
20 *tions when specifically authorized by the Chief, National*  
21 *Guard Bureau; supplying and equipping the Army Na-*  
22 *tional Guard as authorized by law; and expenses of repair,*  
23 *modification, maintenance, and issue of supplies and*  
24 *equipment (including aircraft), \$7,275,820,000.*

1     *OPERATION AND MAINTENANCE, AIR NATIONAL GUARD*

2           *For expenses of training, organizing, and admin-*  
3 *istering the Air National Guard, including medical and*  
4 *hospital treatment and related expenses in non-Federal hos-*  
5 *pitals; maintenance, operation, and repairs to structures*  
6 *and facilities; transportation of things, hire of passenger*  
7 *motor vehicles; supplying and equipping the Air National*  
8 *Guard, as authorized by law; expenses for repair, modifica-*  
9 *tion, maintenance, and issue of supplies and equipment,*  
10 *including those furnished from stocks under the control of*  
11 *agencies of the Department of Defense; travel expenses (other*  
12 *than mileage) on the same basis as authorized by law for*  
13 *Air National Guard personnel on active Federal duty, for*  
14 *Air National Guard commanders while inspecting units in*  
15 *compliance with National Guard Bureau regulations when*  
16 *specifically authorized by the Chief, National Guard Bu-*  
17 *reau, \$6,735,930,000.*

18     *UNITED STATES COURT OF APPEALS FOR THE ARMED*19                                     *FORCES*

20           *For salaries and expenses necessary for the United*  
21 *States Court of Appeals for the Armed Forces, \$14,538,000,*  
22 *of which not to exceed \$5,000 may be used for official rep-*  
23 *resentation purposes.*

1                    *ENVIRONMENTAL RESTORATION, ARMY*2                    *(INCLUDING TRANSFER OF FUNDS)*

3            *For the Department of the Army, \$215,809,000, to re-*  
4 *main available until transferred: Provided, That the Sec-*  
5 *retary of the Army shall, upon determining that such funds*  
6 *are required for environmental restoration, reduction and*  
7 *recycling of hazardous waste, removal of unsafe buildings*  
8 *and debris of the Department of the Army, or for similar*  
9 *purposes, transfer the funds made available by this appro-*  
10 *priation to other appropriations made available to the De-*  
11 *partment of the Army, to be merged with and to be available*  
12 *for the same purposes and for the same time period as the*  
13 *appropriations to which transferred: Provided further, That*  
14 *upon a determination that all or part of the funds trans-*  
15 *ferred from this appropriation are not necessary for the*  
16 *purposes provided herein, such amounts may be transferred*  
17 *back to this appropriation: Provided further, That the*  
18 *transfer authority provided under this heading is in addi-*  
19 *tion to any other transfer authority provided elsewhere in*  
20 *this Act.*

21                    *ENVIRONMENTAL RESTORATION, NAVY*22                    *(INCLUDING TRANSFER OF FUNDS)*

23            *For the Department of the Navy, \$288,915,000 (in-*  
24 *creased by \$34,734,000) (increased by \$30,000,000), to re-*  
25 *main available until transferred: Provided, That the Sec-*



1 *retary of the Navy shall, upon determining that such funds*  
2 *are required for environmental restoration, reduction and*  
3 *recycling of hazardous waste, removal of unsafe buildings*  
4 *and debris of the Department of the Navy, or for similar*  
5 *purposes, transfer the funds made available by this appro-*  
6 *priation to other appropriations made available to the De-*  
7 *partment of the Navy, to be merged with and to be available*  
8 *for the same purposes and for the same time period as the*  
9 *appropriations to which transferred: Provided further, That*  
10 *upon a determination that all or part of the funds trans-*  
11 *ferred from this appropriation are not necessary for the*  
12 *purposes provided herein, such amounts may be transferred*  
13 *back to this appropriation: Provided further, That the*  
14 *transfer authority provided under this heading is in addi-*  
15 *tion to any other transfer authority provided elsewhere in*  
16 *this Act.*

17 *ENVIRONMENTAL RESTORATION, AIR FORCE*

18 *(INCLUDING TRANSFER OF FUNDS)*

19 *For the Department of the Air Force, \$308,749,000*  
20 *(increased by \$30,000,000), to remain available until trans-*  
21 *ferred: Provided, That the Secretary of the Air Force shall,*  
22 *upon determining that such funds are required for environ-*  
23 *mental restoration, reduction and recycling of hazardous*  
24 *waste, removal of unsafe buildings and debris of the Depart-*  
25 *ment of the Air Force, or for similar purposes, transfer the*

1 *funds made available by this appropriation to other appro-*  
2 *priations made available to the Department of the Air*  
3 *Force, to be merged with and to be available for the same*  
4 *purposes and for the same time period as the appropria-*  
5 *tions to which transferred: Provided further, That upon a*  
6 *determination that all or part of the funds transferred from*  
7 *this appropriation are not necessary for the purposes pro-*  
8 *vided herein, such amounts may be transferred back to this*  
9 *appropriation: Provided further, That the transfer author-*  
10 *ity provided under this heading is in addition to any other*  
11 *transfer authority provided elsewhere in this Act.*

12 *ENVIRONMENTAL RESTORATION, DEFENSE-WIDE*

13 *(INCLUDING TRANSFER OF FUNDS)*

14 *For the Department of Defense, \$9,002,000 (increased*  
15 *by \$10,000,000), to remain available until transferred: Pro-*  
16 *vided, That the Secretary of Defense shall, upon deter-*  
17 *mining that such funds are required for environmental res-*  
18 *toration, reduction and recycling of hazardous waste, re-*  
19 *moval of unsafe buildings and debris of the Department of*  
20 *Defense, or for similar purposes, transfer the funds made*  
21 *available by this appropriation to other appropriations*  
22 *made available to the Department of Defense, to be merged*  
23 *with and to be available for the same purposes and for the*  
24 *same time period as the appropriations to which trans-*  
25 *ferred: Provided further, That upon a determination that*

1 *all or part of the funds transferred from this appropriation*  
2 *are not necessary for the purposes provided herein, such*  
3 *amounts may be transferred back to this appropriation:*  
4 *Provided further, That the transfer authority provided*  
5 *under this heading is in addition to any other transfer au-*  
6 *thority provided elsewhere in this Act.*

7 *ENVIRONMENTAL RESTORATION, FORMERLY USED*

8 *DEFENSE SITES*

9 *(INCLUDING TRANSFER OF FUNDS)*

10 *For the Department of the Army, \$233,673,000, to re-*  
11 *main available until transferred: Provided, That the Sec-*  
12 *retary of the Army shall, upon determining that such funds*  
13 *are required for environmental restoration, reduction and*  
14 *recycling of hazardous waste, removal of unsafe buildings*  
15 *and debris at sites formerly used by the Department of De-*  
16 *fense, transfer the funds made available by this appropria-*  
17 *tion to other appropriations made available to the Depart-*  
18 *ment of the Army, to be merged with and to be available*  
19 *for the same purposes and for the same time period as the*  
20 *appropriations to which transferred: Provided further, That*  
21 *upon a determination that all or part of the funds trans-*  
22 *ferred from this appropriation are not necessary for the*  
23 *purposes provided herein, such amounts may be transferred*  
24 *back to this appropriation: Provided further, That the*  
25 *transfer authority provided under this heading is in addi-*

1 *tion to any other transfer authority provided elsewhere in*  
2 *this Act.*

3 *OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID*

4 *For expenses relating to the Overseas Humanitarian,*  
5 *Disaster, and Civic Aid programs of the Department of De-*  
6 *fense (consisting of the programs provided under sections*  
7 *401, 402, 404, 407, 2557, and 2561 of title 10, United*  
8 *States Code), \$107,900,000, to remain available until Sep-*  
9 *tember 30, 2018.*

10 *COOPERATIVE THREAT REDUCTION ACCOUNT*

11 *For assistance, including assistance provided by con-*  
12 *tract or by grants, under programs and activities of the*  
13 *Department of Defense Cooperative Threat Reduction Pro-*  
14 *gram authorized under the Department of Defense Coopera-*  
15 *tive Threat Reduction Act, \$324,600,000, to remain avail-*  
16 *able until September 30, 2019.*

17 *OPERATION AND MAINTENANCE, NATIONAL DEFENSE*

18 *RESTORATION FUND*

19 *(INCLUDING TRANSFER OF FUNDS)*

20 *In addition to amounts provided elsewhere in this Act,*  
21 *there is appropriated \$5,000,000,000, for the “Operation*  
22 *and Maintenance, National Defense Restoration Fund”:*  
23 *Provided, That such funds provided under this heading*  
24 *shall only be available for programs, projects and activities*  
25 *necessary to implement the 2018 National Defense Strategy:*

1 *Provided further, That such funds shall not be available for*  
2 *transfer until 30 days after the Secretary has submitted,*  
3 *and the congressional defense committees have approved, the*  
4 *proposed allocation plan for the use of such funds to imple-*  
5 *ment such strategy: Provided further, That such allocation*  
6 *plan shall include a detailed justification for the use of such*  
7 *funds and a description of how such investments are nec-*  
8 *essary to implement the strategy: Provided further, That the*  
9 *Secretary of Defense may transfer these funds only to oper-*  
10 *ation and maintenance accounts: Provided further, That the*  
11 *funds transferred shall be merged with and shall be avail-*  
12 *able for the same purposes and for the same time period,*  
13 *as the appropriation to which transferred: Provided further,*  
14 *That none of the funds made available under this heading*  
15 *may be transferred to any program, project, or activity spe-*  
16 *cifically limited or denied by this Act: Provided further,*  
17 *That the transfer authority provided under this heading is*  
18 *in addition to any other transfer authority available to the*  
19 *Department of Defense.*

### 20 *TITLE III*

### 21 *PROCUREMENT*

### 22 *AIRCRAFT PROCUREMENT, ARMY*

23 *For construction, procurement, production, modifica-*  
24 *tion, and modernization of aircraft, equipment, including*  
25 *ordnance, ground handling equipment, spare parts, and ac-*

1 *cessories therefor; specialized equipment and training de-*  
2 *vices; expansion of public and private plants, including the*  
3 *land necessary therefor, for the foregoing purposes, and such*  
4 *lands and interests therein, may be acquired, and construc-*  
5 *tion prosecuted thereon prior to approval of title; and pro-*  
6 *curement and installation of equipment, appliances, and*  
7 *machine tools in public and private plants; reserve plant*  
8 *and Government and contractor-owned equipment layaway;*  
9 *and other expenses necessary for the foregoing purposes,*  
10 *\$4,456,533,000, to remain available for obligation until*  
11 *September 30, 2020.*

12 *MISSILE PROCUREMENT, ARMY*

13 *For construction, procurement, production, modifica-*  
14 *tion, and modernization of missiles, equipment, including*  
15 *ordnance, ground handling equipment, spare parts, and ac-*  
16 *cessories therefor; specialized equipment and training de-*  
17 *vices; expansion of public and private plants, including the*  
18 *land necessary therefor, for the foregoing purposes, and such*  
19 *lands and interests therein, may be acquired, and construc-*  
20 *tion prosecuted thereon prior to approval of title; and pro-*  
21 *curement and installation of equipment, appliances, and*  
22 *machine tools in public and private plants; reserve plant*  
23 *and Government and contractor-owned equipment layaway;*  
24 *and other expenses necessary for the foregoing purposes,*



1 *lands and interests therein, may be acquired, and construc-*  
2 *tion prosecuted thereon prior to approval of title; and pro-*  
3 *curement and installation of equipment, appliances, and*  
4 *machine tools in public and private plants; reserve plant*  
5 *and Government and contractor-owned equipment layaway;*  
6 *and other expenses necessary for the foregoing purposes,*  
7 *\$1,811,808,000, to remain available for obligation until*  
8 *September 30, 2020.*

9 *OTHER PROCUREMENT, ARMY*

10 *For construction, procurement, production, and modi-*  
11 *fication of vehicles, including tactical, support, and non-*  
12 *tracked combat vehicles; the purchase of passenger motor ve-*  
13 *hicles for replacement only; communications and electronic*  
14 *equipment; other support equipment; spare parts, ordnance,*  
15 *and accessories therefor; specialized equipment and training*  
16 *devices; expansion of public and private plants, including*  
17 *the land necessary therefor, for the foregoing purposes, and*  
18 *such lands and interests therein, may be acquired, and con-*  
19 *struction prosecuted thereon prior to approval of title; and*  
20 *procurement and installation of equipment, appliances,*  
21 *and machine tools in public and private plants; reserve*  
22 *plant and Government and contractor-owned equipment*  
23 *layaway; and other expenses necessary for the foregoing*  
24 *purposes, \$6,356,044,000 (increased by \$30,000,000), to re-*  
25 *main available for obligation until September 30, 2020.*



1                    *AIRCRAFT PROCUREMENT, NAVY*

2            *For construction, procurement, production, modifica-*  
3 *tion, and modernization of aircraft, equipment, including*  
4 *ordnance, spare parts, and accessories therefor; specialized*  
5 *equipment; expansion of public and private plants, includ-*  
6 *ing the land necessary therefor, and such lands and inter-*  
7 *ests therein, may be acquired, and construction prosecuted*  
8 *thereon prior to approval of title; and procurement and in-*  
9 *stallation of equipment, appliances, and machine tools in*  
10 *public and private plants; reserve plant and Government*  
11 *and contractor-owned equipment layaway,*  
12 *\$17,908,270,000, to remain available for obligation until*  
13 *September 30, 2020.*

14                    *WEAPONS PROCUREMENT, NAVY*

15            *For construction, procurement, production, modifica-*  
16 *tion, and modernization of missiles, torpedoes, other weap-*  
17 *ons, and related support equipment including spare parts,*  
18 *and accessories therefor; expansion of public and private*  
19 *plants, including the land necessary therefor, and such*  
20 *lands and interests therein, may be acquired, and construc-*  
21 *tion prosecuted thereon prior to approval of title; and pro-*  
22 *curement and installation of equipment, appliances, and*  
23 *machine tools in public and private plants; reserve plant*  
24 *and Government and contractor-owned equipment layaway,*

1 \$3,387,826,000 (increased by \$26,200,000), to remain  
2 available for obligation until September 30, 2020.

3 *PROCUREMENT OF AMMUNITION, NAVY AND MARINE*

4 *CORPS*

5 *For construction, procurement, production, and modi-*  
6 *fication of ammunition, and accessories therefor; specialized*  
7 *equipment and training devices; expansion of public and*  
8 *private plants, including ammunition facilities, authorized*  
9 *by section 2854 of title 10, United States Code, and the*  
10 *land necessary therefor, for the foregoing purposes, and such*  
11 *lands and interests therein, may be acquired, and construc-*  
12 *tion prosecuted thereon prior to approval of title; and pro-*  
13 *curement and installation of equipment, appliances, and*  
14 *machine tools in public and private plants; reserve plant*  
15 *and Government and contractor-owned equipment layaway;*  
16 *and other expenses necessary for the foregoing purposes,*  
17 *\$735,651,000, to remain available for obligation until Sep-*  
18 *tember 30, 2020.*

19 *SHIPBUILDING AND CONVERSION, NAVY*

20 *For expenses necessary for the construction, acquisi-*  
21 *tion, or conversion of vessels as authorized by law, includ-*  
22 *ing armor and armament thereof, plant equipment, appli-*  
23 *ances, and machine tools and installation thereof in public*  
24 *and private plants; reserve plant and Government and con-*  
25 *tractor-owned equipment layaway; procurement of critical,*

1 *long lead time components and designs for vessels to be con-*  
2 *structed or converted in the future; and expansion of public*  
3 *and private plants, including land necessary therefor, and*  
4 *such lands and interests therein, may be acquired, and con-*  
5 *struction prosecuted thereon prior to approval of title, as*  
6 *follows:*

7 *Ohio Replacement Submarine (AP),*  
8 *\$842,853,000;*

9 *Carrier Replacement Program, \$1,869,646,000;*

10 *Carrier Replacement Program (AP),*  
11 *\$2,561,058,000;*

12 *Virginia Class Submarine, \$3,305,315,000;*

13 *Virginia Class Submarine (AP), \$1,920,596,000;*

14 *CVN Refueling Overhauls, \$1,569,669,000;*

15 *CVN Refueling Overhauls (AP), \$75,897,000;*

16 *DDG-1000 Program, \$164,976,000;*

17 *DDG-51 Destroyer, \$3,499,079,000;*

18 *DDG-51 Destroyer (AP), \$90,336,000;*

19 *Littoral Combat Ship, \$1,566,971,000;*

20 *Expeditionary Sea Base, \$635,000,000;*

21 *LHA Replacement, \$1,695,077,000;*

22 *TAO Fleet Oiler, \$449,415,000;*

23 *TAO Fleet Oiler (AP), \$75,068,000;*

24 *Ship to Shore Connector, \$390,554,000;*

25 *Service Craft, \$23,994,000;*

1           *Towing, Salvage, and Rescue Ship, \$76,204,000;*

2           *LCU 1700, \$31,850,000;*

3           *For outfitting, post delivery, conversions, and*

4           *first destination transportation, \$542,626,000; and*

5           *Completion of Prior Year Shipbuilding Pro-*

6           *grams, \$117,542,000.*

7           *In all: \$21,503,726,000, to remain available for obliga-*

8           *tion until September 30, 2022: Provided, That additional*

9           *obligations may be incurred after September 30, 2022, for*

10           *engineering services, tests, evaluations, and other such budg-*

11           *eted work that must be performed in the final stage of ship*

12           *construction: Provided further, That none of the funds pro-*

13           *vided under this heading for the construction or conversion*

14           *of any naval vessel to be constructed in shipyards in the*

15           *United States shall be expended in foreign facilities for the*

16           *construction of major components of such vessel: Provided*

17           *further, That none of the funds provided under this heading*

18           *shall be used for the construction of any naval vessel in*

19           *foreign shipyards: Provided further, That funds appro-*

20           *priated or otherwise made available by this Act for produc-*

21           *tion of the common missile compartment of nuclear-powered*

22           *vessels may be available for multiyear procurement of crit-*

23           *ical components to support continuous production of such*

24           *compartments only in accordance with the provisions of*

25           *subsection (i) of section 2218a of title 10, United States*

1 *Code (as added by section 1023 of the National Defense Au-*  
2 *thorization Act for Fiscal Year 2017 (Public Law 114-*  
3 *328)).*

4 *OTHER PROCUREMENT, NAVY*

5 *For procurement, production, and modernization of*  
6 *support equipment and materials not otherwise provided*  
7 *for, Navy ordnance (except ordnance for new aircraft, new*  
8 *ships, and ships authorized for conversion); the purchase*  
9 *of passenger motor vehicles for replacement only; expansion*  
10 *of public and private plants, including the land necessary*  
11 *therefor, and such lands and interests therein, may be ac-*  
12 *quired, and construction prosecuted thereon prior to ap-*  
13 *proval of title; and procurement and installation of equip-*  
14 *ment, appliances, and machine tools in public and private*  
15 *plants; reserve plant and Government and contractor-owned*  
16 *equipment layaway, \$7,852,952,000, to remain available*  
17 *for obligation until September 30, 2020.*

18 *PROCUREMENT, MARINE CORPS*

19 *For expenses necessary for the procurement, manufac-*  
20 *ture, and modification of missiles, armament, military*  
21 *equipment, spare parts, and accessories therefor; plant*  
22 *equipment, appliances, and machine tools, and installation*  
23 *thereof in public and private plants; reserve plant and Gov-*  
24 *ernment and contractor-owned equipment layaway; vehicles*  
25 *for the Marine Corps, including the purchase of passenger*

1 *motor vehicles for replacement only; and expansion of pub-*  
2 *lic and private plants, including land necessary therefor,*  
3 *and such lands and interests therein, may be acquired, and*  
4 *construction prosecuted thereon prior to approval of title,*  
5 *\$1,818,846,000 (increased by \$20,000,000), to remain*  
6 *available for obligation until September 30, 2020.*

7 *AIRCRAFT PROCUREMENT, AIR FORCE*

8 *For construction, procurement, and modification of*  
9 *aircraft and equipment, including armor and armament,*  
10 *specialized ground handling equipment, and training de-*  
11 *vices, spare parts, and accessories therefor; specialized*  
12 *equipment; expansion of public and private plants, Govern-*  
13 *ment-owned equipment and installation thereof in such*  
14 *plants, erection of structures, and acquisition of land, for*  
15 *the foregoing purposes, and such lands and interests therein,*  
16 *may be acquired, and construction prosecuted thereon prior*  
17 *to approval of title; reserve plant and Government and con-*  
18 *tractor-owned equipment layaway; and other expenses nec-*  
19 *essary for the foregoing purposes including rents and trans-*  
20 *portation of things, \$16,553,196,000 (increased by*  
21 *\$16,000,000), to remain available for obligation until Sep-*  
22 *tember 30, 2020.*

23 *MISSILE PROCUREMENT, AIR FORCE*

24 *For construction, procurement, and modification of*  
25 *missiles, rockets, and related equipment, including spare*

1 *parts and accessories therefor; ground handling equipment,*  
2 *and training devices; expansion of public and private*  
3 *plants, Government-owned equipment and installation*  
4 *thereof in such plants, erection of structures, and acquisi-*  
5 *tion of land, for the foregoing purposes, and such lands and*  
6 *interests therein, may be acquired, and construction pros-*  
7 *ecuted thereon prior to approval of title; reserve plant and*  
8 *Government and contractor-owned equipment layaway; and*  
9 *other expenses necessary for the foregoing purposes includ-*  
10 *ing rents and transportation of things, \$2,203,101,000, to*  
11 *remain available for obligation until September 30, 2020.*

12 *SPACE PROCUREMENT, AIR FORCE*

13 *For construction, procurement, and modification of*  
14 *spacecraft, rockets, and related equipment, including spare*  
15 *parts and accessories therefor; ground handling equipment,*  
16 *and training devices; expansion of public and private*  
17 *plants, Government-owned equipment and installation*  
18 *thereof in such plants, erection of structures, and acquisi-*  
19 *tion of land, for the foregoing purposes, and such lands and*  
20 *interests therein, may be acquired, and construction pros-*  
21 *ecuted thereon prior to approval of title; reserve plant and*  
22 *Government and contractor-owned equipment layaway; and*  
23 *other expenses necessary for the foregoing purposes includ-*  
24 *ing rents and transportation of things, \$3,210,355,000, to*  
25 *remain available for obligation until September 30, 2020.*

1            *PROCUREMENT OF AMMUNITION, AIR FORCE*

2            *For construction, procurement, production, and modi-*  
3 *fication of ammunition, and accessories therefor; specialized*  
4 *equipment and training devices; expansion of public and*  
5 *private plants, including ammunition facilities, authorized*  
6 *by section 2854 of title 10, United States Code, and the*  
7 *land necessary therefor, for the foregoing purposes, and such*  
8 *lands and interests therein, may be acquired, and construc-*  
9 *tion prosecuted thereon prior to approval of title; and pro-*  
10 *curement and installation of equipment, appliances, and*  
11 *machine tools in public and private plants; reserve plant*  
12 *and Government and contractor-owned equipment layaway;*  
13 *and other expenses necessary for the foregoing purposes,*  
14 *\$1,316,977,000, to remain available for obligation until*  
15 *September 30, 2020.*

16            *OTHER PROCUREMENT, AIR FORCE*

17            *For procurement and modification of equipment (in-*  
18 *cluding ground guidance and electronic control equipment,*  
19 *and ground electronic and communication equipment), and*  
20 *supplies, materials, and spare parts therefor, not otherwise*  
21 *provided for; the purchase of passenger motor vehicles for*  
22 *replacement only; lease of passenger motor vehicles; and ex-*  
23 *pansion of public and private plants, Government-owned*  
24 *equipment and installation thereof in such plants, erection*  
25 *of structures, and acquisition of land, for the foregoing pur-*



1 poses, and such lands and interests therein, may be ac-  
2 quired, and construction prosecuted thereon, prior to ap-  
3 proval of title; reserve plant and Government and con-  
4 tractor-owned equipment layaway, \$19,318,814,000, to re-  
5 main available for obligation until September 30, 2020.

6 *PROCUREMENT, DEFENSE-WIDE*

7 *For expenses of activities and agencies of the Depart-*  
8 *ment of Defense (other than the military departments) nec-*  
9 *essary for procurement, production, and modification of*  
10 *equipment, supplies, materials, and spare parts therefor,*  
11 *not otherwise provided for; the purchase of passenger motor*  
12 *vehicles for replacement only; expansion of public and pri-*  
13 *vate plants, equipment, and installation thereof in such*  
14 *plants, erection of structures, and acquisition of land for*  
15 *the foregoing purposes, and such lands and interests therein,*  
16 *may be acquired, and construction prosecuted thereon prior*  
17 *to approval of title; reserve plant and Government and con-*  
18 *tractor-owned equipment layaway, \$5,239,239,000 (reduced*  
19 *by \$10,000,000), to remain available for obligation until*  
20 *September 30, 2020.*

21 *DEFENSE PRODUCTION ACT PURCHASES*

22 *For activities by the Department of Defense pursuant*  
23 *to sections 108, 301, 302, and 303 of the Defense Production*  
24 *Act of 1950 (50 U.S.C. 4518, 4531, 4532, and 4533),*  
25 *\$67,401,000, to remain available until expended.*

1 *PROCUREMENT, NATIONAL DEFENSE RESTORATION FUND*  
2 *(INCLUDING TRANSFER OF FUNDS)*

3 *In addition to amounts provided elsewhere in this Act,*  
4 *there is appropriated \$12,622,931,000, for the “Procure-*  
5 *ment, National Defense Restoration Fund”: Provided, That*  
6 *such funds provided under this heading shall only be avail-*  
7 *able for programs, projects and activities necessary to im-*  
8 *plement the 2018 National Defense Strategy: Provided fur-*  
9 *ther, That such funds shall not be available for transfer*  
10 *until 30 days after the Secretary has submitted, and the*  
11 *congressional defense committees have approved, the pro-*  
12 *posed allocation plan for the use of such funds to implement*  
13 *such strategy: Provided further, That such allocation plan*  
14 *shall include a detailed justification for the use of such*  
15 *funds and a description of how such investments are nec-*  
16 *essary to implement the strategy: Provided further, That the*  
17 *Secretary of Defense may transfer these funds only to pro-*  
18 *curement accounts: Provided further, That the funds trans-*  
19 *ferred shall be merged with and shall be available for the*  
20 *same purposes and for the same time period, as the appro-*  
21 *priation to which transferred: Provided further, That none*  
22 *of the funds made available under this heading may be*  
23 *transferred to any program, project, or activity specifically*  
24 *limited or denied by this Act, except for missile defense re-*  
25 *quirements resulting from urgent or emergent operational*

1 *needs: Provided further, That the transfer authority pro-*  
2 *vided under this heading is in addition to any other trans-*  
3 *fer authority available to the Department of Defense.*

4 *TITLE IV*

5 *RESEARCH, DEVELOPMENT, TEST AND*  
6 *EVALUATION*

7 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY*

8 *For expenses necessary for basic and applied scientific*  
9 *research, development, test and evaluation, including main-*  
10 *tenance, rehabilitation, lease, and operation of facilities*  
11 *and equipment, \$9,674,222,000 (increased by \$6,000,000)*  
12 *(increased by \$4,000,000) (increased by \$12,000,000) (in-*  
13 *creased by \$5,000,000), to remain available for obligation*  
14 *until September 30, 2019.*

15 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY*

16 *For expenses necessary for basic and applied scientific*  
17 *research, development, test and evaluation, including main-*  
18 *tenance, rehabilitation, lease, and operation of facilities*  
19 *and equipment, \$17,196,521,000 (increased by \$598,000)*  
20 *(increased by \$20,000,000) (reduced by \$2,500,000) (in-*  
21 *creased by \$24,000,000), to remain available for obligation*  
22 *until September 30, 2019: Provided, That funds appro-*  
23 *priated in this paragraph which are available for the V-*  
24 *22 may be used to meet unique operational requirements*  
25 *of the Special Operations Forces.*

1 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR*  
 2 *FORCE*

3 *For expenses necessary for basic and applied scientific*  
 4 *research, development, test and evaluation, including main-*  
 5 *tenance, rehabilitation, lease, and operation of facilities*  
 6 *and equipment, \$33,874,980,000 (increased by \$5,000,000)*  
 7 *(increased by \$6,000,000) (increased by \$10,000,000) (re-*  
 8 *duced by \$30,000,000) (increased by \$30,000,000), to re-*  
 9 *main available for obligation until September 30, 2019.*

10 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION,*  
 11 *DEFENSE-WIDE*  
 12 *(INCLUDING TRANSFER OF FUNDS)*

13 *For expenses of activities and agencies of the Depart-*  
 14 *ment of Defense (other than the military departments), nec-*  
 15 *essary for basic and applied scientific research, develop-*  
 16 *ment, test and evaluation; advanced research projects as*  
 17 *may be designated and determined by the Secretary of De-*  
 18 *fense, pursuant to law; maintenance, rehabilitation, lease,*  
 19 *and operation of facilities and equipment, \$20,698,353,000*  
 20 *(reduced by \$16,000,000) (reduced by \$12,000,000) (reduced*  
 21 *by \$2,500,000) (reduced by \$12,500,000) (increased by*  
 22 *\$20,000,000) (reduced by \$20,000,000) (reduced by*  
 23 *\$4,135,000) (increased by \$4,135,000) (reduced by*  
 24 *\$27,500,000) (increased by \$10,000,000), to remain avail-*  
 25 *able for obligation until September 30, 2019: Provided,*

1 *That, of the funds made available in this paragraph,*  
2 *\$250,000,000 for the Defense Rapid Innovation Program*  
3 *shall only be available for expenses, not otherwise provided*  
4 *for, to include program management and oversight, to con-*  
5 *duct research, development, test and evaluation to include*  
6 *proof of concept demonstration; engineering, testing, and*  
7 *validation; and transition to full-scale production: Provided*  
8 *further, That the Secretary of Defense may transfer funds*  
9 *provided herein for the Defense Rapid Innovation Program*  
10 *to appropriations for research, development, test and eval-*  
11 *uation to accomplish the purpose provided herein: Provided*  
12 *further, That this transfer authority is in addition to any*  
13 *other transfer authority available to the Department of De-*  
14 *fense: Provided further, That the Secretary of Defense shall,*  
15 *not fewer than 30 days prior to making transfers from this*  
16 *appropriation, notify the congressional defense committees*  
17 *in writing of the details of any such transfer.*

18       *OPERATIONAL TEST AND EVALUATION, DEFENSE*

19       *For expenses, not otherwise provided for, necessary for*  
20 *the independent activities of the Director, Operational Test*  
21 *and Evaluation, in the direction and supervision of oper-*  
22 *ational test and evaluation, including initial operational*  
23 *test and evaluation which is conducted prior to, and in sup-*  
24 *port of, production decisions; joint operational testing and*  
25 *evaluation; and administrative expenses in connection*

1 *therewith, \$210,900,000, to remain available for obligation*  
2 *until September 30, 2019.*

3       *RESEARCH, DEVELOPMENT, TEST AND EVALUATION,*  
4               *NATIONAL DEFENSE RESTORATION FUND*  
5                       *(INCLUDING TRANSFER OF FUNDS)*

6       *In addition to amounts provided elsewhere in this Act,*  
7 *there is appropriated \$1,000,000,000, for the “Research, De-*  
8 *velopment, Test and Evaluation, National Defense Restora-*  
9 *tion Fund”: Provided, That such funds provided under this*  
10 *heading shall only be available for programs, projects and*  
11 *activities necessary to implement the 2018 National Defense*  
12 *Strategy: Provided further, That such funds shall not be*  
13 *available for transfer until 30 days after the Secretary has*  
14 *submitted, and the congressional defense committees have*  
15 *approved, the proposed allocation plan for the use of such*  
16 *funds to implement such strategy: Provided further, That*  
17 *such allocation plan shall include a detailed justification*  
18 *for the use of such funds and a description of how such*  
19 *investments are necessary to implement the strategy: Pro-*  
20 *vided further, That the Secretary of Defense may transfer*  
21 *these funds only to research, development, test and evalua-*  
22 *tion accounts: Provided further, That the funds transferred*  
23 *shall be merged with and shall be available for the same*  
24 *purposes and for the same time period, as the appropriation*  
25 *to which transferred: Provided further, That none of the*

1 *funds made available under this heading may be trans-*  
 2 *ferred to any program, project, or activity specifically lim-*  
 3 *ited or denied by this Act, except for missile defense require-*  
 4 *ments resulting from urgent or emergent operational needs:*  
 5 *Provided further, That the transfer authority provided*  
 6 *under this heading is in addition to any other transfer au-*  
 7 *thority available to the Department of Defense.*

8

*TITLE V*

9

*REVOLVING AND MANAGEMENT FUNDS*

10

*DEFENSE WORKING CAPITAL FUNDS*

11

*For the Defense Working Capital Funds,*

12

*\$1,586,596,000.*

13

*TITLE VI*

14

*OTHER DEPARTMENT OF DEFENSE PROGRAMS*

15

*DEFENSE HEALTH PROGRAM*

16

*For expenses, not otherwise provided for, for medical*

17

*and health care programs of the Department of Defense as*

18

*authorized by law, \$33,931,566,000 (increased by*

19

*\$7,000,000) (increased by \$1,000,000) (increased by*

20

*\$10,000,000) (increased by \$2,000,000) (increased by*

21

*\$2,000,000) (increased by \$10,000,000) (increased by*

22

*\$5,000,000) (increased by \$10,000,000); of which*

23

*\$31,735,923,000 (increased by \$2,000,000) (increased by*

24

*\$5,000,000) shall be for operation and maintenance, of*

25

*which not to exceed one percent shall remain available for*

1 obligation until September 30, 2019, and of which up to  
2 \$15,349,700,000 may be available for contracts entered into  
3 under the TRICARE program; of which \$895,328,000, to  
4 remain available for obligation until September 30, 2020,  
5 shall be for procurement; and of which \$1,300,315,000 (in-  
6 creased by \$7,000,000) (increased by \$1,000,000) (increased  
7 by \$10,000,000) (increased by \$2,000,000) (increased by  
8 \$10,000,000) (increased by \$10,000,000), to remain avail-  
9 able for obligation until September 30, 2019, shall be for  
10 research, development, test and evaluation: Provided, That,  
11 notwithstanding any other provision of law, of the amount  
12 made available under this heading for research, develop-  
13 ment, test and evaluation, not less than \$8,000,000 shall  
14 be available for HIV prevention educational activities un-  
15 dertaken in connection with United States military train-  
16 ing, exercises, and humanitarian assistance activities con-  
17 ducted primarily in African nations: Provided further,  
18 That of the funds provided under this heading for research,  
19 development, test and evaluation, not less than  
20 \$627,100,000 shall be made available to the United States  
21 Army Medical Research and Materiel Command to carry  
22 out the congressionally directed medical research programs.





1     *DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES,*  
2                                     *DEFENSE*  
3                     *(INCLUDING TRANSFER OF FUNDS)*

4         *For drug interdiction and counter-drug activities of*  
5 *the Department of Defense, for transfer to appropriations*  
6 *available to the Department of Defense for military per-*  
7 *sonnel of the reserve components serving under the provi-*  
8 *sions of title 10 and title 32, United States Code; for oper-*  
9 *ation and maintenance; for procurement; and for research,*  
10 *development, test and evaluation, \$854,814,000, of which*  
11 *\$532,648,000 shall be for counter-narcotics support;*  
12 *\$120,813,000 shall be for the drug demand reduction pro-*  
13 *gram; and \$201,353,000 shall be for the National Guard*  
14 *counter-drug program: Provided, That the funds appro-*  
15 *priated under this heading shall be available for obligation*  
16 *for the same time period and for the same purpose as the*  
17 *appropriation to which transferred: Provided further, That*  
18 *upon a determination that all or part of the funds trans-*  
19 *ferred from this appropriation are not necessary for the*  
20 *purposes provided herein, such amounts may be transferred*  
21 *back to this appropriation: Provided further, That the*  
22 *transfer authority provided under this heading is in addi-*  
23 *tion to any other transfer authority contained elsewhere in*  
24 *this Act.*

1                    *OFFICE OF THE INSPECTOR GENERAL*

2            *For expenses and activities of the Office of the Inspec-*  
3 *tor General in carrying out the provisions of the Inspector*  
4 *General Act of 1978, as amended, \$336,887,000, of which*  
5 *\$334,087,000 shall be for operation and maintenance, of*  
6 *which not to exceed \$700,000 is available for emergencies*  
7 *and extraordinary expenses to be expended on the approval*  
8 *or authority of the Inspector General, and payments may*  
9 *be made on the Inspector General's certificate of necessity*  
10 *for confidential military purposes; and of which \$2,800,000,*  
11 *to remain available until September 30, 2019, shall be for*  
12 *research, development, test and evaluation.*

13                    *TITLE VII*14                    *RELATED AGENCIES*15                    *CENTRAL INTELLIGENCE AGENCY RETIREMENT AND*16                    *DISABILITY SYSTEM FUND*

17            *For payment to the Central Intelligence Agency Retire-*  
18 *ment and Disability System Fund, to maintain the proper*  
19 *funding level for continuing the operation of the Central*  
20 *Intelligence Agency Retirement and Disability System,*  
21 *\$514,000,000.*

22                    *INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT*

23            *For necessary expenses of the Intelligence Community*  
24 *Management Account, \$522,100,000.*

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*TITLE VIII*

*GENERAL PROVISIONS*

*SEC. 1101. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.*

*SEC. 1102. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: Provided, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: Provided further, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: Provided further, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.*



1 *where the item for which funds are requested has been de-*  
2 *ned by the Congress: Provided further, That the Secretary*  
3 *of Defense shall notify the Congress promptly of all transfers*  
4 *made pursuant to this authority or any other authority in*  
5 *this Act: Provided further, That no part of the funds in*  
6 *this Act shall be available to prepare or present a request*  
7 *to the Committees on Appropriations for reprogramming*  
8 *of funds, unless for higher priority items, based on unfore-*  
9 *seen military requirements, than those for which originally*  
10 *appropriated and in no case where the item for which re-*  
11 *programming is requested has been denied by the Congress:*  
12 *Provided further, That a request for multiple*  
13 *reprogrammings of funds using authority provided in this*  
14 *section shall be made prior to June 30, 2017: Provided fur-*  
15 *ther, That transfers among military personnel appropria-*  
16 *tions shall not be taken into account for purposes of the*  
17 *limitation on the amount of funds that may be transferred*  
18 *under this section.*

19 *SEC. 1106. (a) With regard to the list of specific pro-*  
20 *grams, projects, and activities (and the dollar amounts and*  
21 *adjustments to budget activities corresponding to such pro-*  
22 *grams, projects, and activities) contained in the tables titled*  
23 *Explanation of Project Level Adjustments in the explana-*  
24 *tory statement regarding this Act, the obligation and ex-*  
25 *penditure of amounts appropriated or otherwise made*

1 *available in this Act for those programs, projects, and ac-*  
2 *tivities for which the amounts appropriated exceed the*  
3 *amounts requested are hereby required by law to be carried*  
4 *out in the manner provided by such tables to the same ex-*  
5 *tent as if the tables were included in the text of this Act.*

6 *(b) Amounts specified in the referenced tables described*  
7 *in subsection (a) shall not be treated as subdivisions of ap-*  
8 *propriations for purposes of section 8005 of this Act: Pro-*  
9 *vided, That section 8005 shall apply when transfers of the*  
10 *amounts described in subsection (a) occur between appro-*  
11 *priation accounts.*

12 *SEC. 1107. (a) Not later than 60 days after enactment*  
13 *of this Act, the Department of Defense shall submit a report*  
14 *to the congressional defense committees to establish the base-*  
15 *line for application of reprogramming and transfer au-*  
16 *thorities for fiscal year 2018: Provided, That the report*  
17 *shall include—*

18 *(1) a table for each appropriation with a sepa-*  
19 *rate column to display the President's budget request,*  
20 *adjustments made by Congress, adjustments due to*  
21 *enacted rescissions, if appropriate, and the fiscal year*  
22 *enacted level;*

23 *(2) a delineation in the table for each appropria-*  
24 *tion both by budget activity and program, project,*  
25 *and activity as detailed in the Budget Appendix; and*





1 *from such funds: Provided, That transfers may be made be-*  
2 *tween such funds: Provided further, That transfers may be*  
3 *made between working capital funds and the “Foreign Cur-*  
4 *rency Fluctuations, Defense” appropriation and the “Oper-*  
5 *ation and Maintenance” appropriation accounts in such*  
6 *amounts as may be determined by the Secretary of Defense,*  
7 *with the approval of the Office of Management and Budget,*  
8 *except that such transfers may not be made unless the Sec-*  
9 *retary of Defense has notified the Congress of the proposed*  
10 *transfer: Provided further, That except in amounts equal*  
11 *to the amounts appropriated to working capital funds in*  
12 *this Act, no obligations may be made against a working*  
13 *capital fund to procure or increase the value of war reserve*  
14 *material inventory, unless the Secretary of Defense has no-*  
15 *tified the Congress prior to any such obligation.*

16 *SEC. 1109. Funds appropriated by this Act may not*  
17 *be used to initiate a special access program without prior*  
18 *notification 30 calendar days in advance to the congres-*  
19 *sional defense committees.*

20 *SEC. 1110. None of the funds provided in this Act shall*  
21 *be available to initiate: (1) a multiyear contract that em-*  
22 *plloys economic order quantity procurement in excess of*  
23 *\$20,000,000 in any one year of the contract or that includes*  
24 *an unfunded contingent liability in excess of \$20,000,000;*  
25 *or (2) a contract for advance procurement leading to a*

1 *multiyear contract that employs economic order quantity*  
2 *procurement in excess of \$20,000,000 in any one year, un-*  
3 *less the congressional defense committees have been notified*  
4 *at least 30 days in advance of the proposed contract award:*  
5 *Provided, That no part of any appropriation contained in*  
6 *this Act shall be available to initiate a multiyear contract*  
7 *for which the economic order quantity advance procurement*  
8 *is not funded at least to the limits of the Government's li-*  
9 *ability: Provided further, That no part of any appropria-*  
10 *tion contained in this Act shall be available to initiate*  
11 *multiyear procurement contracts for any systems or compo-*  
12 *nent thereof if the value of the multiyear contract would*  
13 *exceed \$500,000,000 unless specifically provided in this Act:*  
14 *Provided further, That no multiyear procurement contract*  
15 *can be terminated without 30-day prior notification to the*  
16 *congressional defense committees: Provided further, That the*  
17 *execution of multiyear authority shall require the use of a*  
18 *present value analysis to determine lowest cost compared*  
19 *to an annual procurement: Provided further, That none of*  
20 *the funds provided in this Act may be used for a multiyear*  
21 *contract executed after the date of the enactment of this Act*  
22 *unless in the case of any such contract—*

23           (1) *the Secretary of Defense has submitted to*  
24           *Congress a budget request for full funding of units to*  
25           *be procured through the contract and, in the case of*

1        *a contract for procurement of aircraft, that includes,*  
2        *for any aircraft unit to be procured through the con-*  
3        *tract for which procurement funds are requested in*  
4        *that budget request for production beyond advance*  
5        *procurement activities in the fiscal year covered by*  
6        *the budget, full funding of procurement of such unit*  
7        *in that fiscal year;*

8            *(2) cancellation provisions in the contract do not*  
9        *include consideration of recurring manufacturing*  
10       *costs of the contractor associated with the production*  
11       *of unfunded units to be delivered under the contract;*

12           *(3) the contract provides that payments to the*  
13       *contractor under the contract shall not be made in*  
14       *advance of incurred costs on funded units; and*

15           *(4) the contract does not provide for a price ad-*  
16       *justment based on a failure to award a follow-on con-*  
17       *tract.*

18 *Funds appropriated in title III of this Act may be used,*  
19 *subject to section 2306b of title 10 , United States Code,*  
20 *for multiyear procurement contracts as follows: V-22 Os-*  
21 *prey aircraft variants; up to 13 SSN Virginia Class Sub-*  
22 *marines and Government-furnished equipment; and DDG-*  
23 *51 Arleigh Burke class Flight III guided missile destroyers,*  
24 *the MK 41 Vertical Launching Systems, and associated*  
25 *Government-furnished systems and subsystems.*

1        *SEC. 1111. Within the funds appropriated for the oper-*  
2 *ation and maintenance of the Armed Forces, funds are here-*  
3 *by appropriated pursuant to section 401 of title 10, United*  
4 *States Code, for humanitarian and civic assistance costs*  
5 *under chapter 20 of title 10, United States Code. Such funds*  
6 *may also be obligated for humanitarian and civic assist-*  
7 *ance costs incidental to authorized operations and pursuant*  
8 *to authority granted in section 401 of chapter 20 of title*  
9 *10, United States Code, and these obligations shall be re-*  
10 *ported as required by section 401(d) of title 10, United*  
11 *States Code: Provided, That funds available for operation*  
12 *and maintenance shall be available for providing humani-*  
13 *tarian and similar assistance by using Civic Action Teams*  
14 *in the Trust Territories of the Pacific Islands and freely*  
15 *associated states of Micronesia, pursuant to the Compact*  
16 *of Free Association as authorized by Public Law 99-239:*  
17 *Provided further, That upon a determination by the Sec-*  
18 *retary of the Army that such action is beneficial for grad-*  
19 *uate medical education programs conducted at Army med-*  
20 *ical facilities located in Hawaii, the Secretary of the Army*  
21 *may authorize the provision of medical services at such fa-*  
22 *cilities and transportation to such facilities, on a nonreim-*  
23 *bursable basis, for civilian patients from American Samoa,*  
24 *the Commonwealth of the Northern Mariana Islands, the*

1 *Marshall Islands, the Federated States of Micronesia,*  
2 *Palau, and Guam.*

3       *SEC. 1112. (a) During the current fiscal year, the ci-*  
4 *vilian personnel of the Department of Defense may not be*  
5 *managed on the basis of any end-strength, and the manage-*  
6 *ment of such personnel during that fiscal year shall not be*  
7 *subject to any constraint or limitation (known as an end-*  
8 *strength) on the number of such personnel who may be em-*  
9 *ployed on the last day of such fiscal year.*

10       *(b) The fiscal year 2019 budget request for the Depart-*  
11 *ment of Defense as well as all justification material and*  
12 *other documentation supporting the fiscal year 2019 De-*  
13 *partment of Defense budget request shall be prepared and*  
14 *submitted to the Congress as if subsections (a) and (b) of*  
15 *this provision were effective with regard to fiscal year 2019.*

16       *(c) As required by section 1107 of the National Defense*  
17 *Authorization Act for Fiscal Year 2014 (Public Law 113–*  
18 *66; 10 U.S.C. 2358 note) civilian personnel at the Depart-*  
19 *ment of Army Science and Technology Reinvention Labora-*  
20 *tories may not be managed on the basis of the Table of Dis-*  
21 *tribution and Allowances, and the management of the work-*  
22 *force strength shall be done in a manner consistent with*  
23 *the budget available with respect to such Laboratories.*

24       *(d) Nothing in this section shall be construed to apply*  
25 *to military (civilian) technicians.*

1           *SEC. 1113. None of the funds made available by this*  
2 *Act shall be used in any way, directly or indirectly, to in-*  
3 *fluence congressional action on any legislation or appro-*  
4 *priation matters pending before the Congress.*

5           *SEC. 1114. None of the funds appropriated by this Act*  
6 *shall be available for the basic pay and allowances of any*  
7 *member of the Army participating as a full-time student*  
8 *and receiving benefits paid by the Secretary of Veterans Af-*  
9 *fairs from the Department of Defense Education Benefits*  
10 *Fund when time spent as a full-time student is credited*  
11 *toward completion of a service commitment: Provided, That*  
12 *this section shall not apply to those members who have reen-*  
13 *listed with this option prior to October 1, 1987: Provided*  
14 *further, That this section applies only to active components*  
15 *of the Army.*

16    *(TRANSFER OF FUNDS)*

17           *SEC. 1115. Funds appropriated in title III of this Act*  
18 *for the Department of Defense Pilot Mentor-Protégé Pro-*  
19 *gram may be transferred to any other appropriation con-*  
20 *tained in this Act solely for the purpose of implementing*  
21 *a Mentor-Protégé Program developmental assistance agree-*  
22 *ment pursuant to section 831 of the National Defense Au-*  
23 *thorization Act for Fiscal Year 1991 (Public Law 101–510;*  
24 *10 U.S.C. 2302 note), as amended, under the authority of*

1 *this provision or any other transfer authority contained in*  
2 *this Act.*

3       *SEC. 1116. None of the funds in this Act may be avail-*  
4 *able for the purchase by the Department of Defense (and*  
5 *its departments and agencies) of welded shipboard anchor*  
6 *and mooring chain 4 inches in diameter and under unless*  
7 *the anchor and mooring chain are manufactured in the*  
8 *United States from components which are substantially*  
9 *manufactured in the United States: Provided, That for the*  
10 *purpose of this section, the term “manufactured” shall in-*  
11 *clude cutting, heat treating, quality control, testing of chain*  
12 *and welding (including the forging and shot blasting proc-*  
13 *ess): Provided further, That for the purpose of this section*  
14 *substantially all of the components of anchor and mooring*  
15 *chain shall be considered to be produced or manufactured*  
16 *in the United States if the aggregate cost of the components*  
17 *produced or manufactured in the United States exceeds the*  
18 *aggregate cost of the components produced or manufactured*  
19 *outside the United States: Provided further, That when ade-*  
20 *quate domestic supplies are not available to meet Depart-*  
21 *ment of Defense requirements on a timely basis, the Sec-*  
22 *retary of the service responsible for the procurement may*  
23 *wave this restriction on a case-by-case basis by certifying*  
24 *in writing to the Committees on Appropriations that such*

1 *an acquisition must be made in order to acquire capability*  
2 *for national security purposes.*

3       *SEC. 1117. None of the funds available to the Depart-*  
4 *ment of Defense may be used to demilitarize or dispose of*  
5 *M-1 Carbines, M-1 Garand rifles, M-14 rifles, .22 caliber*  
6 *rifles, .30 caliber rifles, or M-1911 pistols, or to demili-*  
7 *tarize or destroy small arms ammunition or ammunition*  
8 *components that are not otherwise prohibited from commer-*  
9 *cial sale under Federal law, unless the small arms ammuni-*  
10 *tion or ammunition components are certified by the Sec-*  
11 *retary of the Army or designee as unserviceable or unsafe*  
12 *for further use.*

13       *SEC. 1118. No more than \$500,000 of the funds appro-*  
14 *priated or made available in this Act shall be used during*  
15 *a single fiscal year for any single relocation of an organiza-*  
16 *tion, unit, activity or function of the Department of Defense*  
17 *into or within the National Capital Region: Provided, That*  
18 *the Secretary of Defense may waive this restriction on a*  
19 *case-by-case basis by certifying in writing to the congres-*  
20 *sional defense committees that such a relocation is required*  
21 *in the best interest of the Government.*

22       *SEC. 1119. Of the funds made available in this Act,*  
23 *\$20,000,000 shall be available for incentive payments au-*  
24 *thorized by section 504 of the Indian Financing Act of 1974*  
25 *(25 U.S.C. 1544): Provided, That a prime contractor or a*



1 *subcontractor at any tier that makes a subcontract award*  
2 *to any subcontractor or supplier as defined in section 1544*  
3 *of title 25, United States Code, or a small business owned*  
4 *and controlled by an individual or individuals defined*  
5 *under section 4221(9) of title 25, United States Code, shall*  
6 *be considered a contractor for the purposes of being allowed*  
7 *additional compensation under section 504 of the Indian*  
8 *Financing Act of 1974 (25 U.S.C. 1544) whenever the*  
9 *prime contract or subcontract amount is over \$500,000 and*  
10 *involves the expenditure of funds appropriated by an Act*  
11 *making appropriations for the Department of Defense with*  
12 *respect to any fiscal year: Provided further, That notwith-*  
13 *standing section 1906 of title 41, United States Code, this*  
14 *section shall be applicable to any Department of Defense*  
15 *acquisition of supplies or services, including any contract*  
16 *and any subcontract at any tier for acquisition of commer-*  
17 *cial items produced or manufactured, in whole or in part,*  
18 *by any subcontractor or supplier defined in section 1544*  
19 *of title 25, United States Code, or a small business owned*  
20 *and controlled by an individual or individuals defined*  
21 *under section 4221(9) of title 25, United States Code.*

22 *SEC. 1120. Funds appropriated by this Act for the De-*  
23 *fense Media Activity shall not be used for any national or*  
24 *international political or psychological activities.*

1        *SEC. 1121. During the current fiscal year, the Depart-*  
2 *ment of Defense is authorized to incur obligations of not*  
3 *to exceed \$350,000,000 for purposes specified in section*  
4 *2350j(c) of title 10, United States Code, in anticipation of*  
5 *receipt of contributions, only from the Government of Ku-*  
6 *wait, under that section: Provided, That, upon receipt, such*  
7 *contributions from the Government of Kuwait shall be cred-*  
8 *ited to the appropriations or fund which incurred such obli-*  
9 *gations.*

10        *SEC. 1122. (a) Of the funds made available in this*  
11 *Act, not less than \$43,100,000 shall be available for the*  
12 *Civil Air Patrol Corporation, of which—*

13            (1) *\$30,800,000 shall be available from “Oper-*  
14 *ation and Maintenance, Air Force” to support Civil*  
15 *Air Patrol Corporation operation and maintenance,*  
16 *readiness, counter-drug activities, and drug demand*  
17 *reduction activities involving youth programs;*

18            (2) *\$10,600,000 shall be available from “Aircraft*  
19 *Procurement, Air Force”;* and

20            (3) *\$1,700,000 shall be available from “Other*  
21 *Procurement, Air Force” for vehicle procurement.*

22        (b) *The Secretary of the Air Force should waive reim-*  
23 *bursement for any funds used by the Civil Air Patrol for*  
24 *counter-drug activities in support of Federal, State, and*  
25 *local government agencies.*

1        *SEC. 1123. (a) None of the funds appropriated in this*  
2 *Act are available to establish a new Department of Defense*  
3 *(department) federally funded research and development*  
4 *center (FFRDC), either as a new entity, or as a separate*  
5 *entity administrated by an organization managing another*  
6 *FFRDC, or as a nonprofit membership corporation con-*  
7 *sisting of a consortium of other FFRDCs and other non-*  
8 *profit entities.*

9        *(b) No member of a Board of Directors, Trustees, Over-*  
10 *seers, Advisory Group, Special Issues Panel, Visiting Com-*  
11 *mittee, or any similar entity of a defense FFRDC, and no*  
12 *paid consultant to any defense FFRDC, except when acting*  
13 *in a technical advisory capacity, may be compensated for*  
14 *his or her services as a member of such entity, or as a paid*  
15 *consultant by more than one FFRDC in a fiscal year: Pro-*  
16 *vided, That a member of any such entity referred to pre-*  
17 *viously in this subsection shall be allowed travel expenses*  
18 *and per diem as authorized under the Federal Joint Travel*  
19 *Regulations, when engaged in the performance of member-*  
20 *ship duties.*

21        *(c) Notwithstanding any other provision of law, none*  
22 *of the funds available to the department from any source*  
23 *during the current fiscal year may be used by a defense*  
24 *FFRDC, through a fee or other payment mechanism, for*  
25 *construction of new buildings not located on a military in-*

1 stallation, for payment of cost sharing for projects funded  
2 by Government grants, for absorption of contract overruns,  
3 or for certain charitable contributions, not to include em-  
4 ployee participation in community service and/or develop-  
5 ment.

6 (d) Notwithstanding any other provision of law, of the  
7 funds available to the department during fiscal year 2018,  
8 not more than 6,000 staff years of technical effort (staff  
9 years) may be funded for defense FFRDCs: Provided, That,  
10 of the specific amount referred to previously in this sub-  
11 section, not more than 1,180 staff years may be funded for  
12 the defense studies and analysis FFRDCs: Provided further,  
13 That this subsection shall not apply to staff years funded  
14 in the National Intelligence Program (NIP) and the Mili-  
15 tary Intelligence Program (MIP).

16 (e) The Secretary of Defense shall, with the submission  
17 of the department's fiscal year 2019 budget request, submit  
18 a report presenting the specific amounts of staff years of  
19 technical effort to be allocated for each defense FFRDC dur-  
20 ing that fiscal year and the associated budget estimates.

21 (f) Notwithstanding any other provision of this Act,  
22 the total amount appropriated in this Act for FFRDCs is  
23 hereby reduced by \$210,000,000.

24 SEC. 1124. None of the funds appropriated or made  
25 available in this Act shall be used to procure carbon, alloy,

1 *or armor steel plate for use in any Government-owned facil-*  
2 *ity or property under the control of the Department of De-*  
3 *fense which were not melted and rolled in the United States*  
4 *or Canada: Provided, That these procurement restrictions*  
5 *shall apply to any and all Federal Supply Class 9515,*  
6 *American Society of Testing and Materials (ASTM) or*  
7 *American Iron and Steel Institute (AISI) specifications of*  
8 *carbon, alloy or armor steel plate: Provided further, That*  
9 *the Secretary of the military department responsible for the*  
10 *procurement may waive this restriction on a case-by-case*  
11 *basis by certifying in writing to the Committees on Appro-*  
12 *priations of the House of Representatives and the Senate*  
13 *that adequate domestic supplies are not available to meet*  
14 *Department of Defense requirements on a timely basis and*  
15 *that such an acquisition must be made in order to acquire*  
16 *capability for national security purposes: Provided further,*  
17 *That these restrictions shall not apply to contracts which*  
18 *are in being as of the date of the enactment of this Act.*

19       *SEC. 1125. For the purposes of this Act, the term “con-*  
20 *gressional defense committees” means the Armed Services*  
21 *Committee of the House of Representatives, the Armed Serv-*  
22 *ices Committee of the Senate, the Subcommittee on Defense*  
23 *of the Committee on Appropriations of the Senate, and the*  
24 *Subcommittee on Defense of the Committee on Appropria-*  
25 *tions of the House of Representatives.*

1        *SEC. 1126. During the current fiscal year, the Depart-*  
2 *ment of Defense may acquire the modification, depot main-*  
3 *tenance and repair of aircraft, vehicles and vessels as well*  
4 *as the production of components and other Defense-related*  
5 *articles, through competition between Department of De-*  
6 *fense depot maintenance activities and private firms: Pro-*  
7 *vided, That the Senior Acquisition Executive of the military*  
8 *department or Defense Agency concerned, with power of del-*  
9 *egation, shall certify that successful bids include comparable*  
10 *estimates of all direct and indirect costs for both public and*  
11 *private bids: Provided further, That Office of Management*  
12 *and Budget Circular A-76 shall not apply to competitions*  
13 *conducted under this section.*

14        *SEC. 1127. (a)(1) If the Secretary of Defense, after con-*  
15 *sultation with the United States Trade Representative, de-*  
16 *termines that a foreign country which is party to an agree-*  
17 *ment described in paragraph (2) has violated the terms of*  
18 *the agreement by discriminating against certain types of*  
19 *products produced in the United States that are covered by*  
20 *the agreement, the Secretary of Defense shall rescind the*  
21 *Secretary's blanket waiver of the Buy American Act with*  
22 *respect to such types of products produced in that foreign*  
23 *country.*

24        *(2) An agreement referred to in paragraph (1) is any*  
25 *reciprocal defense procurement memorandum of under-*

1 *standing, between the United States and a foreign country*  
2 *pursuant to which the Secretary of Defense has prospec-*  
3 *tively waived the Buy American Act for certain products*  
4 *in that country.*

5 *(b) The Secretary of Defense shall submit to the Con-*  
6 *gress a report on the amount of Department of Defense pur-*  
7 *chases from foreign entities in fiscal year 2018. Such report*  
8 *shall separately indicate the dollar value of items for which*  
9 *the Buy American Act was waived pursuant to any agree-*  
10 *ment described in subsection (a)(2), the Trade Agreement*  
11 *Act of 1979 (19 U.S.C. 2501 et seq.), or any international*  
12 *agreement to which the United States is a party.*

13 *(c) For purposes of this section, the term Buy Amer-*  
14 *ican Act means chapter 83 of title 41, United States Code.*

15 *SEC. 1128. During the current fiscal year, amounts*  
16 *contained in the Department of Defense Overseas Military*  
17 *Facility Investment Recovery Account established by section*  
18 *2921(c)(1) of the National Defense Authorization Act of*  
19 *1991 (Public Law 101–510; 10 U.S.C. 2687 note) shall be*  
20 *available until expended for the payments specified by sec-*  
21 *tion 2921(c)(2) of that Act.*

22 *SEC. 1129. (a) Notwithstanding any other provision*  
23 *of law, the Secretary of the Air Force may convey at no*  
24 *cost to the Air Force, without consideration, to Indian*  
25 *tribes located in the States of Nevada, Idaho, North Dakota,*

1 *South Dakota, Montana, Oregon, Minnesota, and Wash-*  
2 *ington relocatable military housing units located at Grand*  
3 *Forks Air Force Base, Malmstrom Air Force Base, Moun-*  
4 *tain Home Air Force Base, Ellsworth Air Force Base, and*  
5 *Minot Air Force Base that are excess to the needs of the*  
6 *Air Force.*

7       **(b)** *The Secretary of the Air Force shall convey, at no*  
8 *cost to the Air Force, military housing units under sub-*  
9 *section (a) in accordance with the request for such units*  
10 *that are submitted to the Secretary by the Operation Walk-*  
11 *ing Shield Program on behalf of Indian tribes located in*  
12 *the States of Nevada, Idaho, North Dakota, South Dakota,*  
13 *Montana, Oregon, Minnesota, and Washington. Any such*  
14 *conveyance shall be subject to the condition that the housing*  
15 *units shall be removed within a reasonable period of time,*  
16 *as determined by the Secretary.*

17       **(c)** *The Operation Walking Shield Program shall re-*  
18 *solve any conflicts among requests of Indian tribes for hous-*  
19 *ing units under subsection (a) before submitting requests*  
20 *to the Secretary of the Air Force under subsection (b).*

21       **(d)** *In this section, the term Indian tribe means any*  
22 *recognized Indian tribe included on the current list pub-*  
23 *lished by the Secretary of the Interior under section 104*  
24 *of the Federally Recognized Indian Tribe Act of 1994 (Pub-*  
25 *lic Law 103–454; 108 Stat. 4792; 25 U.S.C. 479a–1).*



1        *SEC. 1130. During the current fiscal year, appropria-*  
2 *tions which are available to the Department of Defense for*  
3 *operation and maintenance may be used to purchase items*  
4 *having an investment item unit cost of not more than*  
5 *\$250,000.*

6        *SEC. 1131. None of the funds made available by this*  
7 *Act may be used to—*

8            *(1) disestablish, or prepare to disestablish, a*  
9 *Senior Reserve Officers' Training Corps program in*  
10 *accordance with Department of Defense Instruction*  
11 *Number 1215.08, dated June 26, 2006; or*

12            *(2) close, downgrade from host to extension cen-*  
13 *ter, or place on probation a Senior Reserve Officers'*  
14 *Training Corps program in accordance with the in-*  
15 *formation paper of the Department of the Army titled*  
16 *“Army Senior Reserve Officers' Training Corps*  
17 *(SROTC) Program Review and Criteria”, dated Jan-*  
18 *uary 27, 2014.*

19        *SEC. 1132. The Secretary of Defense shall issue regula-*  
20 *tions to prohibit the sale of any tobacco or tobacco-related*  
21 *products in military resale outlets in the United States, its*  
22 *territories and possessions at a price below the most com-*  
23 *petitive price in the local community: Provided, That such*  
24 *regulations shall direct that the prices of tobacco or tobacco-*  
25 *related products in overseas military retail outlets shall be*

1 *within the range of prices established for military retail*  
2 *system stores located in the United States.*

3       *SEC. 1133. (a) During the current fiscal year, none*  
4 *of the appropriations or funds available to the Department*  
5 *of Defense Working Capital Funds shall be used for the pur-*  
6 *chase of an investment item for the purpose of acquiring*  
7 *a new inventory item for sale or anticipated sale during*  
8 *the current fiscal year or a subsequent fiscal year to cus-*  
9 *tomers of the Department of Defense Working Capital*  
10 *Funds if such an item would not have been chargeable to*  
11 *the Department of Defense Business Operations Fund dur-*  
12 *ing fiscal year 1994 and if the purchase of such an invest-*  
13 *ment item would be chargeable during the current fiscal*  
14 *year to appropriations made to the Department of Defense*  
15 *for procurement.*

16       *(b) The fiscal year 2019 budget request for the Depart-*  
17 *ment of Defense as well as all justification material and*  
18 *other documentation supporting the fiscal year 2019 De-*  
19 *partment of Defense budget shall be prepared and submitted*  
20 *to the Congress on the basis that any equipment which was*  
21 *classified as an end item and funded in a procurement ap-*  
22 *propriation contained in this Act shall be budgeted for in*  
23 *a proposed fiscal year 2019 procurement appropriation and*  
24 *not in the supply management business area or any other*

1 *area or category of the Department of Defense Working*  
2 *Capital Funds.*

3       *SEC. 1134. None of the funds appropriated by this Act*  
4 *for programs of the Central Intelligence Agency shall re-*  
5 *main available for obligation beyond the current fiscal year,*  
6 *except for funds appropriated for the Reserve for Contin-*  
7 *gencies, which shall remain available until September 30,*  
8 *2019: Provided, That funds appropriated, transferred, or*  
9 *otherwise credited to the Central Intelligence Agency Cen-*  
10 *tral Services Working Capital Fund during this or any*  
11 *prior or subsequent fiscal year shall remain available until*  
12 *expended: Provided further, That any funds appropriated*  
13 *or transferred to the Central Intelligence Agency for ad-*  
14 *vanced research and development acquisition, for agent op-*  
15 *erations, and for covert action programs authorized by the*  
16 *President under section 503 of the National Security Act*  
17 *of 1947 (50 U.S.C. 3093) shall remain available until Sep-*  
18 *tember 30, 2019.*

19       *SEC. 1135. Notwithstanding any other provision of*  
20 *law, funds made available in this Act and hereafter for the*  
21 *Defense Intelligence Agency may be used for the design, de-*  
22 *velopment, and deployment of General Defense Intelligence*  
23 *Program intelligence communications and intelligence in-*  
24 *formation systems for the Services, the Unified and Specifi-*  
25 *ed Commands, and the component commands.*

1        *SEC. 1136. Of the funds appropriated to the Depart-*  
2 *ment of Defense under the heading “Operation and Mainte-*  
3 *nance, Defense-Wide”, not less than \$12,000,000 shall be*  
4 *made available only for the mitigation of environmental*  
5 *impacts, including training and technical assistance to*  
6 *tribes, related administrative support, the gathering of in-*  
7 *formation, documenting of environmental damage, and de-*  
8 *veloping a system for prioritization of mitigation and cost*  
9 *to complete estimates for mitigation, on Indian lands re-*  
10 *sulting from Department of Defense activities.*

11        *SEC. 1137. (a) None of the funds appropriated in this*  
12 *Act may be expended by an entity of the Department of*  
13 *Defense unless the entity, in expending the funds, complies*  
14 *with the Buy American Act. For purposes of this subsection,*  
15 *the term Buy American Act means chapter 83 of title 41,*  
16 *United States Code.*

17        *(b) If the Secretary of Defense determines that a person*  
18 *has been convicted of intentionally affixing a label bearing*  
19 *a “Made in America” inscription to any product sold in*  
20 *or shipped to the United States that is not made in Amer-*  
21 *ica, the Secretary shall determine, in accordance with sec-*  
22 *tion 2410f of title 10, United States Code, whether the per-*  
23 *son should be debarred from contracting with the Depart-*  
24 *ment of Defense.*

1           (c) *In the case of any equipment or products purchased*  
2 *with appropriations provided under this Act, it is the sense*  
3 *of the Congress that any entity of the Department of De-*  
4 *fense, in expending the appropriation, purchase only Amer-*  
5 *ican-made equipment and products, provided that Amer-*  
6 *ican-made equipment and products are cost-competitive,*  
7 *quality competitive, and available in a timely fashion.*

8           SEC. 1138. (a) *Except as provided in subsections (b)*  
9 *and (c), none of the funds made available by this Act may*  
10 *be used—*

11                   (1) *to establish a field operating agency; or*

12                   (2) *to pay the basic pay of a member of the*  
13 *Armed Forces or civilian employee of the department*  
14 *who is transferred or reassigned from a headquarters*  
15 *activity if the member or employee's place of duty re-*  
16 *mains at the location of that headquarters.*

17           (b) *The Secretary of Defense or Secretary of a military*  
18 *department may waive the limitations in subsection (a),*  
19 *on a case-by-case basis, if the Secretary determines, and cer-*  
20 *tifies to the Committees on Appropriations of the House of*  
21 *Representatives and the Senate that the granting of the*  
22 *waiver will reduce the personnel requirements or the finan-*  
23 *cial requirements of the department.*

24           (c) *This section does not apply to—*

1           (1) *field operating agencies funded within the*  
2           *National Intelligence Program;*

3           (2) *an Army field operating agency established*  
4           *to eliminate, mitigate, or counter the effects of impro-*  
5           *vised explosive devices, and, as determined by the Sec-*  
6           *retary of the Army, other similar threats;*

7           (3) *an Army field operating agency established*  
8           *to improve the effectiveness and efficiencies of biomet-*  
9           *ric activities and to integrate common biometric tech-*  
10          *nologies throughout the Department of Defense; or*

11          (4) *an Air Force field operating agency estab-*  
12          *lished to administer the Air Force Mortuary Affairs*  
13          *Program and Mortuary Operations for the Depart-*  
14          *ment of Defense and authorized Federal entities.*

15          *SEC. 1139. (a) None of the funds appropriated by this*  
16          *Act shall be available to convert to contractor performance*  
17          *an activity or function of the Department of Defense that,*  
18          *on or after the date of the enactment of this Act, is per-*  
19          *formed by Department of Defense civilian employees un-*  
20          *less—*

21                 (1) *the conversion is based on the result of a pub-*  
22                 *lic-private competition that includes a most efficient*  
23                 *and cost effective organization plan developed by such*  
24                 *activity or function;*

1           (2) *the Competitive Sourcing Official determines*  
2 *that, over all performance periods stated in the solici-*  
3 *tation of offers for performance of the activity or*  
4 *function, the cost of performance of the activity or*  
5 *function by a contractor would be less costly to the*  
6 *Department of Defense by an amount that equals or*  
7 *exceeds the lesser of—*

8                   (A) *10 percent of the most efficient organi-*  
9 *zation’s personnel-related costs for performance*  
10 *of that activity or function by Federal employ-*  
11 *ees; or*

12                   (B) *\$10,000,000; and*

13           (3) *the contractor does not receive an advantage*  
14 *for a proposal that would reduce costs for the Depart-*  
15 *ment of Defense by—*

16                   (A) *not making an employer-sponsored*  
17 *health insurance plan available to the workers*  
18 *who are to be employed in the performance of*  
19 *that activity or function under the contract; or*

20                   (B) *offering to such workers an employer-*  
21 *sponsored health benefits plan that requires the*  
22 *employer to contribute less towards the premium*  
23 *or subscription share than the amount that is*  
24 *paid by the Department of Defense for health*

1           *benefits for civilian employees under chapter 89*  
2           *of title 5, United States Code.*

3           *(b)(1) The Department of Defense, without regard to*  
4           *subsection (a) of this section or subsection (a), (b), or (c)*  
5           *of section 2461 of title 10, United States Code, and notwith-*  
6           *standing any administrative regulation, requirement, or*  
7           *policy to the contrary shall have full authority to enter into*  
8           *a contract for the performance of any commercial or indus-*  
9           *trial type function of the Department of Defense that—*

10           *(A) is included on the procurement list estab-*  
11           *lished pursuant to section 2 of the Javits-Wagner-*  
12           *O'Day Act (section 8503 of title 41, United States*  
13           *Code);*

14           *(B) is planned to be converted to performance by*  
15           *a qualified nonprofit agency for the blind or by a*  
16           *qualified nonprofit agency for other severely handi-*  
17           *capped individuals in accordance with that Act; or*

18           *(C) is planned to be converted to performance by*  
19           *a qualified firm under at least 51 percent ownership*  
20           *by an Indian tribe, as defined in section 4(e) of the*  
21           *Indian Self-Determination and Education Assistance*  
22           *Act (25 U.S.C. 450b(e)), or a Native Hawaiian Orga-*  
23           *nization, as defined in section 8(a)(15) of the Small*  
24           *Business Act (15 U.S.C. 637(a)(15)).*





1           *“Aircraft Procurement, Air Force”*, 2016/2018,  
2           \$82,700,000;

3           *“Missile Procurement, Army”*, 2017/2019,  
4           \$19,319,000;

5           *“Procurement of Weapons and Tracked Combat*  
6           *Vehicles, Army”*, 2017/2019, \$9,764,000;

7           *“Other Procurement, Army”*, 2017/2019,  
8           \$10,000,000;

9           *“Aircraft Procurement, Navy”*, 2017/2019,  
10          \$105,600,000;

11          *“Weapons Procurement, Navy”*, 2017/2019,  
12          \$54,122,000;

13          *“Shipbuilding and Conversion, Navy”*, 2017/  
14          2021, \$45,116,000;

15          *“Aircraft Procurement, Air Force”*, 2017/2019,  
16          \$63,293,000;

17          *“Missile Procurement, Air Force”*, 2017/2019,  
18          \$31,639,000;

19          *“Space Procurement, Air Force”*, 2017/2019,  
20          \$15,000,000;

21          *“Other Procurement, Air Force”*, 2017/2019,  
22          \$105,000,000;

23          *“Research, Development, Test and Evaluation,*  
24          *Navy”*, 2017/2018, \$34,128,000;

1           *“Research, Development, Test and Evaluation,*  
2           *Air Force”*, 2017/2018, \$41,700,000.

3           *SEC. 1141. None of the funds available in this Act may*  
4 *be used to reduce the authorized positions for military tech-*  
5 *nicians (dual status) of the Army National Guard, Air Na-*  
6 *tional Guard, Army Reserve and Air Force Reserve for the*  
7 *purpose of applying any administratively imposed civilian*  
8 *personnel ceiling, freeze, or reduction on military techni-*  
9 *cians (dual status), unless such reductions are a direct re-*  
10 *sult of a reduction in military force structure.*

11          *SEC. 1142. None of the funds appropriated or other-*  
12 *wise made available in this Act may be obligated or ex-*  
13 *pended for assistance to the Democratic People’s Republic*  
14 *of Korea unless specifically appropriated for that purpose.*

15          *SEC. 1143. Funds appropriated in this Act for oper-*  
16 *ation and maintenance of the Military Departments, Com-*  
17 *batant Commands and Defense Agencies shall be available*  
18 *for reimbursement of pay, allowances and other expenses*  
19 *which would otherwise be incurred against appropriations*  
20 *for the National Guard and Reserve when members of the*  
21 *National Guard and Reserve provide intelligence or coun-*  
22 *terintelligence support to Combatant Commands, Defense*  
23 *Agencies and Joint Intelligence Activities, including the ac-*  
24 *tivities and programs included within the National Intel-*  
25 *ligence Program and the Military Intelligence Program:*

1 *Provided, That nothing in this section authorizes deviation*  
2 *from established Reserve and National Guard personnel and*  
3 *training procedures.*

4 *SEC. 1144. (a) None of the funds available to the De-*  
5 *partment of Defense for any fiscal year for drug interdic-*  
6 *tion or counter-drug activities may be transferred to any*  
7 *other department or agency of the United States except as*  
8 *specifically provided in an appropriations law.*

9 *(b) None of the funds available to the Central Intel-*  
10 *ligence Agency for any fiscal year for drug interdiction or*  
11 *counter-drug activities may be transferred to any other de-*  
12 *partment or agency of the United States except as specifi-*  
13 *cally provided in an appropriations law.*

14 *SEC. 1145. None of the funds appropriated by this Act*  
15 *may be used for the procurement of ball and roller bearings*  
16 *other than those produced by a domestic source and of do-*  
17 *mestic origin: Provided, That the Secretary of the military*  
18 *department responsible for such procurement may waive*  
19 *this restriction on a case-by-case basis by certifying in writ-*  
20 *ing to the Committees on Appropriations of the House of*  
21 *Representatives and the Senate, that adequate domestic*  
22 *supplies are not available to meet Department of Defense*  
23 *requirements on a timely basis and that such an acquisition*  
24 *must be made in order to acquire capability for national*  
25 *security purposes: Provided further, That this restriction*

1 shall not apply to the purchase of “commercial items”, as  
2 defined by section 103 of title 41, United States Code, except  
3 that the restriction shall apply to ball or roller bearings  
4 purchased as end items.

5       *SEC. 1146. None of the funds made available by this*  
6 *Act for Evolved Expendable Launch Vehicle service competi-*  
7 *tive procurements may be used unless the competitive pro-*  
8 *curements are open for award to all certified providers of*  
9 *Evolved Expendable Launch Vehicle-class systems: Pro-*  
10 *vided, That the award shall be made to the provider that*  
11 *offers the best value to the government.*

12       *SEC. 1147. In addition to the amounts appropriated*  
13 *or otherwise made available elsewhere in this Act,*  
14 *\$44,000,000 is hereby appropriated to the Department of*  
15 *Defense: Provided, That upon the determination of the Sec-*  
16 *retary of Defense that it shall serve the national interest,*  
17 *the Secretary shall make grants in the amounts specified*  
18 *as follows: \$20,000,000 to the United Service Organizations*  
19 *and \$24,000,000 to the Red Cross.*

20       *SEC. 1148. None of the funds in this Act may be used*  
21 *to purchase any supercomputer which is not manufactured*  
22 *in the United States, unless the Secretary of Defense cer-*  
23 *tifies to the congressional defense committees that such an*  
24 *acquisition must be made in order to acquire capability for*

1 *national security purposes that is not available from*  
2 *United States manufacturers.*

3 *SEC. 1149. Notwithstanding any other provision in*  
4 *this Act, the Small Business Innovation Research program*  
5 *and the Small Business Technology Transfer program set-*  
6 *asides shall be taken proportionally from all programs,*  
7 *projects, or activities to the extent they contribute to the*  
8 *extramural budget.*

9 *SEC. 1150. None of the funds available to the Depart-*  
10 *ment of Defense under this Act shall be obligated or ex-*  
11 *pended to pay a contractor under a contract with the De-*  
12 *partment of Defense for costs of any amount paid by the*  
13 *contractor to an employee when—*

14 *(1) such costs are for a bonus or otherwise in ex-*  
15 *cess of the normal salary paid by the contractor to the*  
16 *employee; and*

17 *(2) such bonus is part of restructuring costs asso-*  
18 *ciated with a business combination.*

19 *(INCLUDING TRANSFER OF FUNDS)*

20 *SEC. 1151. During the current fiscal year, no more*  
21 *than \$30,000,000 of appropriations made in this Act under*  
22 *the heading “Operation and Maintenance, Defense-Wide”*  
23 *may be transferred to appropriations available for the pay*  
24 *of military personnel, to be merged with, and to be available*  
25 *for the same time period as the appropriations to which*

1 transferred, to be used in support of such personnel in con-  
2 nection with support and services for eligible organizations  
3 and activities outside the Department of Defense pursuant  
4 to section 2012 of title 10, United States Code.

5       *SEC. 1152. During the current fiscal year, in the case*  
6 *of an appropriation account of the Department of Defense*  
7 *for which the period of availability for obligation has ex-*  
8 *pired or which has closed under the provisions of section*  
9 *1552 of title 31, United States Code, and which has a nega-*  
10 *tive unliquidated or unexpended balance, an obligation or*  
11 *an adjustment of an obligation may be charged to any cur-*  
12 *rent appropriation account for the same purpose as the ex-*  
13 *pired or closed account if—*

14           (1) *the obligation would have been properly*  
15 *chargeable (except as to amount) to the expired or*  
16 *closed account before the end of the period of avail-*  
17 *ability or closing of that account;*

18           (2) *the obligation is not otherwise properly*  
19 *chargeable to any current appropriation account of*  
20 *the Department of Defense; and*

21           (3) *in the case of an expired account, the obliga-*  
22 *tion is not chargeable to a current appropriation of*  
23 *the Department of Defense under the provisions of sec-*  
24 *tion 1405(b)(8) of the National Defense Authorization*  
25 *Act for Fiscal Year 1991, Public Law 101-510, as*

1        *amended (31 U.S.C. 1551 note): Provided, That in*  
2        *the case of an expired account, if subsequent review*  
3        *or investigation discloses that there was not in fact a*  
4        *negative unliquidated or unexpended balance in the*  
5        *account, any charge to a current account under the*  
6        *authority of this section shall be reversed and re-*  
7        *corded against the expired account: Provided further,*  
8        *That the total amount charged to a current appro-*  
9        *priation under this section may not exceed an*  
10       *amount equal to 1 percent of the total appropriation*  
11       *for that account.*

12       *SEC. 1153. (a) Notwithstanding any other provision*  
13       *of law, the Chief of the National Guard Bureau may permit*  
14       *the use of equipment of the National Guard Distance Learn-*  
15       *ing Project by any person or entity on a space-available,*  
16       *reimbursable basis. The Chief of the National Guard Bu-*  
17       *reau shall establish the amount of reimbursement for such*  
18       *use on a case-by-case basis.*

19       *(b) Amounts collected under subsection (a) shall be*  
20       *credited to funds available for the National Guard Distance*  
21       *Learning Project and be available to defray the costs associ-*  
22       *ated with the use of equipment of the project under that*  
23       *subsection. Such funds shall be available for such purposes*  
24       *without fiscal year limitation.*



1        *SEC. 1154. None of the funds available to the Depart-*  
2 *ment of Defense may be obligated to modify command and*  
3 *control relationships to give Fleet Forces Command oper-*  
4 *ational and administrative control of United States Navy*  
5 *forces assigned to the Pacific fleet: Provided, That the com-*  
6 *mand and control relationships which existed on October*  
7 *1, 2004, shall remain in force until a written modification*  
8 *has been proposed to the House and Senate Appropriations*  
9 *Committees: Provided further, That the proposed modifica-*  
10 *tion may be implemented 30 days after the notification un-*  
11 *less an objection is received from either the House or Senate*  
12 *Appropriations Committees: Provided further, That any*  
13 *proposed modification shall not preclude the ability of the*  
14 *commander of United States Pacific Command to meet*  
15 *operational requirements.*

16                                    *(INCLUDING TRANSFER OF FUNDS)*

17        *SEC. 1155. Of the funds appropriated in this Act*  
18 *under the heading “Operation and Maintenance, Defense-*  
19 *Wide”, \$25,000,000 (increased by \$10,000,000) shall be for*  
20 *continued implementation and expansion of the Sexual As-*  
21 *sault Special Victims’ Counsel Program: Provided, That the*  
22 *funds are made available for transfer to the Department*  
23 *of the Army, the Department of the Navy, and the Depart-*  
24 *ment of the Air Force: Provided further, That funds trans-*  
25 *ferred shall be merged with and available for the same pur-*

1 *poses and for the same time period as the appropriations*  
2 *to which the funds are transferred: Provided further, That*  
3 *this transfer authority is in addition to any other transfer*  
4 *authority provided in this Act.*

5 *SEC. 1156. None of the funds appropriated in title IV*  
6 *of this Act may be used to procure end-items for delivery*  
7 *to military forces for operational training, operational use*  
8 *or inventory requirements: Provided, That this restriction*  
9 *does not apply to end-items used in development, proto-*  
10 *typing, and test activities preceding and leading to accept-*  
11 *ance for operational use: Provided further, That this restric-*  
12 *tion does not apply to programs funded within the National*  
13 *Intelligence Program: Provided further, That the Secretary*  
14 *of Defense may waive this restriction on a case-by-case basis*  
15 *by certifying in writing to the Committees on Appropria-*  
16 *tions of the House of Representatives and the Senate that*  
17 *it is in the national security interest to do so.*

18 *SEC. 1157. (a) The Secretary of Defense may, on a*  
19 *case-by-case basis, waive with respect to a foreign country*  
20 *each limitation on the procurement of defense items from*  
21 *foreign sources provided in law if the Secretary determines*  
22 *that the application of the limitation with respect to that*  
23 *country would invalidate cooperative programs entered into*  
24 *between the Department of Defense and the foreign country,*  
25 *or would invalidate reciprocal trade agreements for the pro-*

1 *curement of defense items entered into under section 2531*  
2 *of title 10, United States Code, and the country does not*  
3 *discriminate against the same or similar defense items pro-*  
4 *duced in the United States for that country.*

5 *(b) Subsection (a) applies with respect to—*

6 *(1) contracts and subcontracts entered into on or*  
7 *after the date of the enactment of this Act; and*

8 *(2) options for the procurement of items that are*  
9 *exercised after such date under contracts that are en-*  
10 *tered into before such date if the option prices are ad-*  
11 *justed for any reason other than the application of a*  
12 *waiver granted under subsection (a).*

13 *(c) Subsection (a) does not apply to a limitation re-*  
14 *garding construction of public vessels, ball and roller bear-*  
15 *ings, food, and clothing or textile materials as defined by*  
16 *section XI (chapters 50–65) of the Harmonized Tariff*  
17 *Schedule of the United States and products classified under*  
18 *headings 4010, 4202, 4203, 6401 through 6406, 6505, 7019,*  
19 *7218 through 7229, 7304.41 through 7304.49, 7306.40, 7502*  
20 *through 7508, 8105, 8108, 8109, 8211, 8215, and 9404.*

21 *SEC. 1158. None of the funds appropriated or other-*  
22 *wise made available by this or other Department of Defense*  
23 *Appropriations Acts may be obligated or expended for the*  
24 *purpose of performing repairs or maintenance to military*  
25 *family housing units of the Department of Defense, includ-*

1 *ing areas in such military family housing units that may*  
2 *be used for the purpose of conducting official Department*  
3 *of Defense business.*

4 *SEC. 1159. Notwithstanding any other provision of*  
5 *law, funds appropriated in this Act under the heading “Re-*  
6 *search, Development, Test and Evaluation, Defense-Wide”*  
7 *for any new start advanced concept technology demonstra-*  
8 *tion project or joint capability demonstration project may*  
9 *only be obligated 45 days after a report, including a de-*  
10 *scription of the project, the planned acquisition and transi-*  
11 *tion strategy and its estimated annual and total cost, has*  
12 *been provided in writing to the congressional defense com-*  
13 *mittees: Provided, That the Secretary of Defense may waive*  
14 *this restriction on a case-by-case basis by certifying to the*  
15 *congressional defense committees that it is in the national*  
16 *interest to do so.*

17 *SEC. 1160. The Secretary of Defense shall continue to*  
18 *provide a classified quarterly report to the House and Sen-*  
19 *ate Appropriations Committees, Subcommittees on Defense*  
20 *on certain matters as directed in the classified annex ac-*  
21 *companying this Act.*

22 *SEC. 1161. Notwithstanding section 12310(b) of title*  
23 *10, United States Code, a Reserve who is a member of the*  
24 *National Guard serving on full-time National Guard duty*  
25 *under section 502(f) of title 32, United States Code, may*

1 *perform duties in support of the ground-based elements of*  
2 *the National Ballistic Missile Defense System.*

3 *SEC. 1162. None of the funds provided in this Act may*  
4 *be used to transfer to any nongovernmental entity ammuni-*  
5 *tion held by the Department of Defense that has a center-*  
6 *fire cartridge and a United States military nomenclature*  
7 *designation of “armor penetrator”, “armor piercing (AP)”,*  
8 *“armor piercing incendiary (API)”, or “armor-piercing in-*  
9 *cendiary tracer (API-T)”, except to an entity performing*  
10 *demilitarization services for the Department of Defense*  
11 *under a contract that requires the entity to demonstrate to*  
12 *the satisfaction of the Department of Defense that armor*  
13 *piercing projectiles are either:*

14 *(1) rendered incapable of reuse by the demili-*  
15 *tarization process; or*

16 *(2) used to manufacture ammunition pursuant*  
17 *to a contract with the Department of Defense or the*  
18 *manufacture of ammunition for export pursuant to a*  
19 *License for Permanent Export of Unclassified Mili-*  
20 *tary Articles issued by the Department of State.*

21 *SEC. 1163. Notwithstanding any other provision of*  
22 *law, the Chief of the National Guard Bureau, or his des-*  
23 *ignee, may waive payment of all or part of the consider-*  
24 *ation that otherwise would be required under section 2667*  
25 *of title 10, United States Code, in the case of a lease of*

1 *personal property for a period not in excess of 1 year to*  
2 *any organization specified in section 508(d) of title 32,*  
3 *United States Code, or any other youth, social, or fraternal*  
4 *nonprofit organization as may be approved by the Chief*  
5 *of the National Guard Bureau, or his designee, on a case-*  
6 *by-case basis.*

7 *(INCLUDING TRANSFER OF FUNDS)*

8 *SEC. 1164. Of the amounts appropriated in this Act*  
9 *under the heading “Operation and Maintenance, Army”,*  
10 *\$66,881,780 shall remain available until expended: Pro-*  
11 *vided, That, notwithstanding any other provision of law,*  
12 *the Secretary of Defense is authorized to transfer such funds*  
13 *to other activities of the Federal Government: Provided fur-*  
14 *ther, That the Secretary of Defense is authorized to enter*  
15 *into and carry out contracts for the acquisition of real*  
16 *property, construction, personal services, and operations re-*  
17 *lated to projects carrying out the purposes of this section:*  
18 *Provided further, That contracts entered into under the au-*  
19 *thority of this section may provide for such indemnification*  
20 *as the Secretary determines to be necessary: Provided fur-*  
21 *ther, That projects authorized by this section shall comply*  
22 *with applicable Federal, State, and local law to the max-*  
23 *imum extent consistent with the national security, as deter-*  
24 *mined by the Secretary of Defense.*

1        *SEC. 1165. (a) None of the funds appropriated in this*  
2 *or any other Act may be used to take any action to mod-*  
3 *ify—*

4            *(1) the appropriations account structure for the*  
5 *National Intelligence Program budget, including*  
6 *through the creation of a new appropriation or new*  
7 *appropriation account;*

8            *(2) how the National Intelligence Program budg-*  
9 *et request is presented in the unclassified P-1, R-1,*  
10 *and O-1 documents supporting the Department of*  
11 *Defense budget request;*

12           *(3) the process by which the National Intelligence*  
13 *Program appropriations are apportioned to the exe-*  
14 *cuting agencies; or*

15           *(4) the process by which the National Intelligence*  
16 *Program appropriations are allotted, obligated and*  
17 *disbursed.*

18        *(b) Nothing in section (a) shall be construed to prohibit*  
19 *the merger of programs or changes to the National Intel-*  
20 *ligence Program budget at or below the Expenditure Center*  
21 *level, provided such change is otherwise in accordance with*  
22 *paragraphs (a)(1)–(3).*

23        *(c) The Director of National Intelligence and the Sec-*  
24 *retary of Defense may jointly, only for the purposes of*  
25 *achieving auditable financial statements and improving fis-*

1 *cal reporting, study and develop detailed proposals for al-*  
2 *ternative financial management processes. Such study shall*  
3 *include a comprehensive counterintelligence risk assessment*  
4 *to ensure that none of the alternative processes will ad-*  
5 *versely affect counterintelligence.*

6 *(d) Upon development of the detailed proposals defined*  
7 *under subsection (c), the Director of National Intelligence*  
8 *and the Secretary of Defense shall—*

9 *(1) provide the proposed alternatives to all af-*  
10 *ected agencies;*

11 *(2) receive certification from all affected agencies*  
12 *attesting that the proposed alternatives will help*  
13 *achieve auditability, improve fiscal reporting, and*  
14 *will not adversely affect counterintelligence; and*

15 *(3) not later than 30 days after receiving all nec-*  
16 *essary certifications under paragraph (2), present the*  
17 *proposed alternatives and certifications to the con-*  
18 *gressional defense and intelligence committees.*

19 *SEC. 1166. In addition to amounts provided elsewhere*  
20 *in this Act, \$5,000,000 (increased by \$5,000,000) is hereby*  
21 *appropriated to the Department of Defense, to remain*  
22 *available for obligation until expended: Provided, That not-*  
23 *withstanding any other provision of law, that upon the de-*  
24 *termination of the Secretary of Defense that it shall serve*  
25 *the national interest, these funds shall be available only for*



1 a grant to the Fisher House Foundation, Inc., only for the  
2 construction and furnishing of additional Fisher Houses to  
3 meet the needs of military family members when confronted  
4 with the illness or hospitalization of an eligible military  
5 beneficiary.

6 (INCLUDING TRANSFER OF FUNDS)

7 SEC. 1167. Of the amounts appropriated in this Act  
8 under the headings “Procurement, Defense-Wide” and “Re-  
9 search, Development, Test and Evaluation, Defense-Wide”,  
10 \$705,800,000 shall be for the Israeli Cooperative Programs:  
11 Provided, That of this amount, \$92,000,000 shall be for the  
12 Secretary of Defense to provide to the Government of Israel  
13 for the procurement of the Iron Dome defense system to  
14 counter short-range rocket threats, subject to the U.S.-Israel  
15 Iron Dome Procurement Agreement, as amended;  
16 \$221,500,000 shall be for the Short Range Ballistic Missile  
17 Defense (SRBMD) program, including cruise missile de-  
18 fense research and development under the SRBMD pro-  
19 gram, of which \$120,000,000 shall be for co-production ac-  
20 tivities of SRBMD missiles in the United States and in  
21 Israel to meet Israel’s defense requirements consistent with  
22 each nation’s laws, regulations, and procedures, subject to  
23 the U.S.-Israeli co-production agreement for SRBMD, as  
24 amended; \$205,000,000 shall be for an upper-tier compo-  
25 nent to the Israeli Missile Defense Architecture, of which

1 \$120,000,000 shall be for co-production activities of Arrow  
2 3 Upper Tier missiles in the United States and in Israel  
3 to meet Israel's defense requirements consistent with each  
4 nation's laws, regulations, and procedures, subject to the  
5 U.S.-Israeli co-production agreement for Arrow 3 Upper  
6 Tier, as amended; \$105,000,000 shall be for testing of the  
7 upper-tier component to the Israeli Missile Defense Archi-  
8 tecture in the United States; and \$82,300,000 shall be for  
9 the Arrow System Improvement Program including devel-  
10 opment of a long range, ground and airborne, detection  
11 suite: Provided further, That the transfer authority pro-  
12 vided under this provision is in addition to any other  
13 transfer authority contained in this Act.

14 (INCLUDING TRANSFER OF FUNDS)

15 SEC. 1168. Of the amounts appropriated in this Act  
16 under the heading "Shipbuilding and Conversion, Navy",  
17 \$117,542,000 shall be available until September 30, 2018,  
18 to fund prior year shipbuilding cost increases: Provided,  
19 That upon enactment of this Act, the Secretary of the Navy  
20 shall transfer funds to the following appropriations in the  
21 amounts specified: Provided further, That the amounts  
22 transferred shall be merged with and be available for the  
23 same purposes as the appropriations to which transferred  
24 to:

1           (1) *Under the heading “Shipbuilding and Con-*  
2 *version, Navy”, 2012/2018: Carrier Replacement Pro-*  
3 *gram \$20,000,000;*

4           (2) *Under the heading “Shipbuilding and Con-*  
5 *version, Navy”, 2008/2018: DDG–51 Destroyer*  
6 *\$19,436,000;*

7           (3) *Under the heading “Shipbuilding and Con-*  
8 *version, Navy”, 2012/2018: Littoral Combat Ship*  
9 *\$6,394,000;*

10          (4) *Under the heading “Shipbuilding and Con-*  
11 *version, Navy”, 2012/2018: LHA Replacement*  
12 *\$14,200,000;*

13          (5) *Under the heading “Shipbuilding and Con-*  
14 *version, Navy”, 2013/2018: DDG–51 Destroyer*  
15 *\$31,941,000;*

16          (6) *Under the heading “Shipbuilding and Con-*  
17 *version, Navy”, 2014/2018: Littoral Combat Ship*  
18 *\$20,471,000; and*

19          (7) *Under the heading “Shipbuilding and Con-*  
20 *version, Navy”, 2015/2018: LCAC \$5,100,000.*

21       *SEC. 1169. Funds appropriated by this Act, or made*  
22 *available by the transfer of funds in this Act, for intelligence*  
23 *activities are deemed to be specifically authorized by the*  
24 *Congress for purposes of section 504 of the National Secu-*  
25 *rity Act of 1947 (50 U.S.C. 3094) during fiscal year 2018*

1 *until the enactment of the Intelligence Authorization Act*  
2 *for Fiscal Year 2018.*

3 *SEC. 1170. None of the funds provided in this Act shall*  
4 *be available for obligation or expenditure through a re-*  
5 *programming of funds that creates or initiates a new pro-*  
6 *gram, project, or activity unless such program, project, or*  
7 *activity must be undertaken immediately in the interest of*  
8 *national security and only after written prior notification*  
9 *to the congressional defense committees.*

10 *SEC. 1171. The budget of the President for fiscal year*  
11 *2018 submitted to the Congress pursuant to section 1105*  
12 *of title 31, United States Code, shall include separate budget*  
13 *justification documents for costs of United States Armed*  
14 *Forces' participation in contingency operations for the*  
15 *Military Personnel accounts, the Operation and Mainte-*  
16 *nance accounts, the Procurement accounts, and the Re-*  
17 *search, Development, Test and Evaluation accounts: Pro-*  
18 *vided, That these documents shall include a description of*  
19 *the funding requested for each contingency operation, for*  
20 *each military service, to include all Active and Reserve*  
21 *components, and for each appropriations account: Provided*  
22 *further, That these documents shall include estimated costs*  
23 *for each element of expense or object class, a reconciliation*  
24 *of increases and decreases for each contingency operation,*  
25 *and programmatic data including, but not limited to, troop*

1 *strength for each Active and Reserve component, and esti-*  
2 *mates of the major weapons systems deployed in support*  
3 *of each contingency: Provided further, That these documents*  
4 *shall include budget exhibits OP-5 and OP-32 (as defined*  
5 *in the Department of Defense Financial Management Regu-*  
6 *lation) for all contingency operations for the budget year*  
7 *and the two preceding fiscal years.*

8       *SEC. 1172. None of the funds in this Act may be used*  
9 *for research, development, test, evaluation, procurement or*  
10 *deployment of nuclear armed interceptors of a missile de-*  
11 *fense system.*

12       *SEC. 1173. Notwithstanding any other provision of*  
13 *this Act, to reflect savings due to favorable foreign exchange*  
14 *rates, the total amount appropriated in this Act is hereby*  
15 *reduced by \$289,000,000.*

16       *SEC. 1174. None of the funds appropriated or made*  
17 *available in this Act shall be used to reduce or disestablish*  
18 *the operation of the 53rd Weather Reconnaissance Squad-*  
19 *ron of the Air Force Reserve, if such action would reduce*  
20 *the WC-130 Weather Reconnaissance mission below the lev-*  
21 *els funded in this Act: Provided, That the Air Force shall*  
22 *allow the 53rd Weather Reconnaissance Squadron to per-*  
23 *form other missions in support of national defense require-*  
24 *ments during the non-hurricane season.*

1        *SEC. 1175. None of the funds provided in this Act shall*  
2 *be available for integration of foreign intelligence informa-*  
3 *tion unless the information has been lawfully collected and*  
4 *processed during the conduct of authorized foreign intel-*  
5 *ligence activities: Provided, That information pertaining to*  
6 *United States persons shall only be handled in accordance*  
7 *with protections provided in the Fourth Amendment of the*  
8 *United States Constitution as implemented through Execu-*  
9 *tive Order No. 12333.*

10        *SEC. 1176. (a) None of the funds appropriated by this*  
11 *Act may be used to transfer research and development, ac-*  
12 *quisition, or other program authority relating to current*  
13 *tactical unmanned aerial vehicles (TUAVs) from the Army.*

14        *(b) The Army shall retain responsibility for and oper-*  
15 *ational control of the MQ-1C Gray Eagle Unmanned Aerial*  
16 *Vehicle (UAV) in order to support the Secretary of Defense*  
17 *in matters relating to the employment of unmanned aerial*  
18 *vehicles.*

19        *SEC. 1177. None of the funds appropriated by this Act*  
20 *for programs of the Office of the Director of National Intel-*  
21 *ligence shall remain available for obligation beyond the cur-*  
22 *rent fiscal year, except for funds appropriated for research*  
23 *and technology, which shall remain available until Sep-*  
24 *tember 30, 2019.*

1        *SEC. 1178. For purposes of section 1553(b) of title 31,*  
2 *United States Code, any subdivision of appropriations*  
3 *made in this Act under the heading “Shipbuilding and*  
4 *Conversion, Navy” shall be considered to be for the same*  
5 *purpose as any subdivision under the heading “Ship-*  
6 *building and Conversion, Navy” appropriations in any*  
7 *prior fiscal year, and the 1 percent limitation shall apply*  
8 *to the total amount of the appropriation.*

9        *SEC. 1179. (a) Not later than 60 days after the date*  
10 *of enactment of this Act, the Director of National Intel-*  
11 *ligence shall submit a report to the congressional intel-*  
12 *ligence committees to establish the baseline for application*  
13 *of reprogramming and transfer authorities for fiscal year*  
14 *2018: Provided, That the report shall include—*

15            *(1) a table for each appropriation with a sepa-*  
16 *rate column to display the President’s budget request,*  
17 *adjustments made by Congress, adjustments due to*  
18 *enacted rescissions, if appropriate, and the fiscal year*  
19 *enacted level;*

20            *(2) a delineation in the table for each appropria-*  
21 *tion by Expenditure Center and project; and*

22            *(3) an identification of items of special congress-*  
23 *sional interest.*

24        *(b) None of the funds provided for the National Intel-*  
25 *ligence Program in this Act shall be available for re-*





1 *the standards of the Child Soldiers Prevention Act of 2008*  
2 *(Public Law 110–457; 22 U.S.C. 2370c–1) may be used to*  
3 *support any military training or operation that includes*  
4 *child soldiers, as defined by the Child Soldiers Prevention*  
5 *Act of 2008, unless such assistance is otherwise permitted*  
6 *under section 404 of the Child Soldiers Prevention Act of*  
7 *2008.*

8       *SEC. 1183. (a) None of the funds provided for the Na-*  
9 *tional Intelligence Program in this or any prior appropria-*  
10 *tions Act shall be available for obligation or expenditure*  
11 *through a reprogramming or transfer of funds in accord-*  
12 *ance with section 102A(d) of the National Security Act of*  
13 *1947 (50 U.S.C. 3024(d)) that—*

14             *(1) creates a new start effort;*

15             *(2) terminates a program with appropriated*  
16 *funding of \$10,000,000 or more;*

17             *(3) transfers funding into or out of the National*  
18 *Intelligence Program; or*

19             *(4) transfers funding between appropriations,*  
20 *unless the congressional intelligence committees are*  
21 *notified 30 days in advance of such reprogramming*  
22 *of funds; this notification period may be reduced for*  
23 *urgent national security requirements.*

24       *(b) None of the funds provided for the National Intel-*  
25 *ligence Program in this or any prior appropriations Act*

1 *shall be available for obligation or expenditure through a*  
2 *reprogramming or transfer of funds in accordance with sec-*  
3 *tion 102A(d) of the National Security Act of 1947 (50*  
4 *U.S.C. 3024(d)) that results in a cumulative increase or*  
5 *decrease of the levels specified in the classified annex accom-*  
6 *panying the Act unless the congressional intelligence com-*  
7 *mittees are notified 30 days in advance of such reprogram-*  
8 *ming of funds; this notification period may be reduced for*  
9 *urgent national security requirements.*

10       *SEC. 1184. The Director of National Intelligence shall*  
11 *submit to Congress each year, at or about the time that*  
12 *the President's budget is submitted to Congress that year*  
13 *under section 1105(a) of title 31, United States Code, a fu-*  
14 *ture-years intelligence program (including associated an-*  
15 *nexes) reflecting the estimated expenditures and proposed*  
16 *appropriations included in that budget. Any such future-*  
17 *years intelligence program shall cover the fiscal year with*  
18 *respect to which the budget is submitted and at least the*  
19 *four succeeding fiscal years.*

20       *SEC. 1185. For the purposes of this Act, the term "con-*  
21 *gressional intelligence committees" means the Permanent*  
22 *Select Committee on Intelligence of the House of Represent-*  
23 *atives, the Select Committee on Intelligence of the Senate,*  
24 *the Subcommittee on Defense of the Committee on Appro-*  
25 *priations of the House of Representatives, and the Sub-*

1 *committee on Defense of the Committee on Appropriations*  
2 *of the Senate.*

3 *(INCLUDING TRANSFER OF FUNDS)*

4 *SEC. 1186. During the current fiscal year, not to ex-*  
5 *ceed \$11,000,000 from each of the appropriations made in*  
6 *title II of this Act for “Operation and Maintenance, Army”,*  
7 *“Operation and Maintenance, Navy”, and “Operation and*  
8 *Maintenance, Air Force” may be transferred by the mili-*  
9 *tary department concerned to its central fund established*  
10 *for Fisher Houses and Suites pursuant to section 2493(d)*  
11 *of title 10, United States Code.*

12 *(INCLUDING TRANSFER OF FUNDS)*

13 *SEC. 1187. Not to exceed \$500,000,000 appropriated*  
14 *by this Act for operation and maintenance may be available*  
15 *for the purpose of making remittances and transfer to the*  
16 *Defense Acquisition Workforce Development Fund in ac-*  
17 *cordance with section 1705 of title 10, United States Code.*

18 *SEC. 1188. (a) Any agency receiving funds made*  
19 *available in this Act, shall, subject to subsections (b) and*  
20 *(c), post on the public website of that agency any report*  
21 *required to be submitted by the Congress in this or any*  
22 *other Act, upon the determination by the head of the agency*  
23 *that it shall serve the national interest.*

24 *(b) Subsection (a) shall not apply to a report if—*

1           (1) *the public posting of the report compromises*  
2           *national security; or*

3           (2) *the report contains proprietary information.*

4           (c) *The head of the agency posting such report shall*  
5           *do so only after such report has been made available to the*  
6           *requesting Committee or Committees of Congress for no less*  
7           *than 45 days.*

8           SEC. 1189. (a) *None of the funds appropriated or oth-*  
9           *erwise made available by this Act may be expended for any*  
10          *Federal contract for an amount in excess of \$1,000,000, un-*  
11          *less the contractor agrees not to—*

12           (1) *enter into any agreement with any of its em-*  
13          *ployees or independent contractors that requires, as a*  
14          *condition of employment, that the employee or inde-*  
15          *pendent contractor agree to resolve through arbitra-*  
16          *tion any claim under title VII of the Civil Rights Act*  
17          *of 1964 or any tort related to or arising out of sexual*  
18          *assault or harassment, including assault and battery,*  
19          *intentional infliction of emotional distress, false im-*  
20          *prisonment, or negligent hiring, supervision, or reten-*  
21          *tion; or*

22           (2) *take any action to enforce any provision of*  
23          *an existing agreement with an employee or inde-*  
24          *pendent contractor that mandates that the employee*  
25          *or independent contractor resolve through arbitration*

1        *any claim under title VII of the Civil Rights Act of*  
2        *1964 or any tort related to or arising out of sexual*  
3        *assault or harassment, including assault and battery,*  
4        *intentional infliction of emotional distress, false im-*  
5        *prisonment, or negligent hiring, supervision, or reten-*  
6        *tion.*

7        *(b) None of the funds appropriated or otherwise made*  
8        *available by this Act may be expended for any Federal con-*  
9        *tract unless the contractor certifies that it requires each cov-*  
10       *ered subcontractor to agree not to enter into, and not to*  
11       *take any action to enforce any provision of, any agreement*  
12       *as described in paragraphs (1) and (2) of subsection (a),*  
13       *with respect to any employee or independent contractor per-*  
14       *forming work related to such subcontract. For purposes of*  
15       *this subsection, a “covered subcontractor” is an entity that*  
16       *has a subcontract in excess of \$1,000,000 on a contract sub-*  
17       *ject to subsection (a).*

18       *(c) The prohibitions in this section do not apply with*  
19       *respect to a contractor’s or subcontractor’s agreements with*  
20       *employees or independent contractors that may not be en-*  
21       *forced in a court of the United States.*

22       *(d) The Secretary of Defense may waive the applica-*  
23       *tion of subsection (a) or (b) to a particular contractor or*  
24       *subcontractor for the purposes of a particular contract or*  
25       *subcontract if the Secretary or the Deputy Secretary per-*

1 *sonally determines that the waiver is necessary to avoid*  
2 *harm to national security interests of the United States,*  
3 *and that the term of the contract or subcontract is not*  
4 *longer than necessary to avoid such harm. The determina-*  
5 *tion shall set forth with specificity the grounds for the waiv-*  
6 *er and for the contract or subcontract term selected, and*  
7 *shall state any alternatives considered in lieu of a waiver*  
8 *and the reasons each such alternative would not avoid harm*  
9 *to national security interests of the United States. The Sec-*  
10 *retary of Defense shall transmit to Congress, and simulta-*  
11 *neously make public, any determination under this sub-*  
12 *section not less than 15 business days before the contract*  
13 *or subcontract addressed in the determination may be*  
14 *awarded.*

15 *(INCLUDING TRANSFER OF FUNDS)*

16 *SEC. 1190. From within the funds appropriated for*  
17 *operation and maintenance for the Defense Health Program*  
18 *in this Act, up to \$115,519,000, shall be available for trans-*  
19 *fer to the Joint Department of Defense-Department of Vet-*  
20 *erans Affairs Medical Facility Demonstration Fund in ac-*  
21 *cordance with the provisions of section 1704 of the National*  
22 *Defense Authorization Act for Fiscal Year 2010, Public Law*  
23 *111–84: Provided, That for purposes of section 1704(b), the*  
24 *facility operations funded are operations of the integrated*  
25 *Captain James A. Lovell Federal Health Care Center, con-*

1 *sisting of the North Chicago Veterans Affairs Medical Cen-*  
2 *ter, the Navy Ambulatory Care Center, and supporting fa-*  
3 *cilities designated as a combined Federal medical facility*  
4 *as described by section 706 of Public Law 110–417: Pro-*  
5 *vided further, That additional funds may be transferred*  
6 *from funds appropriated for operation and maintenance for*  
7 *the Defense Health Program to the Joint Department of De-*  
8 *fense-Department of Veterans Affairs Medical Facility*  
9 *Demonstration Fund upon written notification by the Sec-*  
10 *retary of Defense to the Committees on Appropriations of*  
11 *the House of Representatives and the Senate.*

12       *SEC. 1191. None of the funds appropriated or other-*  
13 *wise made available by this Act may be used by the Depart-*  
14 *ment of Defense or a component thereof in contravention*  
15 *of the provisions of section 130h of title 10, United States*  
16 *Code.*

17       *SEC. 1192. Appropriations available to the Depart-*  
18 *ment of Defense may be used for the purchase of heavy and*  
19 *light armored vehicles for the physical security of personnel*  
20 *or for force protection purposes up to a limit of \$450,000*  
21 *per vehicle, notwithstanding price or other limitations ap-*  
22 *plicable to the purchase of passenger carrying vehicles.*

23                                   *(INCLUDING TRANSFER OF FUNDS)*

24       *SEC. 1193. Upon a determination by the Director of*  
25 *National Intelligence that such action is necessary and in*

1 *the national interest, the Director may, with the approval*  
2 *of the Office of Management and Budget, transfer not to*  
3 *exceed \$1,500,000,000 of the funds made available in this*  
4 *Act for the National Intelligence Program: Provided, That*  
5 *such authority to transfer may not be used unless for higher*  
6 *priority items, based on unforeseen intelligence require-*  
7 *ments, than those for which originally appropriated and*  
8 *in no case where the item for which funds are requested*  
9 *has been denied by the Congress: Provided further, That a*  
10 *request for multiple reprogrammings of funds using author-*  
11 *ity provided in this section shall be made prior to June*  
12 *30, 2017.*

13 *SEC. 1194. None of the funds appropriated or other-*  
14 *wise made available in this or any other Act may be used*  
15 *to transfer, release, or assist in the transfer or release to*  
16 *or within the United States, its territories, or possessions*  
17 *Khalid Sheikh Mohammed or any other detainee who—*

18 *(1) is not a United States citizen or a member*  
19 *of the Armed Forces of the United States; and*

20 *(2) is or was held on or after June 24, 2009, at*  
21 *United States Naval Station, Guantánamo Bay,*  
22 *Cuba, by the Department of Defense.*

23 *SEC. 1195. (a) None of the funds appropriated or oth-*  
24 *erwise made available in this or any other Act may be used*  
25 *to construct, acquire, or modify any facility in the United*



1 *States, its territories, or possessions to house any individual*  
2 *described in subsection (c) for the purposes of detention or*  
3 *imprisonment in the custody or under the effective control*  
4 *of the Department of Defense.*

5 *(b) The prohibition in subsection (a) shall not apply*  
6 *to any modification of facilities at United States Naval*  
7 *Station, Guantánamo Bay, Cuba.*

8 *(c) An individual described in this subsection is any*  
9 *individual who, as of June 24, 2009, is located at United*  
10 *States Naval Station, Guantánamo Bay, Cuba, and who—*

11 *(1) is not a citizen of the United States or a*  
12 *member of the Armed Forces of the United States; and*

13 *(2) is—*

14 *(A) in the custody or under the effective*  
15 *control of the Department of Defense; or*

16 *(B) otherwise under detention at United*  
17 *States Naval Station, Guantánamo Bay, Cuba.*

18 *SEC. 1196. None of the funds appropriated or other-*  
19 *wise made available in this Act may be used to transfer*  
20 *any individual detained at United States Naval Station*  
21 *Guantánamo Bay, Cuba, to the custody or control of the*  
22 *individual's country of origin, any other foreign country,*  
23 *or any other foreign entity except in accordance with sec-*  
24 *tion 1034 of the National Defense Authorization Act for Fis-*  
25 *cal Year 2016 (Public Law 114–92) and section 1034 of*

1 *the National Defense Authorization Act for Fiscal Year*  
2 *2017 (Public Law 114–328).*

3       *SEC. 1197. None of the funds made available by this*  
4 *Act may be used in contravention of the War Powers Reso-*  
5 *lution (50 U.S.C. 1541 et seq.).*

6       *SEC. 1198. (a) None of the funds appropriated or oth-*  
7 *erwise made available by this or any other Act may be used*  
8 *by the Secretary of Defense, or any other official or officer*  
9 *of the Department of Defense, to enter into a contract,*  
10 *memorandum of understanding, or cooperative agreement*  
11 *with, or make a grant to, or provide a loan or loan guar-*  
12 *antee to Rosoboronexport or any subsidiary of*  
13 *Rosoboronexport.*

14       *(b) The Secretary of Defense may waive the limitation*  
15 *in subsection (a) if the Secretary, in consultation with the*  
16 *Secretary of State and the Director of National Intelligence,*  
17 *determines that it is in the vital national security interest*  
18 *of the United States to do so, and certifies in writing to*  
19 *the congressional defense committees that, to the best of the*  
20 *Secretary’s knowledge:*

21               *(1) Rosoboronexport has ceased the transfer of le-*  
22 *thal military equipment to, and the maintenance of*  
23 *existing lethal military equipment for, the Govern-*  
24 *ment of the Syrian Arab Republic;*

1           (2) *The armed forces of the Russian Federation*  
2           *have withdrawn from Crimea, other than armed*  
3           *forces present on military bases subject to agreements*  
4           *in force between the Government of the Russian Fed-*  
5           *eration and the Government of Ukraine; and*

6           (3) *Agents of the Russian Federation have ceased*  
7           *taking active measures to destabilize the control of the*  
8           *Government of Ukraine over eastern Ukraine.*

9           (c) *The Inspector General of the Department of Defense*  
10          *shall conduct a review of any action involving*  
11          *Rosoboronexport with respect to a waiver issued by the Sec-*  
12          *retary of Defense pursuant to subsection (b), and not later*  
13          *than 90 days after the date on which such a waiver is issued*  
14          *by the Secretary of Defense, the Inspector General shall sub-*  
15          *mit to the congressional defense committees a report con-*  
16          *taining the results of the review conducted with respect to*  
17          *such waiver.*

18          SEC. 1199. *None of the funds made available in this*  
19          *Act may be used for the purchase or manufacture of a flag*  
20          *of the United States unless such flags are treated as covered*  
21          *items under section 2533a(b) of title 10, United States*  
22          *Code.*

23          SEC. 1200. (a) *Of the funds appropriated in this Act*  
24          *for the Department of Defense, amounts may be made avail-*  
25          *able, under such regulations as the Secretary of Defense*

1 *may prescribe, to local military commanders appointed by*  
2 *the Secretary, or by an officer or employee designated by*  
3 *the Secretary, to provide at their discretion ex gratia pay-*  
4 *ments in amounts consistent with subsection (d) of this sec-*  
5 *tion for damage, personal injury, or death that is incident*  
6 *to combat operations of the Armed Forces in a foreign coun-*  
7 *try.*

8       *(b) An ex gratia payment under this section may be*  
9 *provided only if—*

10           *(1) the prospective foreign civilian recipient is*  
11 *determined by the local military commander to be*  
12 *friendly to the United States;*

13           *(2) a claim for damages would not be compen-*  
14 *sable under chapter 163 of title 10, United States*  
15 *Code (commonly known as the “Foreign Claims*  
16 *Act”); and*

17           *(3) the property damage, personal injury, or*  
18 *death was not caused by action by an enemy.*

19       *(c) NATURE OF PAYMENTS.—Any payments provided*  
20 *under a program under subsection (a) shall not be consid-*  
21 *ered an admission or acknowledgement of any legal obliga-*  
22 *tion to compensate for any damage, personal injury, or*  
23 *death.*

24       *(d) AMOUNT OF PAYMENTS.—If the Secretary of De-*  
25 *fense determines a program under subsection (a) to be ap-*

1 *appropriate in a particular setting, the amounts of payments,*  
2 *if any, to be provided to civilians determined to have suf-*  
3 *fered harm incident to combat operations of the Armed*  
4 *Forces under the program should be determined pursuant*  
5 *to regulations prescribed by the Secretary and based on an*  
6 *assessment, which should include such factors as cultural*  
7 *appropriateness and prevailing economic conditions.*

8       *(e) LEGAL ADVICE.—Local military commanders shall*  
9 *receive legal advice before making ex gratia payments under*  
10 *this subsection. The legal advisor, under regulations of the*  
11 *Department of Defense, shall advise on whether an ex gratia*  
12 *payment is proper under this section and applicable De-*  
13 *partment of Defense regulations.*

14       *(f) WRITTEN RECORD.—A written record of any ex*  
15 *gratia payment offered or denied shall be kept by the local*  
16 *commander and on a timely basis submitted to the appro-*  
17 *priate office in the Department of Defense as determined*  
18 *by the Secretary of Defense.*

19       *(g) REPORT.—The Secretary of Defense shall report to*  
20 *the congressional defense committees on an annual basis the*  
21 *efficacy of the ex gratia payment program including the*  
22 *number of types of cases considered, amounts offered, the*  
23 *response from ex gratia payment recipients, and any rec-*  
24 *ommended modifications to the program.*

1        *SEC. 1201. None of the funds available in this Act to*  
2 *the Department of Defense, other than appropriations made*  
3 *for necessary or routine refurbishments, upgrades or main-*  
4 *tenance activities, shall be used to reduce or to prepare to*  
5 *reduce the number of deployed and non-deployed strategic*  
6 *delivery vehicles and launchers below the levels set forth in*  
7 *the report submitted to Congress in accordance with section*  
8 *1042 of the National Defense Authorization Act for Fiscal*  
9 *Year 2012.*

10        *SEC. 1202. The Secretary of Defense shall post grant*  
11 *awards on a public Website in a searchable format.*

12        *SEC. 1203. None of the funds made available by this*  
13 *Act may be used to fund the performance of a flight dem-*  
14 *onstration team at a location outside of the United States:*  
15 *Provided, That this prohibition applies only if a perform-*  
16 *ance of a flight demonstration team at a location within*  
17 *the United States was canceled during the current fiscal*  
18 *year due to insufficient funding.*

19        *SEC. 1204. None of the funds made available by this*  
20 *Act may be used by the National Security Agency to—*

21                *(1) conduct an acquisition pursuant to section*  
22                *702 of the Foreign Intelligence Surveillance Act of*  
23                *1978 for the purpose of targeting a United States per-*  
24                *son; or*

1           (2) acquire, monitor, or store the contents (as  
2       such term is defined in section 2510(8) of title 18,  
3       United States Code) of any electronic communication  
4       of a United States person from a provider of elec-  
5       tronic communication services to the public pursuant  
6       to section 501 of the Foreign Intelligence Surveillance  
7       Act of 1978.

8       SEC. 1205. None of the funds made available by this  
9       Act may be obligated or expended to implement the Arms  
10      Trade Treaty until the Senate approves a resolution of rati-  
11      fication for the Treaty.

12      SEC. 1206. None of the funds made available in this  
13      or any other Act may be used to pay the salary of any  
14      officer or employee of any agency funded by this Act who  
15      approves or implements the transfer of administrative re-  
16      sponsibilities or budgetary resources of any program,  
17      project, or activity financed by this Act to the jurisdiction  
18      of another Federal agency not financed by this Act unless  
19      explicitly provided for in a Defense Appropriations Act:  
20      Provided, That this limitation shall not apply to transfers  
21      of funds expressly provided for in Defense Appropriations  
22      Acts, or provisions of Acts providing supplemental appro-  
23      priations for the Department of Defense.

24      SEC. 1207. None of the funds made available in this  
25      Act may be obligated for activities authorized under section

1 1208 of the Ronald W. Reagan National Defense Authoriza-  
2 tion Act for Fiscal Year 2005 (Public Law 112–81; 125  
3 Stat. 1621) to initiate support for, or expand support to,  
4 foreign forces, irregular forces, groups, or individuals unless  
5 the congressional defense committees are notified in accord-  
6 ance with the direction contained in the classified annex  
7 accompanying this Act, not less than 15 days before initi-  
8 ating such support: Provided, That none of the funds made  
9 available in this Act may be used under section 1208 for  
10 any activity that is not in support of an ongoing military  
11 operation being conducted by United States Special Oper-  
12 ations Forces to combat terrorism: Provided further, That  
13 the Secretary of Defense may waive the prohibitions in this  
14 section if the Secretary determines that such waiver is re-  
15 quired by extraordinary circumstances and, by not later  
16 than 72 hours after making such waiver, notifies the con-  
17 gressional defense committees of such waiver.

18       SEC. 1208. None of the funds made available by this  
19 Act may be used with respect to Iraq in contravention of  
20 the War Powers Resolution (50 U.S.C. 1541 et seq.), includ-  
21 ing for the introduction of United States armed forces into  
22 hostilities in Iraq, into situations in Iraq where imminent  
23 involvement in hostilities is clearly indicated by the cir-  
24 cumstances, or into Iraqi territory, airspace, or waters  
25 while equipped for combat, in contravention of the congres-



1 sional consultation and reporting requirements of sections  
2 3 and 4 of such Resolution (50 U.S.C. 1542 and 1543).

3       *SEC. 1209. None of the funds provided in this Act for*  
4 *the T-AO Fleet Oiler or the Towing, Salvage, and Rescue*  
5 *Ship programs shall be used to award a new contract that*  
6 *provides for the acquisition of the following components un-*  
7 *less those components are manufactured in the United*  
8 *States: Auxiliary equipment (including pumps) for ship-*  
9 *board services; propulsion equipment (including engines,*  
10 *reduction gears, and propellers); shipboard cranes; and*  
11 *spreaders for shipboard cranes.*

12       *SEC. 1210. The amount appropriated in title II of this*  
13 *Act for “Operation and Maintenance, Army” is hereby re-*  
14 *duced by \$75,000,000 to reflect excess cash balances in De-*  
15 *partment of Defense Working Capital Funds.*

16       *SEC. 1211. Notwithstanding any other provision of*  
17 *this Act, to reflect savings due to lower than anticipated*  
18 *fuel costs, the total amount appropriated in title II of this*  
19 *Act is hereby reduced by \$1,007,267,000.*

20       *SEC. 1212. None of the funds made available by this*  
21 *Act may be used for Government Travel Charge Card ex-*  
22 *penses by military or civilian personnel of the Department*  
23 *of Defense for gaming, or for entertainment that includes*  
24 *topless or nude entertainers or participants, as prohibited*  
25 *by Department of Defense FMR, Volume 9, Chapter 3 and*

1 *Department of Defense Instruction 1015.10 (enclosure 3,*  
2 *14a and 14b).*

3 *SEC. 1213. None of the funds made available by this*  
4 *Act may be used to propose, plan for, or execute a new or*  
5 *additional Base Realignment and Closure (BRAC) round.*

6 *SEC. 1214. Of the amounts appropriated in this Act*  
7 *for “Operation and Maintenance, Navy”, \$289,255,000, to*  
8 *remain available until expended, may be used for any pur-*  
9 *poses related to the National Defense Reserve Fleet estab-*  
10 *lished under section 11 of the Merchant Ship Sales Act of*  
11 *1946 (50 U.S.C. 4405): Provided, That such amounts are*  
12 *available for reimbursements to the Ready Reserve Force,*  
13 *Maritime Administration account of the United States De-*  
14 *partment of Transportation for programs, projects, activi-*  
15 *ties, and expenses related to the National Defense Reserve*  
16 *Fleet.*

17 *SEC. 1215. None of the funds made available by this*  
18 *Act for the Joint Surveillance Target Attack Radar System*  
19 *recapitalization program may be obligated or expended for*  
20 *pre-milestone B activities after March 31, 2018, except for*  
21 *source selection and other activities necessary to enter the*  
22 *engineering and manufacturing development phase.*

23 *SEC. 1216. None of the funds made available by this*  
24 *Act may be used to carry out the closure or realignment*

1 *of the United States Naval Station, Guantánamo Bay,*  
2 *Cuba.*

3 *(INCLUDING TRANSFER OF FUNDS)*

4 *SEC. 1217. Additional readiness funds made available*  
5 *in title II of this Act for “Operation and Maintenance,*  
6 *Army”, “Operation and Maintenance, Navy”, “Operation*  
7 *and Maintenance, Marine Corps”, and “Operation and*  
8 *Maintenance, Air Force” may be transferred to and merged*  
9 *with any appropriation of the Department of Defense for*  
10 *activities related to the Zika virus in order to provide*  
11 *health support for the full range of military operations and*  
12 *sustain the health of the members of the Armed Forces, civil-*  
13 *ian employees of the Department of Defense, and their fami-*  
14 *lies, to include: research and development, disease surveil-*  
15 *lance, vaccine development, rapid detection, vector controls*  
16 *and surveillance, training, and outbreak response: Pro-*  
17 *vided, That the authority provided in this section is subject*  
18 *to the same terms and conditions as the authority provided*  
19 *in section 8005 of this Act.*

20 *SEC. 1218. (a) None of the funds made available in*  
21 *this Act may be used to maintain or establish a computer*  
22 *network unless such network is designed to block access to*  
23 *pornography websites.*

24 *(b) Nothing in subsection (a) shall limit the use of*  
25 *funds necessary for any Federal, State, tribal, or local law*

1 *enforcement agency or any other entity carrying out crimi-*  
2 *nal investigations, prosecution, or adjudication activities,*  
3 *or for any activity necessary for the national defense, in-*  
4 *cluding intelligence activities.*

5       *SEC. 1219. Notwithstanding any other provision of*  
6 *law, any transfer of funds appropriated or otherwise made*  
7 *available by this Act to the Global Engagement Center pur-*  
8 *suant to section 1287 of the National Defense Authorization*  
9 *Act for Fiscal Year 2017 (Public Law 114–328) shall be*  
10 *made in accordance with section 8005 or 9002 of this Act,*  
11 *as applicable.*

12       *SEC. 1220. No amounts credited or otherwise made*  
13 *available in this or any other Act to the Department of De-*  
14 *fense Acquisition Workforce Development Fund may be*  
15 *transferred to:*

16             (1) *the Rapid Prototyping Fund established*  
17 *under section 804(d) of the National Defense Author-*  
18 *ization Act for Fiscal Year 2016 (10 U.S.C. 2302*  
19 *note); or*

20             (2) *credited to a military-department specific*  
21 *fund established under section 804(d)(2) of the Na-*  
22 *tional Defense Authorization Act for Fiscal Year 2016*  
23 *(as amended by section 897 of the National Defense*  
24 *Authorization Act for Fiscal Year 2017).*

(INCLUDING TRANSFER FUND)

1  
2       *SEC. 1221. In addition to amounts provided elsewhere*  
3 *in this Act for military personnel pay, including active*  
4 *duty, reserve and National Guard personnel, \$206,400,000*  
5 *is hereby appropriated to the Department of Defense and*  
6 *made available for transfer only to military personnel ac-*  
7 *counts: Provided, That the transfer authority provided*  
8 *under this heading is in addition to any other transfer au-*  
9 *thority provided elsewhere in this Act.*

10       *SEC. 1222. In addition to amounts provided elsewhere*  
11 *in this Act, there is appropriated \$235,000,000, for an ad-*  
12 *ditional amount for “Operation and Maintenance, Defense-*  
13 *Wide”, to remain available until expended: Provided, That*  
14 *such funds shall only be available to the Secretary of De-*  
15 *fense, acting through the Office of Economic Adjustment of*  
16 *the Department of Defense, or for transfer to the Secretary*  
17 *of Education, notwithstanding any other provision of law,*  
18 *to make grants, conclude cooperative agreements, or supple-*  
19 *ment other Federal funds to construct, renovate, repair, or*  
20 *expand elementary and secondary public schools on mili-*  
21 *tary installations in order to address capacity or facility*  
22 *condition deficiencies at such schools: Provided further,*  
23 *That in making such funds available, the Office of Eco-*  
24 *nomics Adjustment or the Secretary of Education shall give*  
25 *priority consideration to those military installations with*

1 *schools having the most serious capacity or facility condi-*  
2 *tion deficiencies as determined by the Secretary of Defense:*  
3 *Provided further, That as a condition of receiving funds*  
4 *under this section a local educational agency or State shall*  
5 *provide a matching share as described in the notice titled*  
6 *“Department of Defense Program for Construction, Renova-*  
7 *tion, Repair or Expansion of Public Schools Located on*  
8 *Military Installations” published by the Department of De-*  
9 *fense in the Federal Register on September 9, 2011 (76 Fed.*  
10 *Reg. 55883 et seq.): Provided further, That these provisions*  
11 *apply to funds provided under this section, and to funds*  
12 *previously provided by Congress to construct, renovate, re-*  
13 *pair, or expand elementary and secondary public schools*  
14 *on military installations in order to address capacity or*  
15 *facility condition deficiencies at such schools to the extent*  
16 *such funds remain unobligated on the date of enactment of*  
17 *this section.*

18       *SEC. 1223. None of the funds made available by this*  
19 *Act may be used to carry out the changes to the Joint Travel*  
20 *Regulations of the Department of Defense described in the*  
21 *memorandum of the Per Diem Travel and Transportation*  
22 *Allowance Committee titled “UTD/CTD for MAP 118–13/*  
23 *CAP 118–13 - Flat Rate Per Diem for Long Term TDY”*  
24 *and dated October 1, 2014.*



1 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
2 *Deficit Control Act of 1985.*

3 *MILITARY PERSONNEL, NAVY*

4 *For an additional amount for “Military Personnel,*  
5 *Navy”, \$377,857,000: Provided, That such amount is des-*  
6 *ignated by the Congress for Overseas Contingency Oper-*  
7 *ations/Global War on Terrorism pursuant to section*  
8 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
9 *Deficit Control Act of 1985.*

10 *MILITARY PERSONNEL, MARINE CORPS*

11 *For an additional amount for “Military Personnel,*  
12 *Marine Corps”, \$103,800,000: Provided, That such amount*  
13 *is designated by the Congress for Overseas Contingency Op-*  
14 *erations/Global War on Terrorism pursuant to section*  
15 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
16 *Deficit Control Act of 1985.*

17 *MILITARY PERSONNEL, AIR FORCE*

18 *For an additional amount for “Military Personnel,*  
19 *Air Force”, \$912,779,000: Provided, That such amount is*  
20 *designated by the Congress for Overseas Contingency Oper-*  
21 *ations/Global War on Terrorism pursuant to section*  
22 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
23 *Deficit Control Act of 1985.*



1 *RESERVE PERSONNEL, ARMY*

2 *For an additional amount for “Reserve Personnel,*  
3 *Army”, \$24,942,000: Provided, That such amount is des-*  
4 *ignated by the Congress for Overseas Contingency Oper-*  
5 *ations/Global War on Terrorism pursuant to section*  
6 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
7 *Deficit Control Act of 1985.*

8 *RESERVE PERSONNEL, NAVY*

9 *For an additional amount for “Reserve Personnel,*  
10 *Navy”, \$9,091,000: Provided, That such amount is des-*  
11 *ignated by the Congress for Overseas Contingency Oper-*  
12 *ations/Global War on Terrorism pursuant to section*  
13 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
14 *Deficit Control Act of 1985.*

15 *RESERVE PERSONNEL, MARINE CORPS*

16 *For an additional amount for “Reserve Personnel, Ma-*  
17 *rine Corps”, \$2,328,000: Provided, That such amount is*  
18 *designated by the Congress for Overseas Contingency Oper-*  
19 *ations/Global War on Terrorism pursuant to section*  
20 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
21 *Deficit Control Act of 1985.*

22 *RESERVE PERSONNEL, AIR FORCE*

23 *For an additional amount for “Reserve Personnel, Air*  
24 *Force”, \$20,569,000: Provided, That such amount is des-*  
25 *ignated by the Congress for Overseas Contingency Oper-*

1 *ations/Global War on Terrorism pursuant to section*  
2 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
3 *Deficit Control Act of 1985.*

4 *NATIONAL GUARD PERSONNEL, ARMY*

5 *For an additional amount for “National Guard Per-*  
6 *sonnel, Army”, \$184,589,000: Provided, That such amount*  
7 *is designated by the Congress for Overseas Contingency Op-*  
8 *erations/Global War on Terrorism pursuant to section*  
9 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
10 *Deficit Control Act of 1985.*

11 *NATIONAL GUARD PERSONNEL, AIR FORCE*

12 *For an additional amount for “National Guard Per-*  
13 *sonnel, Air Force”, \$5,004,000: Provided, That such*  
14 *amount is designated by the Congress for Overseas Contin-*  
15 *gency Operations/Global War on Terrorism pursuant to sec-*  
16 *tion 251(b)(2)(A)(ii) of the Balanced Budget and Emer-*  
17 *gency Deficit Control Act of 1985.*

18 *MILITARY PERSONNEL, NATIONAL DEFENSE RESTORATION*

19 *FUND*

20 *(INCLUDING TRANSFER OF FUNDS)*

21 *In addition to amounts provided elsewhere in this Act,*  
22 *there is appropriated \$1,000,000,000, for the “Military Per-*  
23 *sonnel, National Defense Restoration Fund”:* *Provided,*  
24 *That such funds provided under this heading shall only be*  
25 *available for programs, projects and activities necessary to*

1 *implement the 2018 National Defense Strategy: Provided*  
2 *further, That such funds shall not be available for transfer*  
3 *until 30 days after the Secretary has submitted, and the*  
4 *congressional defense committees have approved, the pro-*  
5 *posed allocation plan for the use of such funds to implement*  
6 *such strategy: Provided further, That such allocation plan*  
7 *shall include a detailed justification for the use of such*  
8 *funds and a description of how such investments are nec-*  
9 *essary to implement the strategy: Provided further, That the*  
10 *Secretary of Defense may transfer these funds only to mili-*  
11 *tary personnel accounts: Provided further, That the funds*  
12 *transferred shall be merged with and shall be available for*  
13 *the same purposes and for the same time period, as the ap-*  
14 *propriation to which transferred: Provided further, That*  
15 *none of the funds made available under this heading may*  
16 *be transferred to any program, project, or activity specifi-*  
17 *cally limited or denied by this Act: Provided further, That*  
18 *the transfer authority provided under this heading is in ad-*  
19 *dition to any other transfer authority available to the De-*  
20 *partment of Defense: Provided further, That such amount*  
21 *is designated by the Congress for Overseas Contingency Op-*  
22 *erations/Global War on Terrorism pursuant to section*  
23 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
24 *Deficit Control Act of 1985.*

1            *OPERATION AND MAINTENANCE*2            *OPERATION AND MAINTENANCE, ARMY*

3            *For an additional amount for “Operation and Maintenance, Army”, \$16,126,403,000: Provided, That such*  
4 *amount is designated by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985.*

9            *OPERATION AND MAINTENANCE, NAVY*

10          *For an additional amount for “Operation and Maintenance, Navy”, \$5,875,015,000, of which up to \$161,885,000*  
11 *may be transferred to the Coast Guard “Operating Expenses” account: Provided, That such amount is designated*  
12 *by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii)*  
13 *of the Balanced Budget and Emergency Deficit Control Act*  
14 *of 1985.*

18          *OPERATION AND MAINTENANCE, MARINE CORPS*

19          *For an additional amount for “Operation and Maintenance, Marine Corps”, \$1,116,640,000: Provided, That such*  
20 *amount is designated by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985.*

1           *OPERATION AND MAINTENANCE, AIR FORCE*

2           *For an additional amount for “Operation and Mainte-*  
3 *nance, Air Force”, \$10,266,295,000: Provided, That such*  
4 *amount is designated by the Congress for Overseas Contin-*  
5 *gency Operations/Global War on Terrorism pursuant to sec-*  
6 *tion 251(b)(2)(A)(ii) of the Balanced Budget and Emer-*  
7 *gency Deficit Control Act of 1985.*

8           *OPERATION AND MAINTENANCE, DEFENSE-WIDE*

9           *For an additional amount for “Operation and Mainte-*  
10 *nance, Defense-Wide”, \$6,944,201,000: Provided, That of*  
11 *the funds provided under this heading, not to exceed*  
12 *\$900,000,000, to remain available until September 30,*  
13 *2019, shall be for payments to reimburse key cooperating*  
14 *nations for logistical, military, and other support, includ-*  
15 *ing access, provided to United States military and stability*  
16 *operations in Afghanistan and to counter the Islamic State*  
17 *of Iraq and the Levant: Provided further, That such reim-*  
18 *bursement payments may be made in such amounts as the*  
19 *Secretary of Defense, with the concurrence of the Secretary*  
20 *of State, and in consultation with the Director of the Office*  
21 *of Management and Budget, may determine, based on docu-*  
22 *mentation determined by the Secretary of Defense to ade-*  
23 *quately account for the support provided, and such deter-*  
24 *mination is final and conclusive upon the accounting offi-*  
25 *cers of the United States, and 15 days following notification*

1 *to the appropriate congressional committees: Provided fur-*  
2 *ther, That funds provided under this heading may be used*  
3 *for the purpose of providing specialized training and pro-*  
4 *curing supplies and specialized equipment and providing*  
5 *such supplies and loaning such equipment on a non-reim-*  
6 *bursable basis to coalition forces supporting United States*  
7 *military and stability operations in Afghanistan and to*  
8 *counter the Islamic State of Iraq and the Levant, and 15*  
9 *days following notification to the appropriate congressional*  
10 *committees: Provided further, That funds provided under*  
11 *this heading may be used to support the Government of Jor-*  
12 *dan, in such amounts as the Secretary of Defense may de-*  
13 *termine, to enhance the ability of the armed forces of Jordan*  
14 *to increase or sustain security along its borders, upon 15*  
15 *days prior written notification to the congressional defense*  
16 *committees outlining the amounts intended to be provided*  
17 *and the nature of the expenses incurred: Provided further,*  
18 *That of the funds provided under this heading, not to exceed*  
19 *\$750,000,000, to remain available until September 30,*  
20 *2019, shall be available to provide support and assistance*  
21 *to foreign security forces or other groups or individuals to*  
22 *conduct, support, or facilitate counterterrorism, crisis re-*  
23 *sponse, or other Department of Defense security cooperation*  
24 *programs: Provided further, That such amount is des-*  
25 *ignated by the Congress for Overseas Contingency Oper-*

1 *ations/Global War on Terrorism pursuant to section*  
2 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
3 *Deficit Control Act of 1985.*

4 *OPERATION AND MAINTENANCE, ARMY RESERVE*

5 *For an additional amount for “Operation and Mainte-*  
6 *nance, Army Reserve”, \$24,699,000: Provided, That such*  
7 *amount is designated by the Congress for Overseas Contin-*  
8 *gency Operations/Global War on Terrorism pursuant to sec-*  
9 *tion 251(b)(2)(A)(ii) of the Balanced Budget and Emer-*  
10 *gency Deficit Control Act of 1985.*

11 *OPERATION AND MAINTENANCE, NAVY RESERVE*

12 *For an additional amount for “Operation and Mainte-*  
13 *nance, Navy Reserve”, \$23,980,000: Provided, That such*  
14 *amount is designated by the Congress for Overseas Contin-*  
15 *gency Operations/Global War on Terrorism pursuant to sec-*  
16 *tion 251(b)(2)(A)(ii) of the Balanced Budget and Emer-*  
17 *gency Deficit Control Act of 1985.*

18 *OPERATION AND MAINTENANCE, MARINE CORPS RESERVE*

19 *For an additional amount for “Operation and Mainte-*  
20 *nance, Marine Corps Reserve”, \$3,367,000: Provided, That*  
21 *such amount is designated by the Congress for Overseas*  
22 *Contingency Operations/Global War on Terrorism pursu-*  
23 *ant to section 251(b)(2)(A)(ii) of the Balanced Budget and*  
24 *Emergency Deficit Control Act of 1985.*

1     *OPERATION AND MAINTENANCE, AIR FORCE RESERVE*

2           *For an additional amount for “Operation and Mainte-*  
3 *nance, Air Force Reserve”, \$58,523,000: Provided, That*  
4 *such amount is designated by the Congress for Overseas*  
5 *Contingency Operations/Global War on Terrorism pursu-*  
6 *ant to section 251(b)(2)(A)(ii) of the Balanced Budget and*  
7 *Emergency Deficit Control Act of 1985.*

8     *OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD*

9           *For an additional amount for “Operation and Mainte-*  
10 *nance, Army National Guard”, \$108,111,000: Provided,*  
11 *That such amount is designated by the Congress for Over-*  
12 *seas Contingency Operations/Global War on Terrorism pur-*  
13 *suant to section 251(b)(2)(A)(ii) of the Balanced Budget*  
14 *and Emergency Deficit Control Act of 1985.*

15     *OPERATION AND MAINTENANCE, AIR NATIONAL GUARD*

16           *For an additional amount for “Operation and Mainte-*  
17 *nance, Air National Guard”, \$15,400,000: Provided, That*  
18 *such amount is designated by the Congress for Overseas*  
19 *Contingency Operations/Global War on Terrorism pursu-*  
20 *ant to section 251(b)(2)(A)(ii) of the Balanced Budget and*  
21 *Emergency Deficit Control Act of 1985.*





1 *That the transfer authority provided under this heading is*  
2 *in addition to any other transfer authority available to the*  
3 *Department of Defense: Provided further, That such amount*  
4 *is designated by the Congress for Overseas Contingency Op-*  
5 *erations/Global War on Terrorism pursuant to section*  
6 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
7 *Deficit Control Act of 1985.*

8 *AFGHANISTAN SECURITY FORCES FUND*

9 *For the “Afghanistan Security Forces Fund”,*  
10 *\$4,937,515,000 (reduced by \$12,000,000), to remain avail-*  
11 *able until September 30, 2019: Provided, That such funds*  
12 *shall be available to the Secretary of Defense, notwith-*  
13 *standing any other provision of law, for the purpose of al-*  
14 *lowing the Commander, Combined Security Transition*  
15 *Command—Afghanistan, or the Secretary’s designee, to*  
16 *provide assistance, with the concurrence of the Secretary of*  
17 *State, to the security forces of Afghanistan, including the*  
18 *provision of equipment, supplies, services, training, facility*  
19 *and infrastructure repair, renovation, construction, and*  
20 *funding: Provided further, That the Secretary of Defense*  
21 *may obligate and expend funds made available to the De-*  
22 *partment of Defense in this title for additional costs associ-*  
23 *ated with existing projects previously funded with amounts*  
24 *provided under the heading “Afghanistan Infrastructure*  
25 *Fund” in prior Acts: Provided further, That such costs shall*

1 *be limited to contract changes resulting from inflation,*  
2 *market fluctuation, rate adjustments, and other necessary*  
3 *contract actions to complete existing projects, and associ-*  
4 *ated supervision and administration costs and costs for de-*  
5 *sign during construction: Provided further, That the Sec-*  
6 *retary may not use more than \$50,000,000 under the au-*  
7 *thority provided in this section: Provided further, That the*  
8 *Secretary shall notify in advance such contract changes and*  
9 *adjustments in annual reports to the congressional defense*  
10 *committees: Provided further, That the authority to provide*  
11 *assistance under this heading is in addition to any other*  
12 *authority to provide assistance to foreign nations: Provided*  
13 *further, That contributions of funds for the purposes pro-*  
14 *vided herein from any person, foreign government, or inter-*  
15 *national organization may be credited to this Fund, to re-*  
16 *main available until expended, and used for such purposes:*  
17 *Provided further, That the Secretary of Defense shall notify*  
18 *the congressional defense committees in writing upon the*  
19 *receipt and upon the obligation of any contribution, delin-*  
20 *eating the sources and amounts of the funds received and*  
21 *the specific use of such contributions: Provided further, That*  
22 *the Secretary of Defense shall, not fewer than 15 days prior*  
23 *to obligating from this appropriation account, notify the*  
24 *congressional defense committees in writing of the details*  
25 *of any such obligation: Provided further, That the Secretary*

1 of Defense shall notify the congressional defense committees  
2 of any proposed new projects or transfer of funds between  
3 budget sub-activity groups in excess of \$20,000,000: Pro-  
4 vided further, That the United States may accept equip-  
5 ment procured using funds provided under this heading in  
6 this or prior Acts that was transferred to the security forces  
7 of Afghanistan and returned by such forces to the United  
8 States: Provided further, That equipment procured using  
9 funds provided under this heading in this or prior Acts,  
10 and not yet transferred to the security forces of Afghanistan  
11 or transferred to the security forces of Afghanistan and re-  
12 turned by such forces to the United States, may be treated  
13 as stocks of the Department of Defense upon written notifi-  
14 cation to the congressional defense committees: Provided  
15 further, That of the funds provided under this heading, not  
16 less than \$10,000,000 shall be for recruitment and retention  
17 of women in the Afghanistan National Security Forces, and  
18 the recruitment and training of female security personnel:  
19 Provided further, That such amount is designated by the  
20 Congress for Overseas Contingency Operations/Global War  
21 on Terrorism pursuant to section 251(b)(2)(A)(ii) of the  
22 Balanced Budget and Emergency Deficit Control Act of  
23 1985.

1            *COUNTER-ISIL TRAIN AND EQUIP FUND*

2            *For the “Counter-Islamic State of Iraq and the Levant*  
3 *Train and Equip Fund”, \$1,769,000,000, to remain avail-*  
4 *able until September 30, 2019: Provided, That such funds*  
5 *shall be available to the Secretary of Defense in coordina-*  
6 *tion with the Secretary of State, to provide assistance, in-*  
7 *cluding training; equipment; logistics support, supplies,*  
8 *and services; stipends; infrastructure repair and renova-*  
9 *tion; and sustainment, to foreign security forces, irregular*  
10 *forces, groups, or individuals participating, or preparing*  
11 *to participate in activities to counter the Islamic State of*  
12 *Iraq and the Levant, and their affiliated or associated*  
13 *groups: Provided further, That these funds may be used in*  
14 *such amounts as the Secretary of Defense may determine*  
15 *to enhance the border security of nations adjacent to conflict*  
16 *areas including Jordan, Lebanon, Egypt, and Tunisia re-*  
17 *sulting from actions of the Islamic State of Iraq and the*  
18 *Levant: Provided further, That amounts made available*  
19 *under this heading shall be available to provide assistance*  
20 *only for activities in a country designated by the Secretary*  
21 *of Defense, in coordination with the Secretary of State, as*  
22 *having a security mission to counter the Islamic State of*  
23 *Iraq and the Levant, and following written notification to*  
24 *the congressional defense committees of such designation:*  
25 *Provided further, That the Secretary of Defense shall ensure*

1 *that prior to providing assistance to elements of any forces*  
2 *or individuals, such elements or individuals are appro-*  
3 *priately vetted, including at a minimum, assessing such ele-*  
4 *ments for associations with terrorist groups or groups asso-*  
5 *ciated with the Government of Iran; and receiving commit-*  
6 *ments from such elements to promote respect for human*  
7 *rights and the rule of law: Provided further, That the Sec-*  
8 *retary of Defense shall, not fewer than 15 days prior to obli-*  
9 *gating from this appropriation account, notify the congres-*  
10 *sional defense committees in writing of the details of any*  
11 *such obligation: Provided further, That the Secretary of De-*  
12 *fense may accept and retain contributions, including assist-*  
13 *ance in-kind, from foreign governments, including the Gov-*  
14 *ernment of Iraq and other entities, to carry out assistance*  
15 *authorized under this heading: Provided further, That con-*  
16 *tributions of funds for the purposes provided herein from*  
17 *any foreign government or other entity may be credited to*  
18 *this Fund, to remain available until expended, and used*  
19 *for such purposes: Provided further, That the Secretary of*  
20 *Defense may waive a provision of law relating to the acqui-*  
21 *sition of items and support services or sections 40 and 40A*  
22 *of the Arms Export Control Act (22 U.S.C. 2780 and 2785)*  
23 *if the Secretary determines that such provision of law would*  
24 *prohibit, restrict, delay or otherwise limit the provision of*  
25 *such assistance and a notice of and justification for such*

1 *waiver is submitted to the congressional defense committees,*  
2 *the Committees on Appropriations and Foreign Relations*  
3 *of the Senate and the Committees on Appropriations and*  
4 *Foreign Affairs of the House of Representatives: Provided*  
5 *further, That the United States may accept equipment pro-*  
6 *cured using funds provided under this heading, or under*  
7 *the heading, “Iraq Train and Equip Fund” in prior Acts,*  
8 *that was transferred to security forces, irregular forces, or*  
9 *groups participating, or preparing to participate in activi-*  
10 *ties to counter the Islamic State of Iraq and the Levant*  
11 *and returned by such forces or groups to the United States,*  
12 *may be treated as stocks of the Department of Defense upon*  
13 *written notification to the congressional defense committees:*  
14 *Provided further, That equipment procured using funds*  
15 *provided under this heading, or under the heading, “Iraq*  
16 *Train and Equip Fund” in prior Acts, and not yet trans-*  
17 *ferred to security forces, irregular forces, or groups partici-*  
18 *pating, or preparing to participate in activities to counter*  
19 *the Islamic State of Iraq and the Levant may be treated*  
20 *as stocks of the Department of Defense when determined by*  
21 *the Secretary to no longer be required for transfer to such*  
22 *forces or groups and upon written notification to the con-*  
23 *gressional defense committees: Provided further, That the*  
24 *Secretary of Defense shall provide quarterly reports to the*  
25 *congressional defense committees on the use of funds pro-*

1 *vided under this heading, including, but not limited to, the*  
2 *number of individuals trained, the nature and scope of sup-*  
3 *port and sustainment provided to each group or individual,*  
4 *the area of operations for each group, and the contributions*  
5 *of other countries, groups, or individuals: Provided further,*  
6 *That such amount is designated by the Congress for Over-*  
7 *seas Contingency Operations/ Global War on Terrorism*  
8 *pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget*  
9 *and Emergency Deficit Control Act of 1985.*

10 *PROCUREMENT*

11 *AIRCRAFT PROCUREMENT, ARMY*

12 *For an additional amount for “Aircraft Procurement,*  
13 *Army”, \$424,686,000, to remain available until September*  
14 *30, 2020: Provided, That such amount is designated by the*  
15 *Congress for Overseas Contingency Operations/Global War*  
16 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*  
17 *Balanced Budget and Emergency Deficit Control Act of*  
18 *1985.*

19 *MISSILE PROCUREMENT, ARMY*

20 *For an additional amount for “Missile Procurement,*  
21 *Army”, \$557,583,000, to remain available until September*  
22 *30, 2020: Provided, That such amount is designated by the*  
23 *Congress for Overseas Contingency Operations/Global War*  
24 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*



1 *Balanced Budget and Emergency Deficit Control Act of*  
2 *1985.*

3 *PROCUREMENT OF WEAPONS AND TRACKED COMBAT*  
4 *VEHICLES, ARMY*

5 *For an additional amount for “Procurement of Weap-*  
6 *ons and Tracked Combat Vehicles, Army”, \$1,191,139,000,*  
7 *to remain available until September 30, 2020: Provided,*  
8 *That such amount is designated by the Congress for Over-*  
9 *seas Contingency Operations/Global War on Terrorism pur-*  
10 *suant to section 251(b)(2)(A)(ii) of the Balanced Budget*  
11 *and Emergency Deficit Control Act of 1985.*

12 *PROCUREMENT OF AMMUNITION, ARMY*

13 *For an additional amount for “Procurement of Am-*  
14 *munition, Army”, \$193,436,000, to remain available until*  
15 *September 30, 2020: Provided, That such amount is des-*  
16 *ignated by the Congress for Overseas Contingency Oper-*  
17 *ations/Global War on Terrorism pursuant to section*  
18 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
19 *Deficit Control Act of 1985.*

20 *OTHER PROCUREMENT, ARMY*

21 *For an additional amount for “Other Procurement,*  
22 *Army”, \$405,575,000, to remain available until September*  
23 *30, 2020: Provided, That such amount is designated by the*  
24 *Congress for Overseas Contingency Operations/Global War*  
25 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*

1 *Balanced Budget and Emergency Deficit Control Act of*  
2 *1985.*

3 *AIRCRAFT PROCUREMENT, NAVY*

4 *For an additional amount for “Aircraft Procurement,*  
5 *Navy”, \$157,300,000, to remain available until September*  
6 *30, 2020: Provided, That such amount is designated by the*  
7 *Congress for Overseas Contingency Operations/Global War*  
8 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*  
9 *Balanced Budget and Emergency Deficit Control Act of*  
10 *1985.*

11 *WEAPONS PROCUREMENT, NAVY*

12 *For an additional amount for “Weapons Procurement,*  
13 *Navy”, \$130,994,000, to remain available until September*  
14 *30, 2020: Provided, That such amount is designated by the*  
15 *Congress for Overseas Contingency Operations/Global War*  
16 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*  
17 *Balanced Budget and Emergency Deficit Control Act of*  
18 *1985.*

19 *PROCUREMENT OF AMMUNITION, NAVY AND MARINE*

20 *CORPS*

21 *For an additional amount for “Procurement of Am-*  
22 *munity, Navy and Marine Corps”, \$223,843,000, to re-*  
23 *main available until September 30, 2020: Provided, That*  
24 *such amount is designated by the Congress for Overseas*  
25 *Contingency Operations/Global War on Terrorism pursu-*

1 *ant to section 251(b)(2)(A)(ii) of the Balanced Budget and*  
2 *Emergency Deficit Control Act of 1985.*

3 *OTHER PROCUREMENT, NAVY*

4 *For an additional amount for “Other Procurement,*  
5 *Navy”, \$207,984,000, to remain available until September*  
6 *30, 2020: Provided, That such amount is designated by the*  
7 *Congress for Overseas Contingency Operations/Global War*  
8 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*  
9 *Balanced Budget and Emergency Deficit Control Act of*  
10 *1985.*

11 *PROCUREMENT, MARINE CORPS*

12 *For an additional amount for “Procurement, Marine*  
13 *Corps”, \$64,071,000, to remain available until September*  
14 *30, 2020: Provided, That such amount is designated by the*  
15 *Congress for Overseas Contingency Operations/Global War*  
16 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*  
17 *Balanced Budget and Emergency Deficit Control Act of*  
18 *1985.*

19 *AIRCRAFT PROCUREMENT, AIR FORCE*

20 *For an additional amount for “Aircraft Procurement,*  
21 *Air Force”, \$510,836,000, to remain available until Sep-*  
22 *tember 30, 2020: Provided, That such amount is designated*  
23 *by the Congress for Overseas Contingency Operations/Glob-*  
24 *al War on Terrorism pursuant to section 251(b)(2)(A)(ii)*

1 *of the Balanced Budget and Emergency Deficit Control Act*  
2 *of 1985.*

3 *MISSILE PROCUREMENT, AIR FORCE*

4 *For an additional amount for “Missile Procurement,*  
5 *Air Force”, \$381,700,000, to remain available until Sep-*  
6 *tember 30, 2020: Provided, That such amount is designated*  
7 *by the Congress for Overseas Contingency Operations/Glob-*  
8 *al War on Terrorism pursuant to section 251(b)(2)(A)(ii)*  
9 *of the Balanced Budget and Emergency Deficit Control Act*  
10 *of 1985.*

11 *SPACE PROCUREMENT, AIR FORCE*

12 *For an additional amount for “Space Procurement,*  
13 *Air Force”, \$2,256,000, to remain available until Sep-*  
14 *tember 30, 2020: Provided, That such amount is designated*  
15 *by the Congress for Overseas Contingency Operations/Glob-*  
16 *al War on Terrorism pursuant to section 251(b)(2)(A)(ii)*  
17 *of the Balanced Budget and Emergency Deficit Control Act*  
18 *of 1985.*

19 *PROCUREMENT OF AMMUNITION, AIR FORCE*

20 *For an additional amount for “Procurement of Am-*  
21 *munity, Air Force”, \$501,509,000, to remain available*  
22 *until September 30, 2020: Provided, That such amount is*  
23 *designated by the Congress for Overseas Contingency Oper-*  
24 *ations/Global War on Terrorism pursuant to section*

1 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
2 *Deficit Control Act of 1985.*

3 *OTHER PROCUREMENT, AIR FORCE*

4 *For an additional amount for “Other Procurement,*  
5 *Air Force”, \$3,998,887,000, to remain available until Sep-*  
6 *tember 30, 2020: Provided, That such amount is designated*  
7 *by the Congress for Overseas Contingency Operations/Glob-*  
8 *al War on Terrorism pursuant to section 251(b)(2)(A)(ii)*  
9 *of the Balanced Budget and Emergency Deficit Control Act*  
10 *of 1985.*

11 *PROCUREMENT, DEFENSE-WIDE*

12 *For an additional amount for “Procurement, Defense-*  
13 *Wide”, \$510,741,000, to remain available until September*  
14 *30, 2020: Provided, That such amount is designated by the*  
15 *Congress for Overseas Contingency Operations/Global War*  
16 *on Terrorism pursuant to section 251(b)(2)(A)(ii) of the*  
17 *Balanced Budget and Emergency Deficit Control Act of*  
18 *1985.*

19 *NATIONAL GUARD AND RESERVE EQUIPMENT ACCOUNT*

20 *For procurement of rotary-wing aircraft; combat, tac-*  
21 *tical and support vehicles; other weapons; and other pro-*  
22 *curement items for the reserve components of the Armed*  
23 *Forces, \$1,000,000,000, to remain available for obligation*  
24 *until September 30, 2020: Provided, That the Chiefs of Na-*  
25 *tional Guard and Reserve components shall, not later than*

1 30 days after enactment of this Act, individually submit  
2 to the congressional defense committees the modernization  
3 priority assessment for their respective National Guard or  
4 Reserve component: Provided further, That none of the  
5 funds made available by this paragraph may be used to  
6 procure manned fixed wing aircraft, or procure or modify  
7 missiles, munitions, or ammunition: Provided further, That  
8 such amount is designated by the Congress for Overseas  
9 Contingency Operations/Global War on Terrorism pursu-  
10 ant to section 251(b)(2)(A)(ii) of the Balanced Budget and  
11 Emergency Deficit Control Act of 1985.

12 *PROCUREMENT, NATIONAL DEFENSE RESTORATION FUND*  
13 *(INCLUDING TRANSFER OF FUNDS)*

14 *In addition to amounts provided elsewhere in this Act,*  
15 *there is appropriated \$6,000,000,000, for the “Procurement,*  
16 *National Defense Restoration Fund”:* Provided, That such  
17 funds provided under this heading shall only be available  
18 for programs, projects and activities necessary to implement  
19 the 2018 National Defense Strategy: Provided further, That  
20 such funds shall not be available for transfer until 30 days  
21 after the Secretary has submitted, and the congressional de-  
22 fense committees have approved, the proposed allocation  
23 plan for the use of such funds to implement such strategy:  
24 Provided further, That such allocation plan shall include  
25 a detailed justification for the use of such funds and a de-



1 *Balanced Budget and Emergency Deficit Control Act of*  
2 *1985.*

3 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY*

4 *For an additional amount for “Research, Develop-*  
5 *ment, Test and Evaluation, Navy”, \$124,865,000, to re-*  
6 *main available until September 30, 2019: Provided, That*  
7 *such amount is designated by the Congress for Overseas*  
8 *Contingency Operations/Global War on Terrorism pursu-*  
9 *ant to section 251(b)(2)(A)(ii) of the Balanced Budget and*  
10 *Emergency Deficit Control Act of 1985.*

11 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR*

12 *FORCE*

13 *For an additional amount for “Research, Develop-*  
14 *ment, Test and Evaluation, Air Force”, \$144,508,000, to*  
15 *remain available until September 30, 2019: Provided, That*  
16 *such amount is designated by the Congress for Overseas*  
17 *Contingency Operations/Global War on Terrorism pursu-*  
18 *ant to section 251(b)(2)(A)(ii) of the Balanced Budget and*  
19 *Emergency Deficit Control Act of 1985.*

20 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION,*

21 *DEFENSE-WIDE*

22 *For an additional amount for “Research, Develop-*  
23 *ment, Test and Evaluation, Defense-Wide”, \$226,096,000,*  
24 *to remain available until September 30, 2019: Provided,*  
25 *That such amount is designated by the Congress for Over-*



1 *seas Contingency Operations/Global War on Terrorism pur-*  
2 *suant to section 251(b)(2)(A)(ii) of the Balanced Budget*  
3 *and Emergency Deficit Control Act of 1985.*

4 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION,*  
5 *NATIONAL DEFENSE RESTORATION FUND*  
6 *(INCLUDING TRANSFER OF FUNDS)*

7 *In addition to amounts provided elsewhere in this Act,*  
8 *there is appropriated \$1,000,000,000, for the “Research, De-*  
9 *velopment, Test and Evaluation, National Defense Restora-*  
10 *tion Fund”: Provided, That such funds provided under this*  
11 *heading shall only be available for programs, projects and*  
12 *activities necessary to implement the 2018 National Defense*  
13 *Strategy: Provided further, That such funds shall not be*  
14 *available for transfer until 30 days after the Secretary has*  
15 *submitted, and the congressional defense committees have*  
16 *approved, the proposed allocation plan for the use of such*  
17 *funds to implement such strategy: Provided further, That*  
18 *such allocation plan shall include a detailed justification*  
19 *for the use of such funds and a description of how such*  
20 *investments are necessary to implement the strategy: Pro-*  
21 *vided further, That the Secretary of Defense may transfer*  
22 *these funds only to research, development, test and evalua-*  
23 *tion accounts: Provided further, That the funds transferred*  
24 *shall be merged with and shall be available for the same*  
25 *purposes and for the same time period, as the appropriation*

1 *to which transferred: Provided further, That none of the*  
2 *funds made available under this heading may be trans-*  
3 *ferred to any program, project, or activity specifically lim-*  
4 *ited or denied by this Act: Provided further, That the trans-*  
5 *fer authority provided under this heading is in addition*  
6 *to any other transfer authority available to the Department*  
7 *of Defense: Provided further, That such amount is des-*  
8 *ignated by the Congress for Overseas Contingency Oper-*  
9 *ations/Global War on Terrorism pursuant to section*  
10 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
11 *Deficit Control Act of 1985.*

12 *REVOLVING AND MANAGEMENT FUNDS*

13 *DEFENSE WORKING CAPITAL FUNDS*

14 *For an additional amount for “Defense Working Cap-*  
15 *ital Funds”, \$148,956,000: Provided, That such amount is*  
16 *designated by the Congress for Overseas Contingency Oper-*  
17 *ations/Global War on Terrorism pursuant to section*  
18 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
19 *Deficit Control Act of 1985.*

20 *OTHER DEPARTMENT OF DEFENSE PROGRAMS*

21 *DEFENSE HEALTH PROGRAM*

22 *For an additional amount for “Defense Health Pro-*  
23 *gram”, \$395,805,000, which shall be for operation and*  
24 *maintenance: Provided, That such amount is designated by*  
25 *the Congress for Overseas Contingency Operations/Global*

1 *War on Terrorism pursuant to section 251(b)(2)(A)(ii) of*  
2 *the Balanced Budget and Emergency Deficit Control Act*  
3 *of 1985.*

4 *DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES,*  
5 *DEFENSE*

6 *For an additional amount for “Drug Interdiction and*  
7 *Counter-Drug Activities, Defense”, \$196,300,000: Provided,*  
8 *That such amount is designated by the Congress for Over-*  
9 *seas Contingency Operations/Global War on Terrorism pur-*  
10 *suant to section 251(b)(2)(A)(ii) of the Balanced Budget*  
11 *and Emergency Deficit Control Act of 1985.*

12 *JOINT IMPROVISED-THREAT DEFEAT FUND*  
13 *(INCLUDING TRANSFER OF FUNDS)*

14 *For the “Joint Improvised-Threat Defeat Fund”,*  
15 *\$483,058,000, to remain available until September 30,*  
16 *2020: Provided, That such funds shall be available to the*  
17 *Secretary of Defense, notwithstanding any other provision*  
18 *of law, for the purpose of allowing the Director of the Joint*  
19 *Improvised-Threat Defeat Organization to investigate, de-*  
20 *velop and provide equipment, supplies, services, training,*  
21 *facilities, personnel and funds to assist United States forces*  
22 *in the defeat of improvised explosive devices: Provided fur-*  
23 *ther, That the Secretary of Defense may transfer funds pro-*  
24 *vided herein to appropriations for military personnel; oper-*  
25 *ation and maintenance; procurement; research, develop-*

1 *ment, test and evaluation; and defense working capital*  
2 *funds to accomplish the purpose provided herein: Provided*  
3 *further, That this transfer authority is in addition to any*  
4 *other transfer authority available to the Department of De-*  
5 *fense: Provided further, That the Secretary of Defense shall,*  
6 *not fewer than 5 days prior to making transfers from this*  
7 *appropriation, notify the congressional defense committees*  
8 *in writing of the details of any such transfer: Provided fur-*  
9 *ther, That such amount is designated by the Congress for*  
10 *Overseas Contingency Operations/Global War on Terrorism*  
11 *pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget*  
12 *and Emergency Deficit Control Act of 1985.*

13 *OFFICE OF THE INSPECTOR GENERAL*

14 *For an additional amount for the “Office of the Inspec-*  
15 *tor General”, \$24,692,000: Provided, That such amount is*  
16 *designated by the Congress for Overseas Contingency Oper-*  
17 *ations/Global War on Terrorism pursuant to section*  
18 *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
19 *Deficit Control Act of 1985.*

20 *GENERAL PROVISIONS—THIS TITLE*

21 *SEC. 1301. Notwithstanding any other provision of*  
22 *law, funds made available in this title are in addition to*  
23 *amounts appropriated or otherwise made available for the*  
24 *Department of Defense for fiscal year 2018.*

1 (INCLUDING TRANSFER OF FUNDS)

2 SEC. 1302. Upon the determination of the Secretary  
3 of Defense that such action is necessary in the national in-  
4 terest, the Secretary may, with the approval of the Office  
5 of Management and Budget, transfer up to \$2,500,000,000  
6 between the appropriations or funds made available to the  
7 Department of Defense in this title: Provided, That the Sec-  
8 retary shall notify the Congress promptly of each transfer  
9 made pursuant to the authority in this section: Provided  
10 further, That the authority provided in this section is in  
11 addition to any other transfer authority available to the  
12 Department of Defense and is subject to the same terms and  
13 conditions as the authority provided in section 8005 of this  
14 Act.

15 SEC. 1303. Supervision and administration costs and  
16 costs for design during construction associated with a con-  
17 struction project funded with appropriations available for  
18 operation and maintenance or the “Afghanistan Security  
19 Forces Fund” provided in this Act and executed in direct  
20 support of overseas contingency operations in Afghanistan,  
21 may be obligated at the time a construction contract is  
22 awarded: Provided, That, for the purpose of this section,  
23 supervision and administration costs and costs for design  
24 during construction include all in-house Government costs.

1        *SEC. 1304. From funds made available in this title,*  
2 *the Secretary of Defense may purchase for use by military*  
3 *and civilian employees of the Department of Defense in the*  
4 *United States Central Command area of responsibility:*

5            (1) *passenger motor vehicles up to a limit of*  
6            *\$75,000 per vehicle; and*

7            (2) *heavy and light armored vehicles for the*  
8            *physical security of personnel or for force protection*  
9            *purposes up to a limit of \$450,000 per vehicle, not-*  
10           *withstanding price or other limitations applicable to*  
11           *the purchase of passenger carrying vehicles.*

12        *SEC. 1305. Not to exceed \$5,000,000 of the amounts*  
13 *appropriated by this title under the heading “Operation*  
14 *and Maintenance, Army” may be used, notwithstanding*  
15 *any other provision of law, to fund the Commanders’ Emer-*  
16 *gency Response Program (CERP), for the purpose of ena-*  
17 *bling military commanders in Afghanistan to respond to*  
18 *urgent, small-scale, humanitarian relief and reconstruction*  
19 *requirements within their areas of responsibility: Provided,*  
20 *That each project (including any ancillary or related ele-*  
21 *ments in connection with such project) executed under this*  
22 *authority shall not exceed \$2,000,000: Provided further,*  
23 *That not later than 45 days after the end of each 6 months*  
24 *of the fiscal year, the Secretary of Defense shall submit to*  
25 *the congressional defense committees a report regarding the*

1 *source of funds and the allocation and use of funds during*  
2 *that 6-month period that were made available pursuant to*  
3 *the authority provided in this section or under any other*  
4 *provision of law for the purposes described herein: Provided*  
5 *further, That, not later than 30 days after the end of each*  
6 *fiscal year quarter, the Army shall submit to the congress-*  
7 *sional defense committees quarterly commitment, obliga-*  
8 *tion, and expenditure data for the CERP in Afghanistan:*  
9 *Provided further, That, not less than 15 days before making*  
10 *funds available pursuant to the authority provided in this*  
11 *section or under any other provision of law for the purposes*  
12 *described herein for a project with a total anticipated cost*  
13 *for completion of \$500,000 or more, the Secretary shall sub-*  
14 *mit to the congressional defense committees a written notice*  
15 *containing each of the following:*

16           (1) *The location, nature and purpose of the pro-*  
17           *posed project, including how the project is intended to*  
18           *advance the military campaign plan for the country*  
19           *in which it is to be carried out.*

20           (2) *The budget, implementation timeline with*  
21           *milestones, and completion date for the proposed*  
22           *project, including any other CERP funding that has*  
23           *been or is anticipated to be contributed to the comple-*  
24           *tion of the project.*

1           (3) *A plan for the sustainment of the proposed*  
2           *project, including the agreement with either the host*  
3           *nation, a non-Department of Defense agency of the*  
4           *United States Government or a third-party contrib-*  
5           *utor to finance the sustainment of the activities and*  
6           *maintenance of any equipment or facilities to be pro-*  
7           *vided through the proposed project.*

8           *SEC. 1306. Funds available to the Department of De-*  
9           *fense for operation and maintenance may be used, notwith-*  
10          *standing any other provision of law, to provide supplies,*  
11          *services, transportation, including airlift and sealift, and*  
12          *other logistical support to allied forces participating in a*  
13          *combined operation with the armed forces of the United*  
14          *States and coalition forces supporting military and sta-*  
15          *bility operations in Afghanistan and to counter the Islamic*  
16          *State of Iraq and the Levant: Provided, That the Secretary*  
17          *of Defense shall provide quarterly reports to the congres-*  
18          *sional defense committees regarding support provided under*  
19          *this section.*

20          *SEC. 1307. None of the funds appropriated or other-*  
21          *wise made available by this or any other Act shall be obli-*  
22          *gated or expended by the United States Government for a*  
23          *purpose as follows:*



1           (1) *To establish any military installation or base*  
2           *for the purpose of providing for the permanent sta-*  
3           *tioning of United States Armed Forces in Iraq.*

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

6           (3) *To establish any military installation or base*  
7           *for the purpose of providing for the permanent sta-*  
8           *tioning of United States Armed Forces in Afghani-*  
9           *stan.*

10        *SEC. 1308. None of the funds made available in this*  
11        *Act may be used in contravention of the following laws en-*  
12        *acted or regulations promulgated to implement the United*  
13        *Nations Convention Against Torture and Other Cruel, In-*  
14        *human or Degrading Treatment or Punishment (done at*  
15        *New York on December 10, 1984):*

16           (1) *Section 2340A of title 18, United States*  
17        *Code.*

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

1           (3) *Sections 1002 and 1003 of the Department of*  
2           *Defense, Emergency Supplemental Appropriations to*  
3           *Address Hurricanes in the Gulf of Mexico, and Pan-*  
4           *demic Influenza Act, 2006 (Public Law 109–148).*

5           *SEC. 1309. None of the funds provided for the “Afghan-*  
6           *istan Security Forces Fund” (ASFF) may be obligated*  
7           *prior to the approval of a financial and activity plan by*  
8           *the Afghanistan Resources Oversight Council (AROC) of the*  
9           *Department of Defense: Provided, That the AROC must ap-*  
10          *prove the requirement and acquisition plan for any service*  
11          *requirements in excess of \$50,000,000 annually and any*  
12          *non-standard equipment requirements in excess of*  
13          *\$100,000,000 using ASFF: Provided further, That the De-*  
14          *partment of Defense must certify to the congressional de-*  
15          *fense committees that the AROC has convened and approved*  
16          *a process for ensuring compliance with the requirements in*  
17          *the preceding proviso and accompanying report language*  
18          *for the ASFF.*

19          *SEC. 1310. Funds made available in this title to the*  
20          *Department of Defense for operation and maintenance may*  
21          *be used to purchase items having an investment unit cost*  
22          *of not more than \$250,000: Provided, That, upon deter-*  
23          *mination by the Secretary of Defense that such action is*  
24          *necessary to meet the operational requirements of a Com-*  
25          *mander of a Combatant Command engaged in contingency*

1 *operations overseas, such funds may be used to purchase*  
2 *items having an investment item unit cost of not more than*  
3 *\$500,000.*

4 *SEC. 1311. Up to \$500,000,000 of funds appropriated*  
5 *by this Act for the Defense Security Cooperation Agency*  
6 *in “Operation and Maintenance, Defense-Wide” may be*  
7 *used to provide assistance to the Government of Jordan to*  
8 *support the armed forces of Jordan and to enhance security*  
9 *along its borders.*

10 *SEC. 1312. None of the funds made available by this*  
11 *Act under the heading “Counter-ISIL Train and Equip*  
12 *Fund” may be used to procure or transfer man-portable air*  
13 *defense systems.*

14 *SEC. 1313. For the “Ukraine Security Assistance Ini-*  
15 *tiative”, \$150,000,000 is hereby appropriated, to remain*  
16 *available until September 30, 2018: Provided, That such*  
17 *funds shall be available to the Secretary of Defense, in co-*  
18 *ordination with the Secretary of State, to provide assist-*  
19 *ance, including training; equipment; lethal weapons of a*  
20 *defensive nature; logistics support, supplies and services;*  
21 *sustainment; and intelligence support to the military and*  
22 *national security forces of Ukraine, and for replacement of*  
23 *any weapons or defensive articles provided to the Govern-*  
24 *ment of Ukraine from the inventory of the United States:*  
25 *Provided further, That the Secretary of Defense shall, not*

1 *less than 15 days prior to obligating funds provided under*  
2 *this heading, notify the congressional defense committees in*  
3 *writing of the details of any such obligation: Provided fur-*  
4 *ther, That the United States may accept equipment pro-*  
5 *cured using funds provided under this heading in this or*  
6 *prior Acts that was transferred to the security forces of*  
7 *Ukraine and returned by such forces to the United States:*  
8 *Provided further, That equipment procured using funds*  
9 *provided under this heading in this or prior Acts, and not*  
10 *yet transferred to the military or National Security Forces*  
11 *of Ukraine or returned by such forces to the United States,*  
12 *may be treated as stocks of the Department of Defense upon*  
13 *written notification to the congressional defense committees:*  
14 *Provided further, That amounts made available by this sec-*  
15 *tion are designated by the Congress for Overseas Contin-*  
16 *gency Operations/Global War on Terrorism pursuant to sec-*  
17 *tion 251(b)(2)(A)(ii) of the Balanced Budget and Emer-*  
18 *gency Deficit Control Act of 1985.*

19       *SEC. 1314. Funds appropriated in this title shall be*  
20 *available for replacement of funds for items provided to the*  
21 *Government of Ukraine from the inventory of the United*  
22 *States to the extent specifically provided for in section 9013*  
23 *of this Act.*

24       *SEC. 1315. None of the funds made available by this*  
25 *Act under section 9013 for “Assistance and Sustainment*

1 *to the Military and National Security Forces of Ukraine”*  
2 *may be used to procure or transfer man-portable air defense*  
3 *systems.*

4       *SEC. 1316. (a) None of the funds appropriated or oth-*  
5 *erwise made available by this Act under the heading “Oper-*  
6 *ation and Maintenance, Defense-Wide” for payments under*  
7 *section 1233 of Public Law 110–181 for reimbursement to*  
8 *the Government of Pakistan may be made available unless*  
9 *the Secretary of Defense, in coordination with the Secretary*  
10 *of State, certifies to the congressional defense committees*  
11 *that the Government of Pakistan is—*

12           *(1) cooperating with the United States in*  
13 *counterterrorism efforts against the Haqqani Network,*  
14 *the Quetta Shura Taliban, Lashkar e-Tayyiba, Jaish-*  
15 *e-Mohammed, Al Qaeda, and other domestic and for-*  
16 *oreign terrorist organizations, including taking steps to*  
17 *end support for such groups and prevent them from*  
18 *basing and operating in Pakistan and carrying out*  
19 *cross border attacks into neighboring countries;*

20           *(2) not supporting terrorist activities against*  
21 *United States or coalition forces in Afghanistan, and*  
22 *Pakistan’s military and intelligence agencies are not*  
23 *intervening extra-judicially into political and judicial*  
24 *processes in Pakistan;*

1           (3) *dismantling improvised explosive device*  
2           *(IED) networks and interdicting precursor chemicals*  
3           *used in the manufacture of IEDs;*

4           (4) *preventing the proliferation of nuclear-re-*  
5           *lated material and expertise;*

6           (5) *implementing policies to protect judicial*  
7           *independence and due process of law;*

8           (6) *issuing visas in a timely manner for United*  
9           *States visitors engaged in counterterrorism efforts and*  
10          *assistance programs in Pakistan; and*

11          (7) *providing humanitarian organizations access*  
12          *to detainees, internally displaced persons, and other*  
13          *Pakistani civilians affected by the conflict.*

14          (b) *The Secretary of Defense, in coordination with the*  
15          *Secretary of State, may waive the restriction in subsection*  
16          *(a) on a case-by-case basis by certifying in writing to the*  
17          *congressional defense committees that it is in the national*  
18          *security interest to do so: Provided, That if the Secretary*  
19          *of Defense, in coordination with the Secretary of State, ex-*  
20          *ercises such waiver authority, the Secretaries shall report*  
21          *to the congressional defense committees on both the justifica-*  
22          *tion for the waiver and on the requirements of this section*  
23          *that the Government of Pakistan was not able to meet: Pro-*  
24          *vided further, That such report may be submitted in classi-*  
25          *fied form if necessary.*

1 (INCLUDING TRANSFER OF FUNDS)

2 SEC. 1317. In addition to amounts otherwise made  
3 available in this Act, \$500,000,000 is hereby appropriated  
4 to the Department of Defense and made available for trans-  
5 fer only to the operation and maintenance, military per-  
6 sonnel, and procurement accounts, to improve the intel-  
7 ligence, surveillance, and reconnaissance capabilities of the  
8 Department of Defense: Provided, That the transfer author-  
9 ity provided in this section is in addition to any other  
10 transfer authority provided elsewhere in this Act: Provided  
11 further, That not later than 30 days prior to exercising the  
12 transfer authority provided in this section, the Secretary  
13 of Defense shall submit a report to the congressional defense  
14 committees on the proposed uses of these funds: Provided  
15 further, That the funds provided in this section may not  
16 be transferred to any program, project, or activity specifi-  
17 cally limited or denied by this Act: Provided further, That  
18 amounts made available by this section are designated by  
19 the Congress for Overseas Contingency Operations/Global  
20 War on Terrorism pursuant to section 251(b)(2)(A)(ii) of  
21 the Balanced Budget and Emergency Deficit Control Act  
22 of 1985: Provided further, That the authority to provide  
23 funding under this section shall terminate on September 30,  
24 2018.





1           “Counter-ISIL Train and Equip Fund”, 2017/  
2           2018, \$112,513,000.

3           “Operation and Maintenance, Defense-Wide,  
4           DSCA Coalition Support Fund”, 2017/2018,  
5           \$350,000,000.

6           SEC. 1320. Each amount designated in this Act by the  
7           Congress for Overseas Contingency Operations/Global War  
8           on Terrorism pursuant to section 251(b)(2)(A)(i) of the  
9           Balanced Budget and Emergency Deficit Control Act of  
10          1985 shall be available only if the President subsequently  
11          so designates all such amounts and transmits such designa-  
12          tions to the Congress.

13          SEC. 1321. (a) Not later than 30 days after the date  
14          of the enactment of this Act, the President shall submit to  
15          Congress a report on the United States strategy to defeat  
16          Al-Qaeda, the Taliban, the Islamic State of Iraq and Syria  
17          (ISIS), and their associated forces and co-belligerents.

18          (b) The report required under subsection (a) shall in-  
19          clude the following:

20                  (1) An analysis of the adequacy of the existing  
21                  legal framework to accomplish the strategy described  
22                  in subsection (a), particularly with respect to the Au-  
23                  thorization for Use of Military Force (Public Law  
24                  107-40; 50 U.S.C. 1541 note) and the Authorization

1       *for Use of Military Force Against Iraq Resolution of*  
2       *2002 (Public Law 107–243; 50 U.S.C. 1541 note).*

3               *(2) An analysis of the budgetary resources nec-*  
4       *essary to accomplish the strategy described in sub-*  
5       *section (a).*

6               *(c) Not later than 30 days after the date on which the*  
7       *President submits to the appropriate congressional commit-*  
8       *tees the report required by subsection (a), the Secretary of*  
9       *State and the Secretary of Defense shall testify at any hear-*  
10       *ing held by any of the appropriate congressional committees*  
11       *on the report and to which the Secretary is invited.*

12               *(d) In this section, the term “appropriate congres-*  
13       *sional committees” means—*

14                       *(1) the Committee on Foreign Relations and the*  
15       *Committee on Armed Services of the Senate; and*

16                       *(2) the Committee on Foreign Affairs and the*  
17       *Committee on Armed Services of the House of Rep-*  
18       *resentatives.*

19       *SEC. 1322. (a) In addition to amounts provided else-*  
20       *where in this Act, there is hereby appropriated*  
21       *\$1,184,112,000, for the following accounts and programs in*  
22       *the specified amounts for costs associated with Operation*  
23       *Freedom’s Sentinel:*

24                       *(1) “Military Personnel, Army”, \$48,377,000;*

1           (2) “*Military Personnel, Marine Corps*”,  
2           \$179,000;

3           (3) “*Military Personnel, Air Force*”, \$1,340,000;

4           (4) “*Operation and Maintenance, Army*”,  
5           \$872,491,000;

6           (5) “*Operation and Maintenance, Navy*”,  
7           \$76,274,000;

8           (6) “*Operation and Maintenance, Marine*  
9           *Corps*”, \$24,734,000;

10          (7) “*Operation and Maintenance, Defense-Wide*”,  
11          \$81,164,000;

12          (8) “*Procurement of Ammunition, Navy and*  
13          *Marine Corps*”, \$10,853,000, *to remain available*  
14          *until September 30, 2020*;

15          (9) “*Other Procurement, Navy*”, \$31,500,000, *to*  
16          *remain available until September 30, 2020*; and

17          (10) “*Research, Development, Test and Evalua-*  
18          *tion, Navy*”, \$37,200,000, *to remain available until*  
19          *September 30, 2019*.

20          (b) *Amounts provided pursuant to this section are*  
21          *hereby designated by the Congress for Overseas Contingency*  
22          *Operations/Global War on Terrorism pursuant to section*  
23          *251(b)(2)(A)(ii) of the Balanced Budget and Emergency*  
24          *Deficit Control Act of 1985.*

1 *TITLE X—ADDITIONAL GENERAL PROVISIONS*2 *REFERENCES TO REPORT*

3 *SEC. 1401. Any reference to a “report accompanying*  
4 *this Act” contained in this Act shall be treated as a ref-*  
5 *erence to House Report 115–219. Such report shall apply*  
6 *for purposes of determining the allocation of funds provided*  
7 *by, and the implementation of, this Act.*

8 *SPENDING REDUCTION ACCOUNT*

9 *SEC. 1402. \$0.*

10 *SEC. 1403. None of the funds appropriated or other-*  
11 *wise made available under the heading “Afghanistan Secu-*  
12 *rity Forces Fund” may be used to procure uniforms for the*  
13 *Afghan National Army.*

14 *SEC. 1404. None of the funds made available in this*  
15 *Act may be used for the closure of a biosafety level 4 labora-*  
16 *tory.*

17 *SEC. 1405. None of the funds made available by this*  
18 *Act may be used to provide arms, training, or other assist-*  
19 *ance to the Azov Battalion.*

20 *SEC. 1406. None of the finds made available by this*  
21 *Act may be used to purchase heavy water from Iran.*

22 *SEC. 1407. None of the funds appropriated by this Act*  
23 *may be used to plan for, begin, continue, complete, process,*  
24 *or approve a public-private competition under the Office*  
25 *of Management and Budget Circular A-76.*

1        *SEC. 1408. Notwithstanding any other provision of*  
2 *law, with respect to the revised security category (as that*  
3 *term is defined in section 250(c)(4)(D) of the Balanced*  
4 *Budget and Emergency Deficit Control Act of 1985), any*  
5 *sequestration order issued under such Act for fiscal year*  
6 *2018 shall have no force or effect.*

7        *This division may be cited as the “Department of De-*  
8 *fense Appropriations Act, 2018”.*

9                    ***DIVISION D—MISCELLANEOUS***

10        *SEC. 1501. (a) Section 1240B of the Food Security Act*  
11 *of 1985 (16 U.S.C. 3839aa-2) is amended by striking sub-*  
12 *section (a) and inserting the following:*

13            *“(a) ESTABLISHMENT.—During each of the 2002*  
14 *through 2019 fiscal years, the Secretary shall provide pay-*  
15 *ments to producers that enter into contracts with the Sec-*  
16 *retary under the program.”.*

17        *(b) Section 1241 of the Food Security Act of 1985 (16*  
18 *U.S.C. 3841) is amended—*

19            *(1) in subsection (a)—*

20                    *(A) in the matter preceding paragraph (1),*  
21                    *by striking “2018” and inserting “2018 (and fis-*  
22                    *cal year 2019 in the case of the program speci-*  
23                    *fied in paragraph (5))”;* and

1           (B) in paragraph (5)(E), by striking “fiscal  
2           year 2018” and inserting “each of fiscal years  
3           2018 through 2019”; and

4           (2) in subsection (b), by striking “2018” and in-  
5           serting “2018 (and fiscal year 2019 in the case of the  
6           program specified in subsection (a)(5))”.

## 7           ***DIVISION E—TAX MATTERS***

### 8           ***SEC. 1601. REPEAL OF SHIFT IN TIME OF PAYMENT OF COR-*** 9           ***PORATE ESTIMATED TAXES.***

10          *The Trade Preferences Extension Act of 2015 is*  
11          *amended by striking section 803 (relating to time for pay-*  
12          *ment of corporate estimated taxes).*

## 13           ***DIVISION F—HEALTH*** 14           ***PROVISIONS***

### 15          ***SEC. 2100. SHORT TITLE.***

16          *This division may be cited as the “Strengthening and*  
17          *Underpinning the Safety-net to Aid Individuals Needing*  
18          *Care Act of 2018” or the “SUSTAIN Care Act of 2018”.*

## 19          ***TITLE I—MEDICARE EXTENDERS*** 20          ***AND RELATED POLICIES***

### 21          ***Subtitle A—Medicare Part A***

#### 22          ***SEC. 2101. EXTENSION OF THE MEDICARE-DEPENDENT*** 23          ***HOSPITAL (MDH) PROGRAM.***

24          *(a) IN GENERAL.—Section 1886(d)(5)(G) of the Social*  
25          *Security Act (42 U.S.C. 1395ww(d)(5)(G)) is amended—*

1           (1) *in clause (i), by striking “October 1, 2017”*  
2           *and inserting “October 1, 2019”;*

3           (2) *in clause (ii)(II), by striking “October 1,*  
4           *2017” and inserting “October 1, 2019”; and*

5           (3) *in clause (iv)—*

6                 (A) *by amending subclause (I) to read as*  
7                 *follows:*

8                                 *“(I) that—*

9   *“(aa) is located in a rural*  
10   *area; or*

11   *“(bb) for discharges occur-*  
12   *ring on or after October 1, 2017,*  
13   *is located in a State with no*  
14   *rural area (as defined in para-*  
15   *graph (2)(D)) and satisfies any of*  
16   *the criteria in subclause (I), (II),*  
17   *(III), or (IV) of paragraph*  
18   *(8)(E)(i),”;* and

19                 (B) *by adding at the end, after and below*  
20                 *subclause (IV), the following flush sentence:*

21                 *“For purposes of applying subclause (II) of paragraph*  
22                 *(8)(E)(ii) under subclause (I)(bb), such subclause (II) shall*  
23                 *be applied by inserting ‘as of January 1, 2018,’ after ‘such*  
24                 *State’ each place it appears.”.*

25           (b) *CONFORMING AMENDMENTS.—*

1           (1) *EXTENSION OF TARGET AMOUNT.*—Section  
2           1886(b)(3)(D) of the Social Security Act (42 U.S.C.  
3           1395ww(b)(3)(D)) is amended—

4                   (A) in the matter preceding clause (i), by  
5                   striking “October 1, 2017” and inserting “Octo-  
6                   ber 1, 2019”; and

7                   (B) in clause (iv), by striking “through fis-  
8                   cal year 2017” and inserting “through fiscal  
9                   year 2019”.

10          (2) *PERMITTING HOSPITALS TO DECLINE RE-*  
11          *CLASSIFICATION.*—Section 13501(e)(2) of the *Omnibus*  
12          *Budget Reconciliation Act of 1993* (42 U.S.C.  
13          1395ww note) is amended by striking “through fiscal  
14          year 2017” and inserting “through fiscal year 2019”.

15   **SEC. 2102. EXTENSION OF INCREASED INPATIENT HOS-**  
16                   **PITAL PAYMENT ADJUSTMENT FOR CERTAIN**  
17                   **LOW-VOLUME HOSPITALS.**

18          Section 1886(d)(12) of the Social Security Act (42  
19          U.S.C. 1395ww(d)(12)) is amended—

20                   (1) in subparagraph (B), in the matter pre-  
21                   ceding clause (i), by striking “fiscal year 2018” and  
22                   inserting “fiscal year 2020”;

23                   (2) in subparagraph (C)(i), by striking “fiscal  
24                   years 2011 through 2017” and inserting “fiscal years  
25                   2011 through 2019” each place it appears; and



1           (3) in subparagraph (D), by striking “fiscal  
2           years 2011 through 2017” and inserting “fiscal years  
3           2011 through 2019”.

4 **SEC. 2103. STUDIES RELATING TO HOSPITAL PROGRAMS**  
5                           **PAID OUTSIDE OF PROSPECTIVE PAYMENT**  
6                           **SYSTEMS.**

7           (a) *MEDPAC REPORT.*—Using data from hospital  
8 programs with respect to which hospitals receive payment  
9 outside of the prospective payment systems under sections  
10 1833 and 1886 of the Social Security Act (42 U.S.C. 1395l;  
11 42 U.S.C. 1395ww) (such programs referred to in this sub-  
12 section as “PPS carve-out programs”) or other data, as  
13 available, not later than June 30, 2019, the Medicare Pay-  
14 ment Advisory Commission shall submit to Congress a re-  
15 port that evaluates and recommends changes to PPS carve-  
16 out programs, including with respect to amendments made  
17 by sections 2101 and 2102 of this Act, sections 1814, 1820,  
18 1886(d)(5)(D)(iii), and 1115(A) of the Social Security Act,  
19 and such other sections of title XVIII of the Social Security  
20 Act deemed appropriate. To the extent feasible, such report  
21 shall make recommendations on a payment methodology  
22 under the Medicare program for hospital payments, includ-  
23 ing with respect to PPS carve-out programs, that differs  
24 from the payment methodology applicable to such programs  
25 as of September 30, 2017.

1           **(b) MEDPAC RECOMMENDATIONS FOR POSSIBLE AL-**  
2 *TERNATIVE PAYMENTS.*—*Not later than 2 years after the*  
3 *date by which the Secretary of Health and Human Services*  
4 *has collected 2 years of data under sections 1886(d)(5)(G)*  
5 *and 1886(d)(12) of the Social Security Act (42 U.S.C.*  
6 *1395ww(d)(5)(G); 42 U.S.C. 1395ww(d)(12)), as extended*  
7 *pursuant to sections 2101 and 2102 of this Act, the Medi-*  
8 *care Payment Advisory Commission shall submit to Con-*  
9 *gress a report, including—*

10                   (1) *recommendations on payments, including a*  
11 *technical prototype for payments for PPS carve-out*  
12 *programs, if warranted;*

13                   (2) *recommendations, if any, on which Medicare*  
14 *fee-for-service regulations for hospital payments under*  
15 *title XVIII of the Social Security Act should be al-*  
16 *tered (such as the critical access hospital 96-hour*  
17 *rule);*

18                   (3) *an analysis of the impact of the rec-*  
19 *ommended payments described in paragraph (1) on*  
20 *Medicare beneficiary cost-sharing, access to care, and*  
21 *choice of setting;*

22                   (4) *a projection of any potential reduction in ex-*  
23 *penditures under title XVIII of the Social Security*  
24 *Act that may be attributable to the application of the*  
25 *recommended payments described in paragraph (1);*

1           (5) a review of the value of hospitals partici-  
2           pating in PPS carve-out programs collecting and re-  
3           porting to the Secretary standardized patient assess-  
4           ment data with respect to inpatient hospital services;

5           (6) the types of rural hospital classifications and  
6           payment methodologies under the Medicare program,  
7           including information on each special payment struc-  
8           ture such as eligibility criteria, and any areas of  
9           overlap between such special payment programs;

10          (7) Medicare spending on each PPS carve-out  
11          program;

12          (8) the financial aspects of hospitals partici-  
13          pating in such PPS carve-out programs, such as the  
14          share of discharges under the Medicare and Medicaid  
15          programs; and

16          (9) whether such payment programs are empiri-  
17          cally justified to support Medicare beneficiary access  
18          to care.

19 **SEC. 2104. EXTENSION OF HOME HEALTH RURAL ADD-ON.**

20          (a) *EXTENSION.*—

21               (1) *IN GENERAL.*—Section 421 of the Medicare  
22               Prescription Drug, Improvement, and Modernization  
23               Act of 2003 (Public Law 108–173; 117 Stat. 2283; 42  
24               U.S.C. 1395fff note), as amended by section 5201(b)  
25               of the Deficit Reduction Act of 2005 (Public Law

1       109–171; 120 Stat. 46), section 3131(c) of the Patient  
2       Protection and Affordable Care Act (Public Law 111–  
3       148; 124 Stat. 428), and section 210 of the Medicare  
4       Access and CHIP Reauthorization Act of 2015 (Pub-  
5       lic Law 114–10; 129 Stat. 151) is amended—

6               (A) in subsection (a), by striking “January  
7               1, 2018” and inserting “January 1, 2019” each  
8               place it appears;

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

11              (C) in each of subsections (c) and (d), as so  
12              redesignated, by striking “subsection (a)” and  
13              inserting “subsection (a) or (b)”; and

14              (D) by inserting after subsection (a) the fol-  
15              lowing new subsection:

16       “(b) *SUBSEQUENT TEMPORARY INCREASE.*—

17              “(1) *IN GENERAL.*—The Secretary shall increase  
18              the payment amount otherwise made under such sec-  
19              tion 1895 for home health services furnished in a  
20              county (or equivalent area) in a rural area (as de-  
21              fined in such section 1886(d)(2)(D)) that, as deter-  
22              mined by the Secretary—

23              “(A) is in the highest quartile of all coun-  
24              ties (or equivalent areas) based on the number of  
25              Medicare home health episodes furnished per 100

1           *individuals who are entitled to, or enrolled for,*  
2           *benefits under part A of title XVIII of the Social*  
3           *Security Act or enrolled for benefits under part*  
4           *B of such title (but not enrolled in a plan under*  
5           *part C of such title)—*

6                     *“(i) in the case of episodes and visits*  
7                     *ending during 2019, by 1.5 percent; and*

8                     *“(ii) in the case of episodes and visits*  
9                     *ending during 2020, by 0.5 percent;*

10                    *“(B) has a population density of 6 individ-*  
11                    *uals or fewer per square mile of land area and*  
12                    *is not described in subparagraph (A)—*

13                    *“(i) in the case of episodes and visits*  
14                    *ending during 2019, by 4 percent;*

15                    *“(ii) in the case of episodes and visits*  
16                    *ending during 2020, by 3 percent;*

17                    *“(iii) in the case of episodes and visits*  
18                    *ending during 2021, by 2 percent; and*

19                    *“(iv) in the case of episodes and visits*  
20                    *ending during 2022, by 1 percent; and*

21                    *“(C) is not described in either subpara-*  
22                    *graph (A) or (B)—*

23                    *“(i) in the case of episodes and visits*  
24                    *ending during 2019, by 3 percent;*

1           “(ii) in the case of episodes and visits  
2           ending during 2020, by 2 percent; and

3           “(iii) in the case of episodes and visits  
4           ending during 2021, by 1 percent.

5           “(2) RULES FOR DETERMINATIONS.—

6           “(A) NO SWITCHING.—For purposes of this  
7           subsection, the determination by the Secretary as  
8           to which subparagraph of paragraph (1) applies  
9           to a county (or equivalent area) shall be made  
10          a single time and shall apply for the duration  
11          of the period to which this subsection applies.

12          “(B) UTILIZATION.—In determining which  
13          counties (or equivalent areas) are in the highest  
14          quartile under paragraph (1)(A), the following  
15          rules shall apply:

16               “(i) The Secretary shall use data from  
17               2015.

18               “(ii) The Secretary shall exclude data  
19               from the territories (and the territories shall  
20               not be described in such paragraph).

21               “(iii) The Secretary may exclude data  
22               from counties (or equivalent areas) in rural  
23               areas with a low volume of home health epi-  
24               sodes (and if data is so excluded with re-  
25               spect to a county (or equivalent area), such

1           *county (or equivalent area) shall not be de-*  
2           *scribed in such paragraph).*

3           “(C) *POPULATION DENSITY.*—*In deter-*  
4           *mining population density under paragraph*  
5           *(1)(B), the Secretary shall use data from the*  
6           *2010 decennial Census.*

7           “(3) *LIMITATIONS ON REVIEW.*—*There shall be*  
8           *no administrative or judicial review under section*  
9           *1869, section 1878, or otherwise of determinations*  
10          *under paragraph (1).”.*

11          (2) *REQUIREMENT TO SUBMIT COUNTY DATA ON*  
12          *CLAIM FORM.*—*Section 1895(c) of the Social Security*  
13          *Act (42 U.S.C. 1395fff(c)) is amended—*

14                 (A) *in paragraph (1), by striking “and” at*  
15                 *the end;*

16                 (B) *in paragraph (2), by striking the period*  
17                 *at the end and inserting “; and”; and*

18                 (C) *by adding at the end the following new*  
19                 *paragraph:*

20                 “(3) *in the case of home health services furnished*  
21                 *on or after January 1, 2019, the claim contains the*  
22                 *code for the county (or equivalent area) in which the*  
23                 *home health service was furnished.”.*

24                 (b) *OIG REVIEW.*—*The Office of the Inspector General*  
25                 *shall submit to Congress, not later than January 1, 2020,*

1 *and annually thereafter through January 1, 2024, a report*  
2 *containing—*

3           (1) *an analysis of payments made under section*  
4 *1895 of the Social Security Act (42 U.S.C. 1395fff)*  
5 *increased under section 421 of the Medicare Prescrip-*  
6 *tion Drug, Improvement, and Modernization Act of*  
7 *2003 (Public Law 108–173; 117 Stat. 2283; 42*  
8 *U.S.C. 1395fff note), as amended by section 5201(b)*  
9 *of the Deficit Reduction Act of 2005 (Public Law*  
10 *109–171; 120 Stat. 46), section 3131(c) of the Patient*  
11 *Protection and Affordable Care Act (Public Law 111–*  
12 *148; 124 Stat. 428), section 210 of the Medicare Ac-*  
13 *cess and CHIP Reauthorization Act of 2015 (Public*  
14 *Law 114–10; 129 Stat. 151), and subsection (a); and*  
15           (2) *a recommendation on whether such payments*  
16 *should continue to be made based on county data.*

17           ***Subtitle B—Medicare Part B***

18 ***SEC. 2111. GROUND AMBULANCE SERVICES COST REPORT-***  
19 ***ING REQUIREMENT.***

20           (a) *IN GENERAL.—Section 1121 of the Social Security*  
21 *Act (42 U.S.C. 1320a) is amended—*

22           (1) *in subsection (a)—*

23           (A) *by striking “For the purposes of” and*  
24 *inserting “Subject to subsection (d), for the pur-*  
25 *poses of”;*



1           (B) by inserting “suppliers of ground am-  
2           bulance services,” after “health maintenance or-  
3           ganizations,”; and

4           (C) in the matter following paragraph (5),  
5           by adding the following new sentence: “Not later  
6           than December 31, 2019, the Secretary shall  
7           modify the uniform reporting systems for pro-  
8           viders of services with respect to ground ambu-  
9           lance services to ensure that such systems con-  
10          tain information similar (as determined by the  
11          Secretary) to information required under the  
12          uniform reporting system for suppliers of ground  
13          ambulance services.”; and

14          (2) by adding at the end the following new sub-  
15          section:

16          “(d) In the case of a provider or supplier of ground  
17          ambulance services, the Secretary may modify the require-  
18          ments for the inclusion of any data element specified in  
19          subsection (a) in reports made in accordance with the uni-  
20          form reporting system established under this section with  
21          respect to such services for such provider or supplier.”.

22          (b) *SUSPENSION OF PAYMENT FOR GROUND AMBU-*  
23          *LANCE SERVICES; DEEMING CERTAIN PAYMENTS OVERPAY-*  
24          *MENTS.*—Section 1834(l) of the Social Security Act (42

1 *U.S.C. 1395m(l)* is amended by adding at the end the fol-  
2 *lowing new paragraph:*

3           “(17) *REQUIREMENT TO SUBMIT COST REPORT*  
4           *AND AUTHORITY TO SUSPEND PAYMENTS AND DEEM*  
5           *CERTAIN PAYMENTS OVERPAYMENTS FOR GROUND AM-*  
6           *BULANCE SERVICES.—*

7           “(A) *IN GENERAL.—*With respect to ground  
8           *ambulance services furnished by a supplier of*  
9           *such services during cost reporting periods (as*  
10           *defined in subparagraph (I)) beginning on or*  
11           *after January 1, 2020, such supplier shall make*  
12           *reports to the Secretary of information described*  
13           *in section 1121(a) in accordance with the uni-*  
14           *form reporting system established under such sec-*  
15           *tion for such suppliers and, as may be required*  
16           *by the Secretary, of any of the information de-*  
17           *scribed in subparagraph (B).*

18           “(B) *ADDITIONAL INFORMATION.—*The Sec-  
19           *retary may, with respect to a supplier of ground*  
20           *ambulance services, require the following infor-*  
21           *mation (to be reported to the extent practicable*  
22           *under the uniform reporting system established*  
23           *under section 1121(a) for such suppliers):*

24           “(i) *Whether the supplier is part of an*  
25           *emergency services department, a govern-*

1           *mental organization, or another type of en-*  
2           *tity (as described by the Secretary).*

3           “(ii) *The number of hours in a week*  
4           *during which the supplier is available for*  
5           *furnishing ground ambulance services.*

6           “(iii) *The average number of volunteer*  
7           *hours a week used by the supplier.*

8           “(C) *SUSPENSION OF PAYMENT.*—*Subject to*  
9           *subparagraph (E), in the case that the Secretary*  
10           *determines that a supplier of ground ambulance*  
11           *services has not made to the Secretary a timely*  
12           *report described in subparagraph (A) with re-*  
13           *spect to a cost reporting period beginning on or*  
14           *after January 1, 2020, and before January 1,*  
15           *2022, the Secretary may suspend payments*  
16           *made under this subsection, in whole or in part,*  
17           *to such supplier until the Secretary determines*  
18           *that such supplier has made such a report.*

19           “(D) *DEEMING CERTAIN PAYMENTS OVER-*  
20           *PAYMENTS.*—*Subject to subparagraphs (E) and*  
21           *(F), in the case that the Secretary determines*  
22           *that a supplier of ground ambulance services has*  
23           *not made to the Secretary a complete, accurate,*  
24           *and timely report described in subparagraph (A)*  
25           *with respect to a cost reporting period beginning*

1           *on or after January 1, 2022, the Secretary may*  
2           *either—*

3                     “(i) *deem payments made under this*  
4                     *subsection to such supplier for such period*  
5                     *to be overpayments and recoup such over-*  
6                     *payments; or*

7                     “(ii) *suspend payments made under*  
8                     *this subsection to such supplier for such pe-*  
9                     *riod.*

10                   “(E) *HARDSHIP DELAY.—The Secretary*  
11                   *shall establish a process whereby a supplier of*  
12                   *ground ambulance services may request a delay*  
13                   *in making a report described in subparagraph*  
14                   *(A) with respect to a cost reporting period for*  
15                   *reason of significant hardship (as determined by*  
16                   *the Secretary).*

17                   “(F) *AUTHORITY TO MODIFY COST REPORT-*  
18                   *ING ELEMENTS AND ENFORCEMENT.—Not earlier*  
19                   *than January 1, 2024, the Secretary may pro-*  
20                   *vide that subparagraph (D) no longer applies to*  
21                   *suppliers of ground ambulance services or a cat-*  
22                   *egory of such suppliers after—*

23                     “(i) *taking into account the rec-*  
24                     *ommendation of the Medicare Payment Ad-*  
25                     *visory Commission in the most recent report*

1 available to the Secretary submitted under  
2 section 2111(g) of the SUSTAIN Care Act  
3 of 2018 whether cost reports made by sup-  
4 pliers or a category of suppliers (as speci-  
5 fied for purposes of the report submitted  
6 under such section) of ground ambulance  
7 services should be required or modified; and

8 “(ii) undertaking notice and comment  
9 rulemaking.

10 “(G) *AUDIT OF COST REPORTS.*—The Sec-  
11 retary shall audit reports described in subpara-  
12 graph (A) made with respect to cost reporting  
13 periods beginning on or after January 1, 2021.

14 “(H) *APPEALS.*—The Secretary shall estab-  
15 lish a process whereby a supplier of ground am-  
16 bulance services may appeal a determination de-  
17 scribed in subparagraph (C) or (D) made with  
18 respect to a cost report required to be made by  
19 such supplier under subparagraph (A).

20 “(I) *DEFINITION.*—In this paragraph, the  
21 term ‘cost reporting period’ means, with respect  
22 to a year, the 12-month period beginning on  
23 January 1 of such year.”.

24 (c) *STAKEHOLDER FEEDBACK.*—

1           (1) *IN GENERAL.*—*The Secretary of Health and*  
2           *Human Services shall implement the provisions of*  
3           *this section, including the amendments made by this*  
4           *section, through notice and comment rulemaking and*  
5           *seek input from stakeholders.*

6           (2) *NONAPPLICATION OF PAPERWORK REDUCTION*  
7           *ACT.*—*Chapter 35 of title 44, United States Code,*  
8           *shall not apply with respect to—*

9                   (A) *the development and implementation of*  
10                  *the uniform reporting system required under sec-*  
11                  *tion 1121(a) of the Social Security Act (42*  
12                  *U.S.C. 1320a(a)) for suppliers of ground ambu-*  
13                  *lance services and reports required to be made*  
14                  *under section 1834(l)(17) of such Act (42 U.S.C.*  
15                  *1395m(l)(17)); and*

16                   (B) *the modification of the uniform report-*  
17                  *ing systems under such section 1121(a) of such*  
18                  *Act for providers of such services and reports re-*  
19                  *quired to be made under section 1861(v)(1)(F) of*  
20                  *such Act (42 U.S.C. 1395x(v)(1)(F)).*

21           (d) *IMPLEMENTATION RESOURCES.*—*In addition to*  
22           *funds otherwise available, there are appropriated to the*  
23           *Centers for Medicare & Medicaid Services Program Man-*  
24           *agement Account from the Federal Hospital Insurance*  
25           *Trust Fund under section 1817 of the Social Security Act*

1 *(42 U.S.C. 1395i) \$8,000,000 and from the Federal Supple-*  
2 *mentary Medical Insurance Trust Fund under section 1841*  
3 *of such Act (42 U.S.C. 1395t) \$137,000,000 (of which not*  
4 *less than \$15,000,000 shall be used to fulfill the auditing*  
5 *requirement under section 1834(l)(17)(G) of such Act, as*  
6 *added by subsection (b) of this section) to carry out the pro-*  
7 *visions of this section, including the amendments made by*  
8 *this section, to remain available through December 31,*  
9 *2022. Of the amounts appropriated under the previous sen-*  
10 *tence, the Secretary shall use such sums as may be necessary*  
11 *to hire not less than 2 full-time employees for purposes of*  
12 *carrying out such provisions, including such amendments.*

13 *(e) EXTENSION OF RURAL ADD-ON PAYMENTS.—Sec-*  
14 *tion 1834(l) of the Social Security Act (42. U.S.C.*  
15 *1395m(l)) is amended—*

16 *(1) in paragraph (12)(A), by striking “2018”*  
17 *and inserting “2023”; and*

18 *(2) in paragraph (13)(A), by striking “2018”*  
19 *each place it appears and inserting “2023”.*

20 *(f) SENSE OF CONGRESS.—It is the sense of Congress*  
21 *that—*

22 *(1) a cost report made by a supplier of ground*  
23 *ambulance services with respect to a cost reporting*  
24 *period beginning before January 1, 2022, may not*  
25 *contain complete and accurate information on ground*

1 *ambulance services furnished during such a period by*  
2 *the supplier; and*

3 *(2) the Secretary should take into account only*  
4 *the timeliness of such a report made with respect to*  
5 *such a period when determining whether to suspend*  
6 *payments to a supplier under section 1834(l) of the*  
7 *Social Security Act (42 U.S.C. 1395m(l)).*

8 *(g) GROUND AMBULANCE SERVICES COST REPORTING*  
9 *STUDY.—*

10 *(1) IN GENERAL.—Not later than March 15,*  
11 *2023, and as determined necessary by the Medicare*  
12 *Payment Advisory Commission thereafter, such Com-*  
13 *mission shall assess and submit to Congress a report*  
14 *on cost reports of suppliers and providers of ground*  
15 *ambulance services carried out in accordance with*  
16 *sections 1121(a) and 1834(l) of the Social Security*  
17 *Act (42 U.S.C. 1320a(a), 1395m(l)), the adequacy of*  
18 *payments for such services made under section*  
19 *1834(l) of such Act, and geographic variations in the*  
20 *cost of providing such services.*

21 *(2) CONTENTS.—The report described in para-*  
22 *graph (1) shall contain the following:*

23 *(A) An analysis of cost report data sub-*  
24 *mitted in accordance with such sections.*



1           (B) An analysis of any burden on providers  
2           and suppliers of such services associated with re-  
3           porting such data.

4           (C) A recommendation on whether or not  
5           cost reports of ground ambulance services made  
6           by suppliers or a category of suppliers (as speci-  
7           fied by the Secretary) of such services, or the  
8           ground ambulance portion of cost reports made  
9           by providers of such services, should be required  
10          or modified, taking into account the analyses de-  
11          scribed in subparagraphs (A) and (B).

12 **SEC. 2112. EXTENSION OF WORK GPCI FLOOR.**

13          Section 1848(e)(1)(E) of the Social Security Act (42  
14          U.S.C. 1395w-4(e)(1)(E)) is amended by striking “Janu-  
15          ary 1, 2018” and inserting “January 1, 2020”.

16 **SEC. 2113. REPEAL OF MEDICARE PAYMENT CAP FOR THER-**  
17                                   **APY SERVICES; REPLACEMENT WITH LIMITA-**  
18                                   **TION TO ENSURE APPROPRIATE THERAPY.**

19          Section 1833(g) of the Social Security Act (42 U.S.C.  
20          1395l(g)) is amended—

21                               (1) in paragraph (1)—

22                                       (A) by striking “Subject to paragraphs (4)  
23                                       and (5)” and inserting “(A) Subject to para-  
24                                       graphs (4) and (5)”;

1           (B) in the subparagraph (A), as inserted  
2           and designated by subparagraph (A) of this  
3           paragraph, by adding at the end the following  
4           new sentence: “The preceding sentence shall not  
5           apply to expenses incurred with respect to serv-  
6           ices furnished after December 31, 2017.”; and

7           (C) by adding at the end the following new  
8           subparagraph:

9           “(B) With respect to services furnished during 2018  
10          or a subsequent year, in the case of physical therapy serv-  
11          ices of the type described in section 1861(p), speech-lan-  
12          guage pathology services of the type described in such sec-  
13          tion through the application of section 1861(ll)(2), and  
14          physical therapy services and speech-language pathology  
15          services of such type which are furnished by a physician  
16          or as incident to physicians’ services, with respect to ex-  
17          penses incurred in any calendar year, any amount that is  
18          more than the amount specified in paragraph (2) for the  
19          year shall not be considered as incurred expenses for pur-  
20          poses of subsections (a) and (b) unless the applicable re-  
21          quirements of paragraph (7) are met.”;

22           (2) in paragraph (3)—

23           (A) by striking “Subject to paragraphs (4)  
24           and (5)” and inserting “(A) Subject to para-  
25           graphs (4) and (5)”;

1           (B) in the subparagraph (A), as inserted  
2           and designated by subparagraph (A) of this  
3           paragraph, by adding at the end the following  
4           new sentence: “The preceding sentence shall not  
5           apply to expenses incurred with respect to serv-  
6           ices furnished after December 31, 2017.”; and

7           (C) by adding at the end the following new  
8           subparagraph:

9           “(B) With respect to services furnished during 2018  
10          or a subsequent year, in the case of occupational therapy  
11          services (of the type that are described in section 1861(p)  
12          through the operation of section 1861(g) and of such type  
13          which are furnished by a physician or as incident to physi-  
14          cians’ services), with respect to expenses incurred in any  
15          calendar year, any amount that is more than the amount  
16          specified in paragraph (2) for the year shall not be consid-  
17          ered as incurred expenses for purposes of subsections (a)  
18          and (b) unless the applicable requirements of paragraph (7)  
19          are met.”;

20          (3) in paragraph (5)—

21                 (A) by redesignating subparagraph (D) as  
22                 paragraph (8) and moving such paragraph to  
23                 immediately follow paragraph (7), as added by  
24                 paragraph (4) of this section; and

1           (B) in subparagraph (E)(iv), by inserting  
2           “, except as such process is applied under para-  
3           graph (7)(B)” before the period at the end; and  
4           (4) by adding at the end the following new para-  
5           graph:

6           “(7) For purposes of paragraphs (1)(B) and (3)(B),  
7           with respect to services described in such paragraphs, the  
8           requirements described in this paragraph are as follows:

9           “(A) *INCLUSION OF APPROPRIATE MODIFIER.*—  
10          The claim for such services contains an appropriate  
11          modifier (such as the *KX* modifier described in para-  
12          graph (5)(B)) indicating that such services are medi-  
13          cally necessary as justified by appropriate docu-  
14          mentation in the medical record involved.

15          “(B) *TARGETED MEDICAL REVIEW FOR CERTAIN*  
16          *SERVICES ABOVE THRESHOLD.*—

17                 “(i) *IN GENERAL.*—In the case where ex-  
18                 penses that would be incurred for such services  
19                 would exceed the threshold described in clause  
20                 (ii) for the year, such services shall be subject to  
21                 the process for medical review implemented  
22                 under paragraph (5)(E).

23                 “(ii) *THRESHOLD.*—The threshold under  
24                 this clause for—

25                         “(I) a year before 2028, is \$3,000;

1           “(II) 2028, is the amount specified in  
2           subclause (I) increased by the percentage in-  
3           crease in the MEI (as defined in section  
4           1842(i)(3)) for 2028; and

5           “(III) a subsequent year, is the amount  
6           specified in this clause for the preceding  
7           year increased by the percentage increase in  
8           the MEI (as defined in section 1842(i)(3))  
9           for such subsequent year;

10          except that if an increase under subclause (II) or  
11          (III) for a year is not a multiple of \$10, it shall  
12          be rounded to the nearest multiple of \$10.

13          “(iii) APPLICATION.—The threshold under  
14          clause (ii) shall be applied separately—

15               “(I) for physical therapy services and  
16               speech-language pathology services; and

17               “(II) for occupational therapy services.

18          “(iv) FUNDING.—For purposes of carrying  
19          out this subparagraph, the Secretary shall pro-  
20          vide for the transfer, from the Federal Supple-  
21          mentary Medical Insurance Trust Fund under  
22          section 1841 to the Centers for Medicare & Med-  
23          icaid Services Program Management Account, of  
24          \$5,000,000 for each fiscal year beginning with  
25          fiscal year 2018, to remain available until ex-

1           *pended. Such funds may not be used by a con-*  
 2           *tractor under section 1893(h) for medical reviews*  
 3           *under this subparagraph.”.*

## 4           ***Subtitle C—Miscellaneous***

### 5   ***SEC. 2121. PROVIDING CONTINUED ACCESS TO MEDICARE*** 6           ***ADVANTAGE SPECIAL NEEDS PLANS FOR VUL-*** 7           ***NERABLE POPULATIONS.***

8           *(a) EXTENSION.—Section 1859(f)(1) of the Social Se-*  
 9           *curity Act (42 U.S.C. 1395w–28(f)(1)) is amended by strik-*  
 10          *ing “and for periods before January 1, 2019”.*

11          *(b) INCREASED INTEGRATION OF DUAL SNPs.—*

12           *(1) IN GENERAL.—Section 1859(f) of the Social*  
 13           *Security Act (42 U.S.C. 1395w–28(f)) is amended—*

14           *(A) in paragraph (3), by adding at the end*  
 15           *the following new subparagraph:*

16           *“(F) The plan meets the requirements ap-*  
 17           *plicable under paragraph (8).”;* and

18           *(B) by adding at the end the following new*  
 19           *paragraph:*

20           *“(8) INCREASED INTEGRATION OF DUAL SNPs.—*

21           *“(A) DESIGNATED CONTACT.—The Sec-*  
 22           *retary, acting through the Federal Coordinated*  
 23           *Health Care Office established under section*  
 24           *2602 of Public Law 111–148, shall serve as a*  
 25           *dedicated point of contact for States to address*

1 *misalignments that arise with the integration of*  
2 *specialized MA plans for special needs individ-*  
3 *uals described in subsection (b)(6)(B)(ii) under*  
4 *this paragraph and, consistent with such role,*  
5 *shall establish—*

6 *“(i) a uniform process for dissemi-*  
7 *nating to State Medicaid agencies informa-*  
8 *tion under this title impacting contracts be-*  
9 *tween such agencies and such plans under*  
10 *this subsection; and*

11 *“(ii) basic resources for States inter-*  
12 *ested in exploring such plans as a platform*  
13 *for integration, such as a model contract or*  
14 *other tools to achieve those goals.*

15 *“(B) UNIFIED GRIEVANCES AND APPEALS*  
16 *PROCESS.—*

17 *“(i) IN GENERAL.—Not later than*  
18 *April 1, 2020, the Secretary shall establish*  
19 *procedures, to the extent feasible as deter-*  
20 *mined by the Secretary, unifying grievances*  
21 *and appeals procedures under sections*  
22 *1852(f), 1852(g), 1902(a)(3), 1902(a)(5),*  
23 *and 1932(b)(4) for items and services pro-*  
24 *vided by specialized MA plans for special*  
25 *needs individuals described in subsection*

1                   **(b)(6)(B)(ii)** *under this title and title XIX.*  
2                   *With respect to items and services described*  
3                   *in the preceding sentence, procedures estab-*  
4                   *lished under this clause shall apply in place*  
5                   *of otherwise applicable grievances and ap-*  
6                   *peals procedures. The Secretary shall solicit*  
7                   *comment in developing such procedures*  
8                   *from States, plans, beneficiaries and their*  
9                   *representatives, and other relevant stake-*  
10                   *holders.*

11                   “(i) *PROCEDURES.*—*The procedures*  
12                   *established under clause (i) shall be in-*  
13                   *cluded in the plan contract under para-*  
14                   *graph (3)(D) and shall—*

15                   “(I) *adopt the provisions for the*  
16                   *enrollee that are most protective for the*  
17                   *enrollee and, to the extent feasible as*  
18                   *determined by the Secretary, are com-*  
19                   *patible with unified timeframes and*  
20                   *consolidated access to external review*  
21                   *under an integrated process;*

22                   “(II) *take into account differences*  
23                   *in State plans under title XIX to the*  
24                   *extent necessary;*



1           “(III) be easily navigable by an  
2           enrollee; and

3           “(IV) include the elements de-  
4           scribed in clause (iii), as applicable.

5           “(iii) *ELEMENTS DESCRIBED.*—Both  
6           unified appeals and unified grievance pro-  
7           cedures shall include, as applicable, the fol-  
8           lowing elements described in this clause:

9           “(I) Single written notification of  
10           all applicable grievances and appeal  
11           rights under this title and title XIX.  
12           For purposes of this subparagraph, the  
13           Secretary may waive the requirements  
14           under section 1852(g)(1)(B) when the  
15           specialized MA plan covers items or  
16           services under this part or under title  
17           XIX.

18           “(II) Single pathways for resolu-  
19           tion of any grievance or appeal related  
20           to a particular item or service pro-  
21           vided by specialized MA plans for spe-  
22           cial needs individuals described in sub-  
23           section (b)(6)(B)(ii) under this title  
24           and title XIX.

1           “(III) Notices written in plain  
2           language and available in a language  
3           and format that is accessible to the en-  
4           rollee, including in non-English lan-  
5           guages that are prevalent in the service  
6           area of the specialized MA plan.

7           “(IV) Unified timeframes for  
8           grievances and appeals processes, such  
9           as an individual’s filing of a grievance  
10          or appeal, a plan’s acknowledgment  
11          and resolution of a grievance or ap-  
12          peal, and notification of decisions with  
13          respect to a grievance or appeal.

14          “(V) Requirements for how the  
15          plan must process, track, and resolve  
16          grievances and appeals, to ensure bene-  
17          ficiaries are notified on a timely basis  
18          of decisions that are made throughout  
19          the grievance or appeals process and  
20          are able to easily determine the status  
21          of a grievance or appeal.

22          “(iv) CONTINUATION OF BENEFITS  
23          PENDING APPEAL.—The unified procedures  
24          under clause (i) shall, with respect to all  
25          benefits under parts A and B and title XIX

1           *subject to appeal under such procedures, in-*  
2           *corporate provisions under current law and*  
3           *implementing regulations that provide con-*  
4           *tinuation of benefits pending appeal under*  
5           *this title and title XIX.*

6           “(C) *REQUIREMENT FOR UNIFIED GRIEV-*  
7           *ANCES AND APPEALS.—For 2021 and subsequent*  
8           *years, the contract of a specialized MA plan for*  
9           *special needs individuals described in subsection*  
10          *(b)(6)(B)(ii) with a State Medicaid agency*  
11          *under paragraph (3)(D) shall require the use of*  
12          *unified grievances and appeals procedures as de-*  
13          *scribed in subparagraph (B).*

14          “(D) *REQUIREMENTS FOR INTEGRATION.—*

15                 “(i) *IN GENERAL.—For 2021 and sub-*  
16                 *sequent years, a specialized MA plan for*  
17                 *special needs individuals described in sub-*  
18                 *section (b)(6)(B)(ii) shall meet one or more*  
19                 *of the following requirements, to the extent*  
20                 *permitted under State law, for integration*  
21                 *of benefits under this title and title XIX:*

22                         “(I) *The specialized MA plan*  
23                         *must meet the requirements of con-*  
24                         *tracting with the State Medicaid agen-*  
25                         *cy described in paragraph (3)(D) in*

1           *addition to coordinating long-term*  
2           *services and supports or behavioral*  
3           *health services, or both, by meeting an*  
4           *additional minimum set of require-*  
5           *ments determined by the Secretary*  
6           *through the Federal Coordinated*  
7           *Health Care Office established under*  
8           *section 2602 of the Patient Protection*  
9           *and Affordable Care Act based on*  
10          *input from stakeholders, such as noti-*  
11          *fying the State in a timely manner of*  
12          *hospitalizations, emergency room vis-*  
13          *its, and hospital or nursing home dis-*  
14          *charges of enrollees, assigning one pri-*  
15          *mary care provider for each enrollee,*  
16          *or sharing data that would benefit the*  
17          *coordination of items and services*  
18          *under this title and the State plan*  
19          *under title XIX. Such minimum set of*  
20          *requirements must be included in the*  
21          *contract of the specialized MA plan*  
22          *with the State Medicaid agency under*  
23          *such paragraph.*

24                    *“(II) The specialized MA plan*  
25                    *must meet the requirements of a fully*

1           *integrated plan described in section*  
2           *1853(a)(1)(B)(iv)(II) (other than the*  
3           *requirement that the plan have similar*  
4           *average levels of frailty, as determined*  
5           *by the Secretary, as the PACE pro-*  
6           *gram), or enter into a capitated con-*  
7           *tract with the State Medicaid agency*  
8           *to provide long-term services and sup-*  
9           *ports or behavioral health services, or*  
10          *both.*

11                   *“(III) In the case of a specialized*  
12           *MA plan that is offered by a parent or-*  
13           *ganization that is also the parent orga-*  
14           *nization of a Medicaid managed care*  
15           *organization providing long term serv-*  
16           *ices and supports or behavioral services*  
17           *under a contract under section*  
18           *1903(m), the parent organization must*  
19           *assume clinical and financial responsi-*  
20           *bility for benefits provided under this*  
21           *title and title XIX with respect to any*  
22           *individual who is enrolled in both the*  
23           *specialized MA plan and the Medicaid*  
24           *managed care organization.*

1           “(i) *SUSPENSION OF ENROLLMENT*  
2           *FOR FAILURE TO MEET REQUIREMENTS*  
3           *DURING INITIAL PERIOD.*—*During the pe-*  
4           *riod of plan years 2021 through 2025, if the*  
5           *Secretary determines that a specialized MA*  
6           *plan for special needs individuals described*  
7           *in subsection (b)(6)(B)(ii) has failed to*  
8           *comply with clause (i), the Secretary may*  
9           *provide for the application against the*  
10           *Medicare Advantage organization offering*  
11           *the plan of the remedy described in section*  
12           *1857(g)(2)(B) in the same manner as the*  
13           *Secretary may apply such remedy, and in*  
14           *accordance with the same procedures as*  
15           *would apply, in the case of an MA organi-*  
16           *zation determined by the Secretary to have*  
17           *engaged in conduct described in section*  
18           *1857(g)(1). If the Secretary applies such*  
19           *remedy to a Medicare Advantage organiza-*  
20           *tion under the preceding sentence, the orga-*  
21           *nization shall submit to the Secretary (at a*  
22           *time, and in a form and manner, specified*  
23           *by the Secretary) information describing*  
24           *how the plan will come into compliance*  
25           *with clause (i).*

1           “(E) *STUDY AND REPORT TO CONGRESS.*—  
2           “(i) *IN GENERAL.*—Not later than Jan-  
3           uary 1, 2022, and, subject to clause (iii), bi-  
4           ennially thereafter through 2032, the Medi-  
5           care Payment Advisory Commission estab-  
6           lished under section 1805, in consultation  
7           with the Medicaid and CHIP Payment and  
8           Access Commission established under section  
9           1900, shall conduct (and submit to the Sec-  
10           retary and the Committees on Ways and  
11           Means and Energy and Commerce of the  
12           House of Representatives and the Committee  
13           on Finance of the Senate a report on) a  
14           study to determine how specialized MA  
15           plans for special needs individuals described  
16           in subsection (b)(6)(B)(ii) perform among  
17           each other based on data from Healthcare  
18           Effectiveness Data and Information Set  
19           (HEDIS) quality measures, reported on the  
20           plan level, as required under section  
21           1852(e)(3) (or such other measures or data  
22           sources that are available and appropriate,  
23           such as encounter data and Consumer As-  
24           essment of Healthcare Providers and Sys-  
25           tems data, as specified by such Commissions

1           *as enabling an accurate evaluation under*  
2           *this subparagraph). Such study shall in-*  
3           *clude, as feasible, the following comparison*  
4           *groups of specialized MA plans for special*  
5           *needs individuals described in subsection*  
6           *(b)(6)(B)(ii):*

7                     *“(I) A comparison group of such*  
8                     *plans that are described in subpara-*  
9                     *graph (D)(i)(I).*

10                    *“(II) A comparison group of such*  
11                    *plans that are described in subpara-*  
12                    *graph (D)(i)(II).*

13                    *“(III) A comparison group of*  
14                    *such plans operating within the Fi-*  
15                    *nancial Alignment Initiative dem-*  
16                    *onstration for the period for which*  
17                    *such plan is so operating and the dem-*  
18                    *onstration is in effect, and, in the case*  
19                    *that an integration option that is not*  
20                    *with respect to specialized MA plans*  
21                    *for special needs individuals is estab-*  
22                    *lished after the conclusion of the dem-*  
23                    *onstration involved.*



1                   “(IV) A comparison group of such  
2                   plans that are described in subpara-  
3                   graph (D)(i)(III).

4                   “(V) A comparison group of MA  
5                   plans, as feasible, not described in a  
6                   previous subclause of this clause, with  
7                   respect to the performance of such  
8                   plans for enrollees who are special  
9                   needs individuals described in sub-  
10                  section (b)(6)(B)(ii).

11                  “(ii) *DISCRETIONARY ADDITIONAL RE-*  
12                  *PORTS.—Beginning with 2033 and every*  
13                  *five years thereafter, the Medicare Payment*  
14                  *Advisory Commission, in consultation with*  
15                  *the Medicaid and CHIP Payment and Ac-*  
16                  *cess Commission shall, at the discretion of*  
17                  *the Secretary, conduct a study described in*  
18                  *clause (i).”.*

19                  (2) *CONFORMING AMENDMENT TO RESPONSIBIL-*  
20                  *ITIES OF FEDERAL COORDINATED HEALTH CARE OF-*  
21                  *FICE.—Section 2602(d) of Public Law 111–148 (42*  
22                  *U.S.C. 1315b(d)) is amended by adding at the end the*  
23                  *following new paragraphs:*

24                  “(6) *To act as a designated contact for States*  
25                  *under subsection (f)(8)(A) of section 1859 of the So-*

1 *cial Security Act (42 U.S.C. 1395w–28) with respect*  
 2 *to the integration of specialized MA plans for special*  
 3 *needs individuals described in subsection (b)(6)(B)(ii)*  
 4 *of such section.*

5 “(7) *To be responsible, subject to the final ap-*  
 6 *proval of the Secretary, for developing regulations*  
 7 *and guidance related to the implementation of a uni-*  
 8 *fied grievance and appeals process as described in*  
 9 *subparagraphs (B) and (C) of section 1859(f)(8) of*  
 10 *the Social Security Act (42 U.S.C. 1395w–28(f)(8)).*

11 “(8) *To be responsible, subject to the final ap-*  
 12 *proval of the Secretary, for developing regulations*  
 13 *and guidance related to the integration or alignment*  
 14 *of policy and oversight under the Medicare program*  
 15 *under title XVIII of such Act and the Medicaid pro-*  
 16 *gram under title XIX of such Act regarding special-*  
 17 *ized MA plans for special needs individuals described*  
 18 *in subsection (b)(6)(B)(ii) of such section 1859.”.*

19 *(c) IMPROVEMENTS TO SEVERE OR DISABLING CHRON-*  
 20 *IC CONDITION SNPs.—*

21 *(1) CARE MANAGEMENT REQUIREMENTS.—Sec-*  
 22 *tion 1859(f)(5) of the Social Security Act (42 U.S.C.*  
 23 *1395w–28(f)(5)) is amended—*

24 *(A) by striking “ALL SNPS.—The require-*  
 25 *ments” and inserting “ALL SNPS.—*

1           “(A) *IN GENERAL.*—Subject to subpara-  
2 graph (B), the requirements”;

3           (B) *by redesignating subparagraphs (A)*  
4 *and (B) as clauses (i) and (ii), respectively, and*  
5 *indenting appropriately; and*

6           (C) *in clause (ii), as redesignated by sub-*  
7 *paragraph (B), by redesignating clauses (i)*  
8 *through (iii) as subclauses (I) through (III), re-*  
9 *spectively, and indenting appropriately; and*

10           (D) *by adding at the end the following new*  
11 *subparagraph:*

12           “(B) *IMPROVEMENTS TO CARE MANAGE-*  
13 *MENT REQUIREMENTS FOR SEVERE OR DIS-*  
14 *ABLING CHRONIC CONDITION SNPS.*—For 2020  
15 *and subsequent years, in the case of a specialized*  
16 *MA plan for special needs individuals described*  
17 *in subsection (b)(6)(B)(iii), the requirements de-*  
18 *scribed in this paragraph include the following:*

19           “(i) *The interdisciplinary team under*  
20 *subparagraph (A)(ii)(III) includes a team*  
21 *of providers with demonstrated expertise,*  
22 *including training in an applicable spe-*  
23 *cialty, in treating individuals similar to the*  
24 *targeted population of the plan.*

1           “(ii) *Requirements developed by the*  
2           *Secretary to provide face-to-face encounters*  
3           *with individuals enrolled in the plan not*  
4           *less frequently than on an annual basis.*

5           “(iii) *As part of the model of care*  
6           *under clause (i) of subparagraph (A), the*  
7           *results of the initial assessment and annual*  
8           *reassessment under clause (ii)(I) of such*  
9           *subparagraph of each individual enrolled in*  
10           *the plan are addressed in the individual’s*  
11           *individualized care plan under clause*  
12           *(ii)(II) of such subparagraph.*

13           “(iv) *As part of the annual evaluation*  
14           *and approval of such model of care, the Sec-*  
15           *retary shall take into account whether the*  
16           *plan fulfilled the previous year’s goals (as*  
17           *required under the model of care).*

18           “(v) *The Secretary shall establish a*  
19           *minimum benchmark for each element of the*  
20           *model of care of a plan. The Secretary shall*  
21           *only approve a plan’s model of care under*  
22           *this paragraph if each element of the model*  
23           *of care meets the minimum benchmark ap-*  
24           *plicable under the preceding sentence.”.*

1           (2) *REVISIONS TO THE DEFINITION OF A SEVERE*  
2           *OR DISABLING CHRONIC CONDITIONS SPECIALIZED*  
3           *NEEDS INDIVIDUAL.—*

4                   (A)           IN           GENERAL.—Section  
5                   1859(b)(6)(B)(iii) of the Social Security Act (42  
6                   U.S.C. 1395w–28(b)(6)(B)(iii)) is amended—

7                           (i) by striking “who have” and insert-  
8                           ing “who—

9                                   “(I) before January 1, 2022,  
10                                   have”;

11                           (ii) in subclause (I), as added by  
12                           clause (i), by striking the period at the end  
13                           and inserting “; and”; and

14                           (iii) by adding at the end the following  
15                           new subclause:

16                                   “(II) on or after January 1, 2022,  
17                                   have one or more comorbid and medi-  
18                                   cally complex chronic conditions that  
19                                   is life threatening or significantly lim-  
20                                   its overall health or function, have a  
21                                   high risk of hospitalization or other  
22                                   adverse health outcomes, and require  
23                                   intensive care coordination and that is  
24                                   listed under subsection (f)(9)(A).”.

1           (B) *PANEL OF CLINICAL ADVISORS.*—*Sec-*  
2           *tion 1859(f) of the Social Security Act (42*  
3           *U.S.C. 1395w–28(f)), as amended by subsection*  
4           *(b), is amended by adding at the end the fol-*  
5           *lowing new paragraph:*

6           “(9) *LIST OF CONDITIONS FOR CLARIFICATION OF*  
7           *THE DEFINITION OF A SEVERE OR DISABLING CHRON-*  
8           *IC CONDITIONS SPECIALIZED NEEDS INDIVIDUAL.*—

9           “(A) *IN GENERAL.*—*Not later than Decem-*  
10           *ber 31, 2020, and every 5 years thereafter, sub-*  
11           *ject to subparagraphs (B) and (C), the Secretary*  
12           *shall convene a panel of clinical advisors to es-*  
13           *tablish and update a list of conditions that meet*  
14           *each of the following criteria:*

15           “(i) *Conditions that meet the defini-*  
16           *tion of a severe or disabling chronic condi-*  
17           *tion under subsection (b)(6)(B)(iii) on or*  
18           *after January 1, 2022.*

19           “(ii) *Conditions that require prescrip-*  
20           *tion drugs, providers, and models of care*  
21           *that are unique to the specific population of*  
22           *enrollees in a specialized MA plan for spe-*  
23           *cial needs individuals described in such sub-*  
24           *section on or after such date and—*

1                   “(I) as a result of access to, and  
2                   enrollment in, such a specialized MA  
3                   plan for special needs individuals, in-  
4                   dividuals with such condition would  
5                   have a reasonable expectation of slow-  
6                   ing or halting the progression of the  
7                   disease, improving health outcomes and  
8                   decreasing overall costs for individuals  
9                   diagnosed with such condition com-  
10                  pared to available options of care other  
11                  than through such a specialized MA  
12                  plan for special needs individuals; or

13                   “(II) have a low prevalence in the  
14                  general population of beneficiaries  
15                  under this title or a disproportionately  
16                  high per-beneficiary cost under this  
17                  title.

18                  “(B) INCLUSION OF CERTAIN CONDITIONS.—  
19                  The conditions listed under subparagraph (A)  
20                  shall include HIV/AIDS, end stage renal disease,  
21                  and chronic and disabling mental illness.

22                  “(C) REQUIREMENT.—In establishing and  
23                  updating the list under subparagraph (A), the  
24                  panel shall take into account the availability of  
25                  varied benefits, cost-sharing, and supplemental

1           *benefits under the model described in paragraph*  
2           *(2) of section 1859(h), including the expansion*  
3           *under paragraph (1) of such section.”.*

4           *(d) QUALITY MEASUREMENT AT THE PLAN LEVEL FOR*  
5           *SNPs AND DETERMINATION OF FEASIBILITY OF QUALITY*  
6           *MEASUREMENT AT THE PLAN LEVEL FOR ALL MA*  
7           *PLANS.—Section 1853(o) of the Social Security Act (42*  
8           *U.S.C. 1395w–23(o)) is amended by adding at the end the*  
9           *following new paragraphs:*

10           “(6) *QUALITY MEASUREMENT AT THE PLAN*  
11           *LEVEL FOR SNPs.—*

12                   “(A) *IN GENERAL.—Subject to subpara-*  
13                   *graph (B), the Secretary may require reporting*  
14                   *of data under section 1852(e) for, and apply*  
15                   *under this subsection, quality measures at the*  
16                   *plan level for specialized MA plans for special*  
17                   *needs individuals instead of at the contract level.*

18                   “(B) *CONSIDERATIONS.—Prior to applying*  
19                   *quality measurement at the plan level under this*  
20                   *paragraph, the Secretary shall—*

21                           “(i) *take into consideration the min-*  
22                           *imum number of enrollees in a specialized*  
23                           *MA plan for special needs individuals in*  
24                           *order to determine if a statistically signifi-*



1            *cant or valid measurement of quality at the*  
2            *plan level is possible under this paragraph;*

3            *“(ii) take into consideration the im-*  
4            *impact of such application on plans that serve*  
5            *a disproportionate number of individuals*  
6            *dually eligible for benefits under this title*  
7            *and under title XIX;*

8            *“(iii) if quality measures are reported*  
9            *at the plan level, ensure that MA plans are*  
10           *not required to provide duplicative informa-*  
11           *tion; and*

12           *“(iv) ensure that such reporting does*  
13           *not interfere with the collection of encounter*  
14           *data submitted by MA organizations or the*  
15           *administration of any changes to the pro-*  
16           *gram under this part as a result of the col-*  
17           *lection of such data.*

18           *“(C) APPLICATION.—If the Secretary ap-*  
19           *plies quality measurement at the plan level*  
20           *under this paragraph—*

21           *“(i) such quality measurement may in-*  
22           *clude Medicare Health Outcomes Survey*  
23           *(HOS), Healthcare Effectiveness Data and*  
24           *Information Set (HEDIS), Consumer As-*  
25           *essment of Healthcare Providers and Sys-*

1            *tems (CAHPS) measures and quality meas-*  
 2            *ures under part D; and*

3            *“(ii) the Secretary shall consider ap-*  
 4            *plying administrative actions, such as rem-*  
 5            *edies described in section 1857(g)(2), at the*  
 6            *plan level.*

7            *“(7) DETERMINATION OF FEASIBILITY OF QUAL-*  
 8            *ITY MEASUREMENT AT THE PLAN LEVEL FOR ALL MA*  
 9            *PLANS.—*

10            *“(A) DETERMINATION OF FEASIBILITY.—*  
 11            *The Secretary shall determine the feasibility of*  
 12            *requiring reporting of data under section 1852(e)*  
 13            *for, and applying under this subsection, quality*  
 14            *measures at the plan level for all MA plans*  
 15            *under this part.*

16            *“(B) CONSIDERATION OF CHANGE.—After*  
 17            *making a determination under subparagraph*  
 18            *(A), the Secretary shall consider requiring such*  
 19            *reporting and applying such quality measures at*  
 20            *the plan level as described in such subpara-*  
 21            *graph”.*

22            *(e) GAO STUDY AND REPORT ON STATE-LEVEL INTE-*  
 23            *GRATION BETWEEN DUAL SNPs AND MEDICAID.—*

24            *(1) STUDY.—The Comptroller General of the*  
 25            *United States (in this subsection referred to as the*

1       “Comptroller General”) shall conduct a study on  
2       State-level integration between specialized MA plans  
3       for special needs individuals described in subsection  
4       (b)(6) (B)(ii) of section 1859 of the Social Security  
5       Act (42 U.S.C. 1395w–28) and the Medicaid program  
6       under title XIX of such Act (42 U.S.C. 1396 et seq.).  
7       Such study shall include an analysis of the following:

8               (A) The characteristics of States in which  
9               the State agency responsible for administering  
10              the State plan under such title XIX has a con-  
11              tract with such a specialized MA plan and that  
12              delivers long-term services and supports under  
13              the State plan under such title XIX through a  
14              managed care program, including the require-  
15              ments under such State plan with respect to  
16              long-term services and supports.

17              (B) The types of such specialized MA plans,  
18              which may include the following:

19                      (i) A plan described in section  
20                      1853(a)(1)(B)(iv)(II) of such Act (42 U.S.C.  
21                      1395w–23(a)(1)(B)(iv)(II)).

22                      (ii) A plan that meets the requirements  
23                      described in subsection (f)(3)(D) of such sec-  
24                      tion 1859.

1                   (iii) A plan described in clause (ii)  
2                   that also meets additional requirements es-  
3                   tablished by the State.

4                   (C) The characteristics of individuals en-  
5                   rolled in such specialized MA plans.

6                   (D) As practicable, the following with re-  
7                   spect to State programs for the delivery of long-  
8                   term services and supports under such title XIX  
9                   through a managed care program:

10                   (i) Which populations of individuals  
11                   are eligible to receive such services and sup-  
12                   ports.

13                   (ii) Whether all such services and sup-  
14                   ports are provided on a capitated basis or  
15                   if any of such services and supports are  
16                   carved out and provided through fee-  
17                   forservice.

18                   (E) As practicable, how the availability and  
19                   variation of integration arrangements of such  
20                   specialized MA plans offered in States affects  
21                   spending, service delivery options, access to com-  
22                   munity-based care, and utilization of care.

23                   (F) The efforts of State Medicaid programs  
24                   to transition dually-eligible beneficiaries receiv-  
25                   ing long-term services and supports (LTSS)

1           *from institutional settings to home and commu-*  
2           *nity-based settings and related financial impacts*  
3           *of such transitions.*

4           (G) *Barriers and opportunities for making*  
5           *further progress on dual integration, as well as*  
6           *recommendations for legislation or administra-*  
7           *tive action to expedite or refine pathways toward*  
8           *fully integrated care.*

9           (2) *REPORT.*—*Not later than 2 years after the*  
10          *date of the enactment of this Act, the Comptroller*  
11          *General shall submit to Congress a report containing*  
12          *the results of the study conducted under paragraph*  
13          *(1), together with recommendations for such legisla-*  
14          *tion and administrative action as the Comptroller*  
15          *General determines appropriate.*

16   **SEC. 2122. EXTENSION OF CERTAIN MIPPA FUNDING PROVI-**  
17                    **SIONS; STATE HEALTH INSURANCE ASSIST-**  
18                    **ANCE PROGRAM REPORTING REQUIREMENTS.**

19          (a) *FUNDING EXTENSIONS.*—*Section 119 of the Medi-*  
20          *care Improvements for Patients and Providers Act of 2008*  
21          *(42 U.S.C. 1395b–3 note) is amended—*

22                  (1) *in subsection (a)(1)(B)—*

23                          (A) *in clause (vi), by striking “and” at the*  
24                          *end;*

1           (B) in clause (vii), by striking the period at  
2 the end and inserting “; and”; and

3           (C) by inserting after clause (vii) the fol-  
4 lowing new clause:

5                   “(viii) for each of fiscal years 2018  
6 and 2019, of \$13,000,000.”;

7 (2) in subsection (b)(1)(B)—

8           (A) in clause (vi), by striking “and” at the  
9 end;

10           (B) in clause (vii), by striking the period at  
11 the end and inserting “; and”; and

12           (C) by inserting after clause (vii) the fol-  
13 lowing new clause:

14                   “(viii) for each of fiscal years 2018  
15 and 2019, of \$7,500,000.”;

16 (3) in subsection (c)(1)(B)—

17           (A) in clause (vi), by striking “and” at the  
18 end;

19           (B) in clause (vii), by striking the period at  
20 the end and inserting “; and”; and

21           (C) by inserting after clause (vii) the fol-  
22 lowing new clause:

23                   “(viii) for each of fiscal years 2018  
24 and 2019, of \$5,000,000.”; and

25 (4) in subsection (d)(2)—

1           (A) in clause (vi), by striking “and” at the  
2           end;

3           (B) in clause (vii), by striking the period at  
4           the end and inserting “; and”; and

5           (C) by inserting after clause (vii) the fol-  
6           lowing new clause:

7                       “(viii) for each of fiscal years 2018  
8                       and 2019, of \$12,000,000.”.

9           (b) *STATE HEALTH INSURANCE ASSISTANCE PRO-*  
10 *GRAM REPORTING REQUIREMENTS.—Beginning not later*  
11 *than April 1, 2019, and biennially thereafter, the Agency*  
12 *for Community Living shall electronically post on its*  
13 *website the following information, with respect to grants to*  
14 *States for State health insurance assistance programs, (such*  
15 *information to be presented by State and by entity receiv-*  
16 *ing funds from the State to carry out such a program fund-*  
17 *ed by such grant):*

18                       (1) *The amount of Federal funding provided to*  
19 *each such State for such program for the period in-*  
20 *volved and the amount of Federal funding provided*  
21 *by each such State for such program to each such en-*  
22 *tity for the period involved.*

23                       (2) *Information as the Secretary may specify,*  
24 *with respect to such programs carried out through*





1       *sentence for a fiscal year, there shall be used for the*  
2       *purpose of funding a contract entered into under sub-*  
3       *section (a) with respect to carrying out section 1890A*  
4       *(other than subsections (e) and (f)) for such fiscal*  
5       *year an amount that is not less than the amount used*  
6       *for such purpose for fiscal year 2017.”.*

7       ***(b) ANNUAL REPORT BY SECRETARY TO CONGRESS.—***  
8       *Section 1890 of the Social Security Act (42 U.S.C.*  
9       *1395aaa) is amended by adding at the end the following*  
10      *new subsection:*

11       ***“(e) ANNUAL REPORT BY SECRETARY TO CON-***  
12      ***GRESS.—By not later than March 1 of each year (beginning***  
13      ***with 2018), the Secretary shall submit to Congress a report***  
14      ***containing the following:***

15               ***“(1) A comprehensive plan that identifies the***  
16               ***quality measurement needs of programs and initia-***  
17               ***tives of the Secretary and provides a strategy for***  
18               ***using the work performed by the entity with a con-***  
19               ***tract under subsection (a) and the work of any other***  
20               ***entity the Secretary has contracted with to perform***  
21               ***work associated with this section or section 1890A to***  
22               ***help meet those needs, specifically with respect to the***  
23               ***programs under this title and title XIX.***

24               ***“(2) The amount of mandatory funding provided***  
25               ***under subsection (d) for purposes of carrying out this***

1        *section and section 1890A that has been obligated by*  
2        *the Secretary, the amount of funding provided that*  
3        *has been expended, and the amount of funding pro-*  
4        *vided that remains unobligated.*

5            *“(3) A description of how the funds provided*  
6        *that are obligated have been allocated, including how*  
7        *much of that funding has been allocated for work per-*  
8        *formed by the Secretary, the entity with a contract*  
9        *under subsection (a), and any other entity the Sec-*  
10       *retary has contracted with to perform work related to*  
11       *this section or section 1890A, respectively.*

12           *“(4) A description of the activities for which the*  
13       *obligated funds have been or will be used, including*  
14       *any activities performed by the Secretary, task orders,*  
15       *specific projects, and activities assigned to the entity*  
16       *with a contract under subsection (a), and task orders,*  
17       *specific projects, and activities assigned to any other*  
18       *entity the Secretary has contracted with to perform*  
19       *work related to carrying out this section or section*  
20       *1890A.*

21           *“(5) The amount of funding allocated to each of*  
22       *the activities described in paragraph (4).*

23           *“(6) Estimates for, and descriptions of, obliga-*  
24       *tions and expenditures that the Secretary anticipates*  
25       *will be needed in the succeeding two year period to*

1       *carry out each of the quality measurement activities*  
2       *required under this section and section 1890A, includ-*  
3       *ing any obligations that will require funds to be ex-*  
4       *pended in a future year.”.*

5       *(c) REVISIONS TO ANNUAL REPORT FROM CON-*  
6       *SENSUS-BASED ENTITY TO CONGRESS AND THE SEC-*  
7       *RETARY.—*

8               *(1) IN GENERAL.—Section 1890(b)(5)(A) of the*  
9       *Social Security Act (42 U.S.C. 1395aaa(b)(5)(A)) is*  
10       *amended—*

11               *(A) by redesignating clauses (i) through (vi)*  
12       *as subclauses (I) through (VI), respectively, and*  
13       *moving the margins accordingly;*

14               *(B) in the matter preceding subclause (I),*  
15       *as redesignated by clause (i), by striking “con-*  
16       *taining a description of—” and inserting “con-*  
17       *taining the following:*

18               *“(i) A description of—”; and*

19               *(C) by adding at the end the following new*  
20       *clauses:*

21               *“(ii) An itemization of financial infor-*  
22       *mation for the fiscal year ending September*  
23       *30 of the preceding year, including—*

24               *“(I) annual revenues of the entity*  
25       *(including any government funding,*

1 private sector contributions, grants,  
2 membership revenues, and investment  
3 revenue);

4 “(II) annual expenses of the enti-  
5 ty (including grants paid, benefits  
6 paid, salaries or other compensation,  
7 fundraising expenses, and overhead  
8 costs); and

9 “(III) a breakdown of the amount  
10 awarded per contracted task order and  
11 the specific projects funded in each task  
12 order assigned to the entity.

13 “(iii) Any updates or modifications of  
14 internal policies and procedures of the enti-  
15 ty as they relate to the duties of the entity  
16 under this section, including—

17 “(I) specifically identifying any  
18 modifications to the disclosure of inter-  
19 ests and conflicts of interests for com-  
20 mittees, work groups, task forces, and  
21 advisory panels of the entity; and

22 “(II) information on external  
23 stakeholder participation in the duties  
24 of the entity under this section (includ-  
25 ing complete rosters for all committees,

1                    *work groups, task forces, and advisory*  
2                    *panels funded through government con-*  
3                    *tracts, descriptions of relevant interests*  
4                    *and any conflicts of interest for mem-*  
5                    *bers of all committees, work groups,*  
6                    *task forces, and advisory panels, and*  
7                    *the total percentage by health care sec-*  
8                    *tor of all convened committees, work*  
9                    *groups, task forces, and advisory pan-*  
10                    *els.”.*

11                    (2) *EFFECTIVE DATE.*—*The amendments made*  
12                    *by this subsection shall apply to reports submitted for*  
13                    *years beginning with 2018.*

14                    (d) *GAO STUDY AND REPORT.*—

15                    (1) *STUDY.*—*The Comptroller General of the*  
16                    *United States shall conduct a study on health care*  
17                    *quality measurement efforts funded under sections*  
18                    *1890 and 1890A of the Social Security Act (42*  
19                    *U.S.C. 1395aaa; 1395aaa–1). Such study shall in-*  
20                    *clude an examination of the following:*

21                    (A) *The extent to which the Secretary of*  
22                    *Health and Human Services (in this subsection*  
23                    *referred to as the “Secretary”) has set and*  
24                    *prioritized objectives to be achieved for each of*

1           *the quality measurement activities required*  
2           *under such sections 1890 and 1890A.*

3           *(B) The efforts that the Secretary has un-*  
4           *dertaken to meet quality measurement objectives*  
5           *associated with such sections 1890 and 1890A,*  
6           *including division of responsibilities for those ef-*  
7           *forts within the Department of Health and*  
8           *Human Services and through contracts with a*  
9           *consensus-based entity under subsection (a) of*  
10          *such section 1890 (in this subsection referred to*  
11          *as the “consensus-based entity”) and other enti-*  
12          *ties, and the extent of any overlap among the*  
13          *work performed by the Secretary, the consensus-*  
14          *based entity, the Measure Application Partner-*  
15          *ship (MAP) convened by such entity to provide*  
16          *input to the Secretary on the selection of quality*  
17          *and efficiency measures, and any other entities*  
18          *the Secretary has contracted with to perform*  
19          *work related to carrying out such sections 1890*  
20          *and 1890A.*

21          *(C) The total amount of mandatory funding*  
22          *provided to the Secretary for purposes of car-*  
23          *rying out such sections 1890 and 1890A, the*  
24          *amount of such funding that has been obligated*

1           by the Secretary, and the amount of such fund-  
2           ing that remains unobligated.

3           (D) How the obligated funds have been allo-  
4           cated, including how much of the obligated fund-  
5           ing has been allocated for work performed by the  
6           Secretary, the consensus-based entity, and any  
7           other entity the Secretary has contracted with to  
8           perform work related to carrying out such sec-  
9           tions 1890 and 1890A, respectively, and descrip-  
10          tions of such work.

11          (E) The extent to which the Secretary has  
12          developed a comprehensive and long-term plan to  
13          ensure that it can achieve quality measurement  
14          objectives related to carrying out such sections  
15          1890 and 1890A in a timely manner and with  
16          efficient use of available resources, including the  
17          roles of the consensus-based entity, the Measure  
18          Application Partnership (MAP), and any other  
19          entity the Secretary has contracted with to per-  
20          form work related to such sections 1890 and  
21          1890A in helping the Secretary achieve those ob-  
22          jectives.

23          (2) *REPORT.*—Not later than 18 months after the  
24          date of enactment of this Act, the Comptroller General  
25          of the United States shall submit to Congress a report

1       *containing the results of the study conducted under*  
 2       *paragraph (1), together with recommendations for*  
 3       *such legislation and administrative action as the*  
 4       *Comptroller General determines appropriate.*

5       ***TITLE II—ADDITIONAL MEDICARE POLICIES RELATING TO***  
 6       ***EXTENDERS***

8       ***SEC. 2201. HOME HEALTH PAYMENT REFORM.***

9       *(a) BUDGET NEUTRAL TRANSITION TO A 30-DAY UNIT*  
 10      *OF PAYMENT FOR HOME HEALTH SERVICES.—Section*  
 11      *1895(b) of the Social Security Act (42 U.S.C. 1395fff(b))*  
 12      *is amended—*

13               *(1) in paragraph (2)—*

14                       *(A) by striking “PAYMENT.—In defining”*  
 15                       *and inserting “PAYMENT.—*

16                               *“(A) IN GENERAL.—In defining”; and*

17                               *(B) by adding at the end the following new*  
 18                       *subparagraph:*

19                               *“(B) 30-DAY UNIT OF SERVICE.—For pur-*  
 20                       *poses of implementing the prospective payment*  
 21                       *system with respect to home health units of serv-*  
 22                       *ice furnished during a year beginning with*  
 23                       *2020, the Secretary shall apply a 30-day unit of*  
 24                       *service as the unit of service applied under this*  
 25                       *paragraph.”;*



1           (2) in paragraph (3)—

2                   (A) in subparagraph (A), by adding at the  
3           end the following new clause:

4                           “(iv) *BUDGET NEUTRALITY FOR 2020.*—

5                           *With respect to payments for home health*  
6                           *units of service furnished that end during*  
7                           *the 12-month period beginning January 1,*  
8                           *2020, the Secretary shall calculate a stand-*  
9                           *ard prospective payment amount (or*  
10                           *amounts) for 30-day units of service (as de-*  
11                           *scribed in paragraph (2)(B)) for the pro-*  
12                           *spective payment system under this sub-*  
13                           *section. Such standard prospective payment*  
14                           *amount (or amounts) shall be calculated in*  
15                           *a manner such that the estimated aggregate*  
16                           *amount of expenditures under the system*  
17                           *during such period with application of*  
18                           *paragraph (2)(B) is equal to the estimated*  
19                           *aggregate amount of expenditures that oth-*  
20                           *erwise would have been made under the sys-*  
21                           *tem during such period if paragraph (2)(B)*  
22                           *had not been enacted. The previous sentence*  
23                           *shall be applied before (and not affect the*  
24                           *application of) paragraph (3)(B). In calcu-*  
25                           *lating such amount (or amounts), the Sec-*

1           retary shall make assumptions about behav-  
2           ior changes that could occur as a result of  
3           the implementation of paragraph (2)(B)  
4           and the case-mix adjustment factors estab-  
5           lished under paragraph (4)(B) and shall  
6           provide a description of such assumptions  
7           in the notice and comment rulemaking used  
8           to implement this clause.”; and

9           (B) by adding at the end the following new  
10          subparagraph:

11                 “(D) BEHAVIOR ASSUMPTIONS AND ADJUST-  
12          MENTS.—

13                         “(i) IN GENERAL.—The Secretary shall  
14                         annually determine the impact of dif-  
15                         ferences between assumed behavior changes  
16                         (as described in paragraph (3)(A)(iv)) and  
17                         actual behavior changes on estimated aggre-  
18                         gate expenditures under this subsection with  
19                         respect to years beginning with 2020 and  
20                         ending with 2026.

21                         “(ii) PERMANENT ADJUSTMENTS.—The  
22                         Secretary shall, at a time and in a manner  
23                         determined appropriate, through notice and  
24                         comment rulemaking, provide for one or  
25                         more permanent increases or decreases to

1           the standard prospective payment amount  
2           (or amounts) for applicable years, on a pro-  
3           spective basis, to offset for such increases or  
4           decreases in estimated aggregate expendi-  
5           tures (as determined under clause (i)).

6           “(iii) *TEMPORARY ADJUSTMENTS FOR*  
7           *RETROSPECTIVE BEHAVIOR.*—The Secretary  
8           shall, at a time and in a manner deter-  
9           mined appropriate, through notice and  
10          comment rulemaking, provide for one or  
11          more temporary increases or decreases to  
12          the payment amount for a unit of home  
13          health services (as determined under para-  
14          graph (4)) for applicable years, on a pro-  
15          spective basis, to offset for such increases or  
16          decreases in estimated aggregate expendi-  
17          tures (as determined under clause (i)). Such  
18          a temporary increase or decrease shall  
19          apply only with respect to the year for  
20          which such temporary increase or decrease  
21          is made, and the Secretary shall not take  
22          into account such a temporary increase or  
23          decrease in computing such amount under  
24          this subsection for a subsequent year.”; and

25          (3) in paragraph (4)(B)—

1           (A) by striking “FACTORS.—The Secretary”  
2           and inserting “FACTORS.—

3                   “(i) IN GENERAL.—The Secretary”;  
4           and

5           (B) by adding at the end the following new  
6           clause:

7                   “(ii) TREATMENT OF THERAPY  
8                   THRESHOLDS.—For 2020 and subsequent  
9                   years, the Secretary shall eliminate the use  
10                  of therapy thresholds (established by the  
11                  Secretary) in case mix adjustment factors  
12                  established under clause (i) for calculating  
13                  payments under the prospective payment  
14                  system under this subsection.”.

15          (b) TECHNICAL EXPERT PANEL.—

16                  (1) IN GENERAL.—During the period beginning  
17                  on January 1, 2018, and ending on December 31,  
18                  2018, the Secretary of Health and Human Services  
19                  shall hold at least one session of a technical expert  
20                  panel, the participants of which shall include home  
21                  health providers, patient representatives, and other  
22                  relevant stakeholders. The technical expert panel shall  
23                  identify and prioritize recommendations with respect  
24                  to the prospective payment system for home health

1        *services under section 1895(b) of the Social Security*  
2        *Act (42 U.S.C. 1395fff(b)), on the following:*

3                *(A) The Home Health Groupings Model, as*  
4                *described in the proposed rule “Medicare and*  
5                *Medicaid Programs; CY 2018 Home Health Pro-*  
6                *spective Payment System Rate Update and Pro-*  
7                *posed CY 2019 Case-Mix Adjustment Method-*  
8                *ology Refinements; Home Health Value-Based*  
9                *Purchasing Model; and Home Health Quality*  
10              *Reporting Requirements” (82 Fed. Reg. 35294*  
11              *through 35332 (July 28, 2017)).*

12              *(B) Alternative case-mix models to the*  
13              *Home Health Groupings Model that were sub-*  
14              *mitted during 2017 as comments in response to*  
15              *proposed rule making, including patient-focused*  
16              *factors that consider the risks of hospitalization*  
17              *and readmission to a hospital, improvement or*  
18              *maintenance of functionality of individuals to*  
19              *increase the capacity for self-care, quality of*  
20              *care, and resource utilization.*

21              *(2) INAPPLICABILITY OF FACA.—The provisions*  
22              *of the Federal Advisory Committee Act (5 U.S.C.*  
23              *App.) shall not apply to the technical expert panel*  
24              *under paragraph (1).*

1           (3) *REPORT.*—Not later than April 1, 2019, the  
2           *Secretary of Health and Human Services shall sub-*  
3           *mit to the Committee on Ways and Means and the*  
4           *Committee on Energy and Commerce of the House of*  
5           *Representatives and the Committee on Finance of the*  
6           *Senate a report on the recommendations of such panel*  
7           *described in such paragraph.*

8           (4) *NOTICE AND COMMENT RULEMAKING.*—Not  
9           *later than December 31, 2019, the Secretary of Health*  
10          *and Human Services shall pursue notice and com-*  
11          *ment rulemaking on a case-mix system with respect*  
12          *to the prospective payment system for home health*  
13          *services under section 1895(b) of the Social Security*  
14          *Act (42 U.S.C. 1395fff(b)).*

15          (c) *REPORTS.*—

16               (1) *INTERIM REPORT.*—Not later than March 15,  
17               2022, the Medicare Payment Advisory Commission  
18               shall submit to Congress an interim report on the ap-  
19               plication of a 30-day unit of service as the unit of  
20               service applied under section 1895(b)(2) of the Social  
21               Security Act (42 U.S.C. 1395fff(b)(2)), as amended by  
22               subsection (a), including an analysis of the level of  
23               payments provided to home health agencies as com-  
24               pared to the cost of delivering home health services,



1       (b) *PART B.—Section 1835(a) of the Social Security*  
2 *Act (42 U.S.C. 1395n(a)) is amended by inserting before*  
3 *“For purposes of paragraph (2)(A),” the following new sen-*  
4 *tence: “For purposes of documentation for physician certifi-*  
5 *cation and recertification made under paragraph (2) on or*  
6 *after January 1, 2019, and made with respect to home*  
7 *health services furnished by a home health agency, in addi-*  
8 *tion to using documentation in the medical record of the*  
9 *physician who so certifies or the medical record of the acute*  
10 *or post-acute care facility (in the case that home health*  
11 *services were furnished to an individual who was directly*  
12 *admitted to the home health agency from such a facility),*  
13 *the Secretary may use documentation in the medical record*  
14 *of the home health agency as supporting material, as appro-*  
15 *priate to the case involved.”.*

16 **SEC. 2203. VOLUNTARY SETTLEMENT OF HOME HEALTH**  
17 **CLAIMS.**

18       (a) *SETTLEMENT PROCESS FOR HOME HEALTH*  
19 *CLAIMS.—*

20           (1) *IN GENERAL.—Not later than one year after*  
21 *the date of enactment of this Act, the Secretary of*  
22 *Health and Human Services shall establish a settle-*  
23 *ment process under which a home health agency enti-*  
24 *tled to an eligible administrative appeal has the op-*  
25 *tion to enter into a settlement with the Secretary that*



1        *is reached in a manner consistent with the succeeding*  
2        *paragraphs of this subsection.*

3            (2) *PROCESS AND CONSIDERATION OF HOME*  
4        *HEALTH CLAIMS.—A settlement under paragraph (1)*  
5        *with a home health agency that is with respect to an*  
6        *eligible administrative appeal may only be reached in*  
7        *accordance with the following process:*

8            (A) *A settlement under such paragraph*  
9        *with the home health agency shall be with respect*  
10       *to all claims by such agency, subject to para-*  
11       *graph (4), that, as of the date of such settlement,*  
12       *are under an eligible administrative appeal.*

13           (B) *For the duration of the settlement proc-*  
14       *ess with such agency, an eligible administrative*  
15       *appeal that is with respect to any such claim by*  
16       *such agency shall be suspended.*

17           (C) *Under the settlement process, the Sec-*  
18       *retary shall determine an aggregate amount to*  
19       *be paid to the home health agency with respect*  
20       *to all claims by such agency that are under an*  
21       *eligible administrative appeal in the following*  
22       *manner:*

23           (i) *The Secretary shall, for purposes of*  
24       *applying clause (ii) with respect to all set-*  
25       *tlements under paragraph (1), select a per-*

1            *centage. In selecting such percentage, the*  
2            *Secretary shall consider the percentage used*  
3            *under the Centers for Medicare & Medicaid*  
4            *Services hospital appeals settlement that*  
5            *began on August 29, 2014.*

6            *(ii) The Secretary shall, with respect to*  
7            *each denied claim for such agency that is*  
8            *under an eligible administrative appeal,*  
9            *calculate an amount (referred to in this*  
10           *subparagraph as an “individual claim*  
11           *amount”) by multiplying the net payable*  
12           *amount for such claim by the percentage se-*  
13           *lected under clause (i).*

14           *(iii) Such aggregate amount with re-*  
15           *spect to such agency shall be determined by*  
16           *calculating the total sum of all the indi-*  
17           *vidual claim amounts calculated under*  
18           *clause (i) with respect to such agency.*

19           *(3) EFFECT OF PROCESS.—*

20           *(A) EFFECT OF SETTLEMENT.—*

21           *(i) FURTHER APPEAL.—As part of any*  
22           *settlement under paragraph (1) between a*  
23           *home health agency and the Secretary, such*  
24           *home health agency shall be required to*  
25           *forego the right to an administrative appeal*

1           *under section 1869 of the Social Security*  
2           *Act (42 U.S.C. 1395ff) or section 1878 of*  
3           *such Act (42 U.S.C. 139500) (including any*  
4           *redetermination, reconsideration, hearing,*  
5           *or review) with respect to any claims for*  
6           *home health services that are subject to the*  
7           *settlement.*

8                     *(ii) JUDICIAL REVIEW.—There shall be*  
9                     *no administrative or judicial review under*  
10                    *such section 1869 or otherwise of a settle-*  
11                    *ment under paragraph (1) and the claims*  
12                    *covered by the settlement.*

13                    *(B) EFFECT OF NO SETTLEMENT.—In the*  
14                    *event that the process described in paragraph (2)*  
15                    *does not, with respect to a home health agency,*  
16                    *result in a settlement under paragraph (1) with*  
17                    *such agency, any appeal under such section 1869*  
18                    *that is with respect to a claim by such agency*  
19                    *that was suspended pursuant to paragraph*  
20                    *(2)(B) shall resume under such section.*

21                    *(4) COORDINATION WITH LAW ENFORCEMENT.—*  
22                    *The Secretary of Health and Human Services shall*  
23                    *establish a process to coordinate with appropriate law*  
24                    *enforcement agencies in order to avoid the inadvertent*

1       *settlement of cases that involve fraud or other crimi-*  
2       *nal activity.*

3       **(b) NO ENTITLEMENT TO SETTLEMENT PROCESS.—**

4       *Nothing in this section shall be construed as creating an*  
5       *entitlement to enter into a settlement process established*  
6       *pursuant to subsection (a).*

7       **(c) ELIGIBLE ADMINISTRATIVE APPEAL DEFINED.—**

8       *For purposes of this section, the term “eligible administra-*  
9       *tive appeal” means an appeal under section 1869 of the*  
10       *Social Security Act (42 U.S.C. 1395ff) (including any rede-*  
11       *termination, reconsideration, hearing, or review)—*

12               *(1) that is with respect to one or more claims*  
13       *that—*

14                       *(A) are for home health services that were*  
15                       *furnished on or after January 1, 2011, and be-*  
16                       *fore January 1, 2015; and*

17                       *(B) were timely filed consistent with section*  
18                       *1814(a)(1) of such Act (42 U.S.C. 1395f(a)(1))*  
19                       *or sections 1835(a)(1) and 1842(b)(3) of such Act*  
20                       *(42 U.S.C. 1395n(a)(1), 1395u(b)(3)); and*

21               *(2) either—*

22                       *(A) was timely filed consistent with section*  
23                       *1869 of such Act (42 U.S.C. 1395ff) and is pend-*  
24                       *ing; or*

1                   (B) for which the applicable time frame to  
2                   file an appeal has not expired.

3           (d) *CONFORMING AMENDMENT.*—Section 1869 of the  
4 *Social Security Act (42 U.S.C. 1395ff)* is amended by add-  
5 *ing at the end the following new subsection:*

6           “(j) *APPLICATION WITH RESPECT TO CERTAIN HOME*  
7 *HEALTH CLAIMS.*—For the application of the provisions of  
8 *this section with respect to certain claims for home health*  
9 *services that were furnished on or after January 1, 2011,*  
10 *and before January 1, 2015, see section 106 of the*  
11 *Healthcare Extension, Reauthorization, and Opportunities*  
12 *Act of 2017.”.*

13 ***SEC. 2204. EXTENSION OF ENFORCEMENT INSTRUCTION ON***  
14 ***MEDICARE SUPERVISION REQUIREMENTS***  
15 ***FOR OUTPATIENT THERAPEUTIC SERVICES IN***  
16 ***CRITICAL ACCESS AND SMALL RURAL HOS-***  
17 ***PITALS.***

18           Section 1834 of the *Social Security Act (42 U.S.C.*  
19 *1395m)* is amended by adding at the end the following new  
20 *subsection:*

21           “(v) *EXTENSION OF ENFORCEMENT INSTRUCTION ON*  
22 *SUPERVISION REQUIREMENTS FOR OUTPATIENT THERA-*  
23 *PEUTIC SERVICES IN CRITICAL ACCESS AND SMALL RURAL*  
24 *HOSPITALS.*—For calendar year 2017, the Secretary shall  
25 *continue to apply the enforcement instruction described in*

1 *the notice of the Centers for Medicare & Medicaid Services*  
2 *entitled ‘Enforcement Instruction on Supervision Require-*  
3 *ments for Outpatient Therapeutic Services in Critical Ac-*  
4 *cess and Small Rural Hospitals for CY 2013’, dated Novem-*  
5 *ber 1, 2012 (providing for an exception to the restatement*  
6 *and clarification under the final rulemaking changes to the*  
7 *Medicare hospital outpatient prospective payment system*  
8 *and calendar year 2009 payment rates (published in the*  
9 *Federal Register on November 18, 2008, 73 Fed. Reg. 68702*  
10 *through 68704) with respect to requirements for direct su-*  
11 *per vision by physicians for therapeutic hospital outpatient*  
12 *services), as previously extended under section 1 of Public*  
13 *Law 113-198, as amended by section 1 of Public Law 114-*  
14 *112 and section 16004(a) of the 21st Century Cures Act*  
15 *(Public Law 114-255).’.*

16 **SEC. 2205. TECHNICAL AMENDMENTS TO PUBLIC LAW 114-**

17 **10.**

18 (a) *MIPS TRANSITION.*—Section 1848 of the Social  
19 Security Act (42 U.S.C. 1395w-4) is amended—

20 (1) *in subsection (q)*—

21 (A) *in paragraph (1)*—

22 (i) *in subparagraph (B), by striking*  
23 *“items and services” and inserting “covered*  
24 *professional services (as defined in sub-*  
25 *section (k)(3)(A))”;* and

1           (ii) in subparagraph (C)(iv)—

2                 (I) by amending subclause (I) to  
3 read as follows:

4                 “(I) The minimum number (as  
5 determined by the Secretary) of—

6                         “(aa) for performance peri-  
7 ods beginning before January 1,  
8 2018, individuals enrolled under  
9 this part who are treated by the  
10 eligible professional for the per-  
11 formance period involved; and

12                         “(bb) for performance periods  
13 beginning on or after January 1,  
14 2018, individuals enrolled under  
15 this part who are furnished cov-  
16 ered professional services (as de-  
17 fined in subsection (k)(3)(A)) by  
18 the eligible professional for the  
19 performance period involved.”;

20                 (II) in subclause (II), by striking  
21 “items and services” and inserting  
22 “covered professional services (as de-  
23 fined in subsection (k)(3)(A))”; and

24                 (III) by amending subclause (III)  
25 to read as follows:

1                   “(III) *The minimum amount (as*  
2                   *determined by the Secretary) of—*

3                   “*(aa) for performance peri-*  
4                   *ods beginning before January 1,*  
5                   *2018, allowed charges billed by*  
6                   *such professional under this part*  
7                   *for such performance period; and*

8                   “*(bb) for performance periods*  
9                   *beginning on or after January 1,*  
10                  *2018, allowed charges for covered*  
11                  *professional services (as defined in*  
12                  *subsection (k)(3)(A)) billed by*  
13                  *such professional for such per-*  
14                  *formance period.”;*

15                  *(B) in paragraph (5)(D)—*

16                  *(i) in clause (i)(I), by inserting “sub-*  
17                  *ject to clause (iii),” after “clauses (i) and*  
18                  *(ii) of paragraph (2)(A),”; and*

19                  *(ii) by adding at the end the following*  
20                  *new clause:*

21                  “*(iii) TRANSITION YEARS.—For each of*  
22                  *the second, third, fourth, and fifth years for*  
23                  *which the MIPS applies to payments, the*  
24                  *performance score for the performance cat-*  
25                  *egory described in paragraph (2)(A)(ii)*



1           *shall not take into account the improvement*  
2           *of the professional involved.”;*

3           *(C) in paragraph (5)(E)—*

4                 *(i) in clause (i)(I)(bb)—*

5                         *(I) in the heading by striking*  
6                         *“FIRST 2 YEARS” and inserting*  
7                         *“FIRST 5 YEARS”; and*

8                         *(II) by striking “the first and sec-*  
9                         *ond years” and inserting “each of the*  
10                         *first through fifth years”;*

11                 *(ii) in clause (i)(II)(bb)—*

12                         *(I) in the heading, by striking “2*  
13                         *YEARS” and inserting “5 YEARS”; and*

14                         *(II) by striking the second sen-*  
15                         *tence and inserting the following new*  
16                         *sentences: “For each of the second,*  
17                         *third, fourth, and fifth years for which*  
18                         *the MIPS applies to payments, not less*  
19                         *than 10 percent and not more than 30*  
20                         *percent of such score shall be based on*  
21                         *performance with respect to the cat-*  
22                         *egory described in clause (ii) of para-*  
23                         *graph (2)(A). Nothing in the previous*  
24                         *sentence shall be construed, with re-*  
25                         *spect to a performance period for a*

1                    *year described in the previous sentence,*  
2                    *as preventing the Secretary from bas-*  
3                    *ing 30 percent of such score for such*  
4                    *year with respect to the category de-*  
5                    *scribed in such clause (ii), if the Sec-*  
6                    *retary determines, based on informa-*  
7                    *tion posted under subsection (r)(2)(I)*  
8                    *that sufficient resource use measures*  
9                    *are ready for adoption for use under*  
10                   *the performance category under para-*  
11                   *graph (2)(A)(ii) for such performance*  
12                   *period.”;*

13                   *(D) in paragraph (6)(D)—*

14                   *(i) in clause (i), in the second sentence,*  
15                   *by striking “Such performance threshold”*  
16                   *and inserting “Subject to clauses (iii) and*  
17                   *(iv), such performance threshold”;*

18                   *(ii) in clause (ii)—*

19                   *(I) in the first sentence, by insert-*  
20                   *ing “(beginning with 2019 and ending*  
21                   *with 2024)” after “for each year of the*  
22                   *MIPS”; and*

23                   *(II) in the second sentence, by in-*  
24                   *serting “subject to clause (iii),” after*  
25                   *“For each such year,”;*

1                   (iii) in clause (iii)—

2                   (I) in the heading, by striking “2”  
3                   and inserting “5”; and

4                   (II) in the first sentence, by strik-  
5                   ing “two years” and inserting “five  
6                   years”; and

7                   (iv) by adding at the end the following  
8                   new clause:

9                   “(iv) *ADDITIONAL SPECIAL RULE FOR*  
10                  *THIRD, FOURTH AND FIFTH YEARS OF*  
11                  *MIPS.—For purposes of determining MIPS*  
12                  *adjustment factors under subparagraph (A),*  
13                  *in addition to the requirements specified in*  
14                  *clause (iii), the Secretary shall increase the*  
15                  *performance threshold with respect to each*  
16                  *of the third, fourth, and fifth years to which*  
17                  *the MIPS applies to ensure a gradual and*  
18                  *incremental transition to the performance*  
19                  *threshold described in clause (i) (as esti-*  
20                  *mated by the Secretary) with respect to the*  
21                  *sixth year to which the MIPS applies.”;*

22                  (E) in paragraph (6)(E)—

23                  (i) by striking “In the case of items  
24                  and services” and inserting “In the case of

1 covered professional services (as defined in  
2 subsection (k)(3)(A)); and

3 (ii) by striking “under this part with  
4 respect to such items and services” and in-  
5 serting “under this part with respect to  
6 such covered professional services”; and

7 (F) in paragraph (7), in the first sentence,  
8 by striking “items and services” and inserting  
9 “covered professional services (as defined in sub-  
10 section (k)(3)(A))”;

11 (2) in subsection (r)(2), by adding at the end the  
12 following new subparagraph:

13 “(I) INFORMATION.—The Secretary shall,  
14 not later than December 31st of each year (begin-  
15 ning with 2018), post on the Internet website of  
16 the Centers for Medicare & Medicaid Services in-  
17 formation on resource use measures in use under  
18 subsection (q), resource use measures under de-  
19 velopment and the time-frame for such develop-  
20 ment, potential future resource use measure top-  
21 ics, a description of stakeholder engagement, and  
22 the percent of expenditures under part A and  
23 this part that are covered by resource use meas-  
24 ures.”; and

1           (3) in subsection (s)(5)(B), by striking “section  
2           1833(z)(2)(C)” and inserting “section 1833(z)(3)(D)”.

3           (b) *PHYSICIAN-FOCUSED PAYMENT MODEL TECHNICAL*  
4 *ADVISORY COMMITTEE PROVISION OF INITIAL PROPOSAL*  
5 *FEEDBACK*.—Section 1868(c)(2)(C) of the Social Security  
6 Act (42 U.S.C. 1395ee(c)(2)(C)) is amended to read as fol-  
7 lows:

8                           “(C) *COMMITTEE REVIEW OF MODELS SUB-*  
9                           *MITTED*.—The Committee, on a periodic basis—

10                           “(i) shall review models submitted  
11                           under subparagraph (B);

12                           “(ii) may provide individuals and  
13                           stakeholder entities who submitted such  
14                           models with—

15   “(I) initial feedback on such mod-  
16   els regarding the extent to which such  
17   models meet the criteria described in  
18   subparagraph (A); and

19   “(II) an explanation of the basis  
20   for the feedback provided under sub-  
21   clause (I); and

22   “(iii) shall prepare comments and rec-  
23   ommendations regarding whether such mod-  
24   els meet the criteria described in subpara-

1                    *graph (A) and submit such comments and*  
2                    *recommendations to the Secretary.”.*

3    **SEC. 2206. REVISED REQUIREMENTS FOR MEDICARE INTEN-**  
4                    **SIVE CARDIAC REHABILITATION PROGRAMS.**

5            *(a) IN GENERAL.—Section 1861(eee)(4)(B) of the So-*  
6    *cial Security Act (42 U.S.C. 1395x(eee)(4)(B)) is amend-*  
7    *ed—*

8                    *(1) in clause (v), by striking “or” at the end;*

9                    *(2) in clause (vi), by striking the period at the*  
10    *end and inserting a semicolon; and*

11                    *(3) by adding at the end the following new*  
12    *clauses:*

13                    *“(vii) stable, chronic heart failure (defined*  
14                    *as patients with left ventricular ejection fraction*  
15                    *of 35 percent or less and New York Heart Asso-*  
16                    *ciation (NYHA) class II to IV symptoms despite*  
17                    *being on optimal heart failure therapy for at*  
18                    *least 6 weeks); or*

19                    *“(viii) any additional condition for which*  
20                    *the Secretary has determined that a cardiac re-*  
21                    *habilitation program shall be covered, unless the*  
22                    *Secretary determines, using the same process*  
23                    *used to determine that the condition is covered*  
24                    *for a cardiac rehabilitation program, that such*

1 coverage is not supported by the clinical evi-  
2 dence.”.

3 (b) *ENSURING FUTURE SUPERVISION LEVEL PARITY*  
4 *WITH CARDIAC REHABILITATION PROGRAMS.*—Section  
5 1861(eee)(4)(A) of the Social Security Act (42 U.S.C.  
6 1395x(eee)(4)(A)) is amended, in the matter preceding  
7 clause (i), by striking “physician-supervised program (as  
8 described in paragraph (2))” and inserting “program (su-  
9 pervised as described in paragraph (2))”.

10 **TITLE III—CREATING HIGH-**  
11 **QUALITY RESULTS AND OUT-**  
12 **COMES NECESSARY TO IM-**  
13 **PROVE CHRONIC (CHRONIC)**  
14 **CARE**

15 **Subtitle A—Receiving High Quality**  
16 **Care in the Home**

17 **SEC. 2301. EXTENDING THE INDEPENDENCE AT HOME DEM-**  
18 **ONSTRATION PROGRAM.**

19 (a) *IN GENERAL.*—Section 1866E of the Social Secu-  
20 rity Act (42 U.S.C. 1395cc–5) is amended—

21 (1) in subsection (e)—

22 (A) in paragraph (1)—

23 (i) by striking “An agreement” and in-  
24 serting “Agreements”; and

1                   (ii) by striking “5-year” and inserting  
2                   “7-year”; and

3                   (B) in paragraph (5)—

4                   (i) by striking “10,000” and inserting  
5                   “15,000”; and

6                   (ii) by adding at the end the following  
7                   new sentence: “An applicable beneficiary  
8                   that participates in the demonstration pro-  
9                   gram by reason of the increase from 10,000  
10                  to 15,000 in the preceding sentence pursu-  
11                  ant to the amendment made by section  
12                  2301(a)(1)(B) of the SUSTAIN Care Act of  
13                  2018 shall be considered in the spending  
14                  target estimates under paragraph (1) of  
15                  subsection (c) and the incentive payment  
16                  calculations under paragraph (2) of such  
17                  subsection for the sixth and seventh years of  
18                  such program.”;

19                  (2) in subsection (g), in the first sentence, by in-  
20                  serting “, including, to the extent practicable, with re-  
21                  spect to the use of electronic health information sys-  
22                  tems, as described in subsection (b)(1)(A)(vi)” after  
23                  “under the demonstration program”; and





1       “(ii) Clause (i) shall apply to an individual only if  
2 the individual receives a face-to-face clinical assessment,  
3 without the use of telehealth—

4               “(I) in the case of the initial 3 months of home  
5 dialysis of such individual, at least monthly; and

6               “(II) after such initial 3 months, at least once  
7 every 3 consecutive months.”.

8       (b) *ORIGINATING SITE REQUIREMENTS.*—

9               (1) *IN GENERAL.*—Section 1834(m) of the Social  
10 Security Act (42 U.S.C. 1395m(m)) is amended—

11               (A) in paragraph (4)(C)(i), by adding at  
12 the end the following new subclauses:

13                       “(IX) A renal dialysis facility,  
14 but only for purposes of section  
15 1881(b)(3)(B).

16                       “(X) The home of an individual,  
17 but only for purposes of section  
18 1881(b)(3)(B).”; and

19               (B) by adding at the end the following new  
20 paragraph:

21               “(5) *TREATMENT OF HOME DIALYSIS MONTHLY*  
22 *ESRD-RELATED VISIT.*—The geographic requirements  
23 described in paragraph (4)(C)(i) shall not apply with  
24 respect to telehealth services furnished on or after  
25 January 1, 2019, for purposes of section

1       1881(b)(3)(B), at an originating site described in  
2       subclause (VI), (IX), or (X) of paragraph (4)(C)(ii).”.

3               (2) *NO FACILITY FEE IF ORIGINATING SITE FOR*  
4       *HOME DIALYSIS THERAPY IS THE HOME.*—Section  
5       1834(m)(2)(B) of the Social Security (42 U.S.C.  
6       1395m(m)(2)(B)) is amended—

7               (A) by redesignating clauses (i) and (ii) as  
8       subclauses (I) and (II), and indenting appro-  
9       priately;

10              (B) in subclause (II), as redesignated by  
11       subparagraph (A), by striking “clause (i) or this  
12       clause” and inserting “subclause (I) or this sub-  
13       clause”;

14              (C) by striking “SITE.—With respect to”  
15       and inserting “SITE.—

16                      “(i) *IN GENERAL.*—Subject to clause  
17       (ii), with respect to”; and

18              (D) by adding at the end the following new  
19       clause:

20                      “(ii) *NO FACILITY FEE IF ORIGINATING*  
21       *SITE FOR HOME DIALYSIS THERAPY IS THE*  
22       *HOME.*—No facility fee shall be paid under  
23       this subparagraph to an originating site de-  
24       scribed in paragraph (4)(C)(ii)(X).”.

1           (c) *CLARIFICATION REGARDING TELEHEALTH PRO-*  
2 *VIDED TO BENEFICIARIES.*—Section 1128A(i)(6) of the So-  
3 *cial Security Act (42 U.S.C. 1320a–7a(i)(6)) is amended—*

4           (1) *in subparagraph (H), by striking “or” at the*  
5 *end;*

6           (2) *in subparagraph (I), by striking the period*  
7 *at the end and inserting “; or”; and*

8           (3) *by adding at the end the following new sub-*  
9 *paragraph:*

10                   *“(J) the provision of telehealth technologies*  
11 *(as defined by the Secretary) on or after Janu-*  
12 *ary 1, 2019, by a provider of services or a renal*  
13 *dialysis facility (as such terms are defined for*  
14 *purposes of title XVIII) to an individual with*  
15 *end stage renal disease who is receiving home di-*  
16 *alysis for which payment is being made under*  
17 *part B of such title, if—*

18                           *“(i) the telehealth technologies are not*  
19 *offered as part of any advertisement or so-*  
20 *licitation;*

21                           *“(ii) the telehealth technologies are pro-*  
22 *vided for the purpose of furnishing tele-*  
23 *health services related to the individual’s*  
24 *end stage renal disease; and*



1           “(2) *TERMINATION AND MODIFICATION PROVI-*  
2           *SION NOT APPLICABLE UNTIL JANUARY 1, 2022.—The*  
3           *provisions of section 1115A(b)(3)(B) shall apply to*  
4           *the Medicare Advantage Value-Based Insurance De-*  
5           *sign model, including such model as revised under*  
6           *paragraph (1), beginning January 1, 2022, but shall*  
7           *not apply to such model, as so revised, prior to such*  
8           *date.*

9           “(3) *FUNDING.—The Secretary shall allocate*  
10           *funds made available under section 1115A(f)(1) to de-*  
11           *sign, implement, and evaluate the Medicare Advan-*  
12           *tage Value-Based Insurance Design model, as revised*  
13           *under paragraph (1).”.*

14 **SEC. 2312. EXPANDING SUPPLEMENTAL BENEFITS TO MEET**  
15                                   **THE NEEDS OF CHRONICALLY ILL MEDICARE**  
16                                   **ADVANTAGE ENROLLEES.**

17           (a) *IN GENERAL.—Section 1852(a)(3) of the Social Se-*  
18           *curity Act (42 U.S.C. 1395w–22(a)(3)) is amended—*

19                           (1) *in subparagraph (A), by striking “Each”*  
20                           *and inserting “Subject to subparagraph (D), each”;*  
21                           *and*

22                           (2) *by adding at the end the following new sub-*  
23                           *paragraph:*

1           “(D) *EXPANDING SUPPLEMENTAL BENEFITS*  
2 *TO MEET THE NEEDS OF CHRONICALLY ILL EN-*  
3 *ROLLEES.*—

4           “(i) *IN GENERAL.*—*For plan year 2020*  
5 *and subsequent plan years, in addition to*  
6 *any supplemental health care benefits other-*  
7 *wise provided under this paragraph, an MA*  
8 *plan, including a specialized MA plan for*  
9 *special needs individuals (as defined in sec-*  
10 *tion 1859(b)(6)), may provide supplemental*  
11 *benefits described in clause (ii) to a chron-*  
12 *ically ill enrollee (as defined in clause (iii)).*

13           “(ii) *SUPPLEMENTAL BENEFITS DE-*  
14 *SCRIBED.*—

15           “(I) *IN GENERAL.*—*Supplemental*  
16 *benefits described in this clause are*  
17 *supplemental benefits that, with respect*  
18 *to a chronically ill enrollee, have a rea-*  
19 *sonable expectation of improving or*  
20 *maintaining the health or overall func-*  
21 *tion of the chronically ill enrollee and*  
22 *may not be limited to being primarily*  
23 *health related benefits.*

24           “(II) *AUTHORITY TO WAIVE UNI-*  
25 *FORMITY REQUIREMENTS.*—*The Sec-*

1           retary may, only with respect to sup-  
 2           plemental benefits provided to a chron-  
 3           ically ill enrollee under this subpara-  
 4           graph, waive the uniformity require-  
 5           ments under this part, as determined  
 6           appropriate by the Secretary.

7           “(iii) *CHRONICALLY ILL ENROLLEE*  
 8           *DEFINED.*—In this subparagraph, the term  
 9           ‘chronically ill enrollee’ means an enrollee  
 10          in an MA plan that the Secretary deter-  
 11          mines—

12                   “(I) has one or more comorbid  
 13                   and medically complex chronic condi-  
 14                   tions that is life threatening or signifi-  
 15                   cantly limits the overall health or func-  
 16                   tion of the enrollee;

17                   “(II) has a high risk of hos-  
 18                   pitalization or other adverse health  
 19                   outcomes; and

20                   “(III) requires intensive care co-  
 21                   ordination.”.

22          (b) *GAO STUDY AND REPORT.*—

23                  (1) *STUDY.*—The Comptroller General of the  
 24          United States (in this subsection referred to as the  
 25          “Comptroller General”) shall conduct a study on sup-



1        *plemental benefits provided to enrollees in Medicare*  
2        *Advantage plans under part C of title XVIII of the*  
3        *Social Security Act, including specialized MA plans*  
4        *for special needs individuals (as defined in section*  
5        *1859(b)(6) of such Act (42 U.S.C. 1395w–28(b)(6))).*  
6        *To the extent data are available, such study shall in-*  
7        *clude an analysis of the following:*

8                *(A) The type of supplemental benefits pro-*  
9                *vided to such enrollees, the total number of en-*  
10               *rollees receiving each supplemental benefit, and*  
11               *whether the supplemental benefit is covered by*  
12               *the standard benchmark cost of the benefit or*  
13               *with an additional premium.*

14               *(B) The frequency in which supplemental*  
15               *benefits are utilized by such enrollees.*

16               *(C) The impact supplemental benefits have*  
17               *on—*

18                        *(i) indicators of the quality of care re-*  
19                        *ceived by such enrollees, including overall*  
20                        *health and function of the enrollees;*

21                        *(ii) the utilization of items and serv-*  
22                        *ices for which benefits are available under*  
23                        *the original Medicare fee-for-service pro-*  
24                        *gram option under parts A and B of such*  
25                        *title XVIII by such enrollees; and*

1                   (iii) the amount of the bids submitted  
 2                   by Medicare Advantage Organizations for  
 3                   Medicare Advantage plans under such part  
 4                   C.

5                   (2) *CONSULTATION.*—In conducting the study  
 6                   under paragraph (1), the Comptroller General shall,  
 7                   as necessary, consult with the Centers for Medicare &  
 8                   Medicaid Services and Medicare Advantage organiza-  
 9                   tions offering Medicare Advantage plans.

10                  (3) *REPORT.*—Not later than 5 years after the  
 11                  date of the enactment of this Act, the Comptroller  
 12                  General shall submit to Congress a report containing  
 13                  the results of the study conducted under paragraph  
 14                  (1), together with recommendations for such legisla-  
 15                  tion and administrative action as the Comptroller  
 16                  General determines appropriate.

17 **SEC. 2313. INCREASING CONVENIENCE FOR MEDICARE AD-**  
 18                                   **VANTAGE ENROLLEES THROUGH TELE-**  
 19                                   **HEALTH.**

20                  (a) *IN GENERAL.*—Section 1852 of the Social Security  
 21 Act (42 U.S.C. 1395w–22) is amended—

22                   (1) in subsection (a)(1)(B)(i), by inserting “,  
 23                   subject to subsection (m),” after “means”; and

24                   (2) by adding at the end the following new sub-  
 25                   section:

1       “(m) *PROVISION OF ADDITIONAL TELEHEALTH BENE-*  
2 *FITS.—*

3               “(1) *MA PLAN OPTION.—For plan year 2020*  
4 *and subsequent plan years, subject to the requirements*  
5 *of paragraph (3), an MA plan may provide addi-*  
6 *tional telehealth benefits (as defined in paragraph*  
7 *(2)) to individuals enrolled under this part.*

8               “(2) *ADDITIONAL TELEHEALTH BENEFITS DE-*  
9 *FINED.—*

10               “(A) *IN GENERAL.—For purposes of this*  
11 *subsection and section 1854:*

12                       “(i) *DEFINITION.—The term ‘addi-*  
13 *tional telehealth benefits’ means services—*

14                               “(I) *for which benefits are avail-*  
15 *able under part B, including services*  
16 *for which payment is not made under*  
17 *section 1834(m) due to the conditions*  
18 *for payment under such section; and*

19                                       “(II) *that are identified for the*  
20 *year involved by the Secretary as clini-*  
21 *cally appropriate to furnish using elec-*  
22 *tronic information and telecommuni-*  
23 *cations technology when a physician*  
24 *(as defined in section 1861(r)) or prac-*  
25 *titioner (described in section*

1                   1842(b)(18)(C)) *providing the service*  
2                   *is not at the same location as the plan*  
3                   *enrollee.*

4                   “(i) *EXCLUSION OF CAPITAL AND IN-*  
5                   *FRASTRUCTURE COSTS AND INVEST-*  
6                   *MENTS.—The term ‘additional telehealth*  
7                   *benefits’ does not include capital and infra-*  
8                   *structure costs and investments relating to*  
9                   *such benefits.*

10                  “(B) *PUBLIC COMMENT.—Not later than*  
11                  *November 30, 2018, the Secretary shall solicit*  
12                  *comments on—*

13                         “(i) *what types of items and services*  
14                         *(including those provided through supple-*  
15                         *mental health care benefits, such as remote*  
16                         *patient monitoring, secure messaging, store*  
17                         *and forward technologies, and other non-*  
18                         *face-to-face communication) should be con-*  
19                         *sidered to be additional telehealth benefits;*  
20                         *and*

21                         “(ii) *the requirements for the provision*  
22                         *or furnishing of such benefits (such as licen-*  
23                         *sure, training, and coordination require-*  
24                         *ments).*

1           “(3) *REQUIREMENTS FOR ADDITIONAL TELE-*  
2           *HEALTH BENEFITS.*—*The Secretary shall specify re-*  
3           *quirements for the provision or furnishing of addi-*  
4           *tional telehealth benefits, including with respect to the*  
5           *following:*

6                     “(A) *Physician or practitioner qualifica-*  
7                     *tions (other than licensure) and other require-*  
8                     *ments such as specific training.*

9                     “(B) *Factors necessary for the coordination*  
10                    *of such benefits with other items and services, in-*  
11                    *cluding those furnished in-person.*

12                    “(C) *Such other areas as determined by the*  
13                    *Secretary.*

14           “(4) *ENROLLEE CHOICE.*—*If an MA plan pro-*  
15           *vides a service as an additional telehealth benefit (as*  
16           *defined in paragraph (2))—*

17                    “(A) *the MA plan shall also provide access*  
18                    *to such benefit through an in-person visit (and*  
19                    *not only as an additional telehealth benefit); and*

20                    “(B) *an individual enrollee shall have dis-*  
21                    *cretion as to whether to receive such service*  
22                    *through the in-person visit or as an additional*  
23                    *telehealth benefit.*

24           “(5) *TREATMENT UNDER MA.*—*For purposes of*  
25           *this subsection and section 1854, if a plan provides*

1       *additional telehealth benefits, such additional tele-*  
 2       *health benefits shall be treated as if they were benefits*  
 3       *under the original Medicare fee-for-service program*  
 4       *option.*

5               “(6) CONSTRUCTION.—*Nothing in this subsection*  
 6       *shall be construed as affecting the requirement under*  
 7       *subsection (a)(1) that MA plans provide enrollees*  
 8       *with items and services (other than hospice care) for*  
 9       *which benefits are available under parts A and B, in-*  
 10       *cluding benefits available under section 1834(m).”.*

11       (b) CLARIFICATION REGARDING INCLUSION IN BID  
 12 AMOUNT.—*Section 1854(a)(6)(A)(ii)(I) of the Social Secu-*  
 13 *rity Act (42 U.S.C. 1395w–24(a)(6)(A)(ii)(I)) is amended*  
 14 *by inserting “, including, for plan year 2020 and subse-*  
 15 *quent plan years, the provision of additional telehealth ben-*  
 16 *efits as described in section 1852(m)” before the semicolon*  
 17 *at the end.*

18 **SEC. 2314. PROVIDING ACCOUNTABLE CARE ORGANIZA-**  
 19               **TIONS THE ABILITY TO EXPAND THE USE OF**  
 20               **TELEHEALTH.**

21       (a) IN GENERAL.—*Section 1899 of the Social Security*  
 22 *Act (42 U.S.C. 1395jjj) is amended by adding at the end*  
 23 *the following new subsection:*

24               “(l) PROVIDING ACOs THE ABILITY TO EXPAND THE  
 25 USE OF TELEHEALTH SERVICES.—

1           “(1) *IN GENERAL.*—*In the case of telehealth serv-*  
2           *ices for which payment would otherwise be made*  
3           *under this title furnished on or after January 1,*  
4           *2020, for purposes of this subsection only, the fol-*  
5           *lowing shall apply with respect to such services fur-*  
6           *nished by a physician or practitioner participating*  
7           *in an applicable ACO (as defined in paragraph (2))*  
8           *to a Medicare fee-for-service beneficiary assigned to*  
9           *the applicable ACO:*

10                   “(A) *INCLUSION OF HOME AS ORIGINATING*  
11                   *SITE.*—*Subject to paragraph (3), the home of a*  
12                   *beneficiary shall be treated as an originating site*  
13                   *described in section 1834(m)(4)(C)(ii).*

14                   “(B) *NO APPLICATION OF GEOGRAPHIC LIM-*  
15                   *ITATION.*—*The geographic limitation under sec-*  
16                   *tion 1834(m)(4)(C)(i) shall not apply with re-*  
17                   *spect to an originating site described in section*  
18                   *1834(m)(4)(C)(ii) (including the home of a bene-*  
19                   *ficiary under subparagraph (A)), subject to State*  
20                   *licensing requirements.*

21           “(2) *DEFINITIONS.*—*In this subsection:*

22                   “(A) *APPLICABLE ACO.*—*The term ‘applica-*  
23                   *ble ACO’ means an ACO participating in a*  
24                   *model tested or expanded under section 1115A or*  
25                   *under this section—*

1           “(i) that operates under a two-sided  
2           model—

3                       “(I) described in section  
4                       425.600(a) of title 42, Code of Federal  
5                       Regulations; or

6                       “(II) tested or expanded under  
7                       section 1115A; and

8                       “(ii) for which Medicare fee-for-service  
9                       beneficiaries are assigned to the ACO using  
10                      a prospective assignment method, as deter-  
11                      mined appropriate by the Secretary.

12                     “(B) HOME.—The term ‘home’ means, with  
13                     respect to a Medicare fee-for-service beneficiary,  
14                     the place of residence used as the home of the  
15                     beneficiary.

16                     “(3) TELEHEALTH SERVICES RECEIVED IN THE  
17                     HOME.—In the case of telehealth services described in  
18                     paragraph (1) where the home of a Medicare fee-for-  
19                     service beneficiary is the originating site, the fol-  
20                     lowing shall apply:

21                               “(A) NO FACILITY FEE.—There shall be no  
22                               facility fee paid to the originating site under sec-  
23                               tion 1834(m)(2)(B).

24                               “(B) EXCLUSION OF CERTAIN SERVICES.—  
25                               No payment may be made for such services that



1           *are inappropriate to furnish in the home setting*  
2           *such as services that are typically furnished in*  
3           *inpatient settings such as a hospital.”.*

4           **(b) STUDY AND REPORT.—**

5           **(1) STUDY.—**

6                   **(A) IN GENERAL.—***The Secretary of Health*  
7                   *and Human Services (in this subsection referred*  
8                   *to as the “Secretary”) shall conduct a study on*  
9                   *the implementation of section 1899(l) of the So-*  
10                   *cial Security Act, as added by subsection (a).*  
11                   *Such study shall include an analysis of the utili-*  
12                   *zation of, and expenditures for, telehealth serv-*  
13                   *ices under such section.*

14                   **(B) COLLECTION OF DATA.—***The Secretary*  
15                   *may collect such data as the Secretary deter-*  
16                   *mines necessary to carry out the study under*  
17                   *this paragraph.*

18                   **(2) REPORT.—***Not later than January 1, 2026,*  
19                   *the Secretary shall submit to Congress a report con-*  
20                   *taining the results of the study conducted under para-*  
21                   *graph (1), together with recommendations for such*  
22                   *legislation and administrative action as the Secretary*  
23                   *determines appropriate.*

1 **SEC. 2315. EXPANDING THE USE OF TELEHEALTH FOR INDI-**  
2 **VIDUALS WITH STROKE.**

3 *Section 1834(m) of the Social Security Act (42 U.S.C.*  
4 *1395m(m)), as amended by section 2302(b), is amended—*

5 *(1) in paragraph (4)(C)(i), in the matter pre-*  
6 *ceding subclause (I), by striking “The term” and in-*  
7 *serting “Except as provided in paragraph (6), the*  
8 *term”; and*

9 *(2) by adding at the end the following new para-*  
10 *graph:*

11 *“(6) TREATMENT OF STROKE TELEHEALTH*  
12 *SERVICES.—*

13 *“(A) NON-APPLICATION OF ORIGINATING*  
14 *SITE REQUIREMENTS.—The requirements de-*  
15 *scribed in paragraph (4)(C) shall not apply with*  
16 *respect to telehealth services furnished on or after*  
17 *January 1, 2021, for purposes of diagnosis, eval-*  
18 *uation, or treatment of symptoms of an acute*  
19 *stroke, as determined by the Secretary.*

20 *“(B) INCLUSION OF CERTAIN SITES.—With*  
21 *respect to telehealth services described in sub-*  
22 *paragraph (A), the term ‘originating site’ shall*  
23 *include any hospital (as defined in section*  
24 *1861(e)) or critical access hospital (as defined in*  
25 *section 1861(mm)(1)), any mobile stroke unit (as*  
26 *defined by the Secretary), or any other site deter-*

1           mined appropriate by the Secretary, at which  
 2           the eligible telehealth individual is located at the  
 3           time the service is furnished via a telecommuni-  
 4           cations system.

5           “(C) NO ORIGINATING SITE FACILITY FEE  
 6           FOR NEW SITES.—No facility fee shall be paid  
 7           under paragraph (2)(B) to an originating site  
 8           with respect to a telehealth service described in  
 9           subparagraph (A) if the originating site does not  
 10          otherwise meet the requirements for an origi-  
 11          nating site under paragraph (4)(C).”

## 12           ***Subtitle C—Identifying the*** 13           ***Chronically Ill Population***

### 14   **SEC. 2321. PROVIDING FLEXIBILITY FOR BENEFICIARIES TO** 15           **BE PART OF AN ACCOUNTABLE CARE ORGANI-** 16           **ZATION.**

17           Section 1899(c) of the Social Security Act (42 U.S.C.  
 18   1395jjj(c)) is amended—

19           (1) by redesignating paragraphs (1) and (2) as  
 20           subparagraphs (A) and (B), respectively, and indent-  
 21           ing appropriately;

22           (2) by striking “ACOs.—The Secretary” and in-  
 23           serting “ACOs.—

24           “(1) IN GENERAL.—Subject to paragraph (2), the  
 25           Secretary”; and

1           (3) *by adding at the end the following new para-*  
2 *graph:*

3           “(2) *PROVIDING FLEXIBILITY.—*

4                   “(A) *CHOICE OF PROSPECTIVE ASSIGN-*  
5 *MENT.—For each agreement period (effective for*  
6 *agreements entered into or renewed on or after*  
7 *January 1, 2020), in the case where an ACO es-*  
8 *tablished under the program is in a Track that*  
9 *provides for the retrospective assignment of*  
10 *Medicare fee-for-service beneficiaries to the ACO,*  
11 *the Secretary shall permit the ACO to choose to*  
12 *have Medicare fee-for-service beneficiaries as-*  
13 *signed prospectively, rather than retrospectively,*  
14 *to the ACO for an agreement period.*

15                   “(B) *ASSIGNMENT BASED ON VOLUNTARY*  
16 *IDENTIFICATION BY MEDICARE FEE-FOR-SERVICE*  
17 *BENEFICIARIES.—*

18                           “(i) *IN GENERAL.—For performance*  
19 *year 2018 and each subsequent performance*  
20 *year, if a system is available for electronic*  
21 *designation, the Secretary shall permit a*  
22 *Medicare fee-for-service beneficiary to volun-*  
23 *tarily identify an ACO professional as the*  
24 *primary care provider of the beneficiary for*

1           *purposes of assigning such beneficiary to an*  
2           *ACO, as determined by the Secretary.*

3           “(ii) *NOTIFICATION PROCESS.—The*  
4           *Secretary shall establish a process under*  
5           *which a Medicare fee-for-service beneficiary*  
6           *is—*

7                     “(I) *notified of their ability to*  
8                     *make an identification described in*  
9                     *clause (i); and*

10                    “(II) *informed of the process by*  
11                    *which they may make and change such*  
12                    *identification.*

13           “(iii) *SUPERSEDING CLAIMS-BASED AS-*  
14           *SIGNMENT.—A voluntary identification by*  
15           *a Medicare fee-for-service beneficiary under*  
16           *this subparagraph shall supersede any*  
17           *claims-based assignment otherwise deter-*  
18           *mined by the Secretary.”.*

1 ***Subtitle D—Empowering Individuals***  
 2 ***and Caregivers in Care De-***  
 3 ***livery***

4 ***SEC. 2331. ELIMINATING BARRIERS TO CARE COORDINA-***  
 5 ***TION UNDER ACCOUNTABLE CARE ORGANIZA-***  
 6 ***TIONS.***

7 *(a) IN GENERAL.—Section 1899 of the Social Security*  
 8 *Act (42 U.S.C. 1395jjj), as amended by section 2314(a), is*  
 9 *amended—*

10 *(1) in subsection (b)(2), by adding at the end the*  
 11 *following new subparagraph:*

12 *“(I) An ACO that seeks to operate an ACO*  
 13 *Beneficiary Incentive Program pursuant to sub-*  
 14 *section (m) shall apply to the Secretary at such*  
 15 *time, in such manner, and with such informa-*  
 16 *tion as the Secretary may require.”;*

17 *(2) by adding at the end the following new sub-*  
 18 *section:*

19 *“(m) AUTHORITY TO PROVIDE INCENTIVE PAYMENTS*  
 20 *TO BENEFICIARIES WITH RESPECT TO QUALIFYING PRI-*  
 21 *MARY CARE SERVICES.—*

22 *“(1) PROGRAM.—*

23 *“(A) IN GENERAL.—In order to encourage*  
 24 *Medicare fee-for-service beneficiaries to obtain*  
 25 *medically necessary primary care services, an*

1        *ACO participating under this section under a*  
2        *payment model described in clause (i) or (ii) of*  
3        *paragraph (2)(B) may apply to establish an*  
4        *ACO Beneficiary Incentive Program to provide*  
5        *incentive payments to such beneficiaries who are*  
6        *furnished qualifying services in accordance with*  
7        *this subsection. The Secretary shall permit such*  
8        *an ACO to establish such a program at the Sec-*  
9        *retary's discretion and subject to such require-*  
10       *ments, including program integrity require-*  
11       *ments, as the Secretary determines necessary.*

12        *“(B) IMPLEMENTATION.—The Secretary*  
13        *shall implement this subsection on a date deter-*  
14        *mined appropriate by the Secretary. Such date*  
15        *shall be no earlier than January 1, 2019, and no*  
16        *later than January 1, 2020.*

17        *“(2) CONDUCT OF PROGRAM.—*

18        *“(A) DURATION.—Subject to subparagraph*  
19        *(H), an ACO Beneficiary Incentive Program es-*  
20        *tablished under this subsection shall be conducted*  
21        *for such period (of not less than 1 year) as the*  
22        *Secretary may approve.*

23        *“(B) SCOPE.—An ACO Beneficiary Incen-*  
24        *tive Program established under this subsection*  
25        *shall provide incentive payments to all of the fol-*

1            *lowing Medicare fee-for-service beneficiaries who*  
2            *are furnished qualifying services by the ACO:*

3            *“(i) With respect to the Track 2 and*  
4            *Track 3 payment models described in sec-*  
5            *tion 425.600(a) of title 42, Code of Federal*  
6            *Regulations (or in any successor regula-*  
7            *tion), Medicare fee-for-service beneficiaries*  
8            *who are preliminarily prospectively or pro-*  
9            *spectively assigned (or otherwise assigned,*  
10           *as determined by the Secretary) to the ACO.*

11           *“(ii) With respect to any future pay-*  
12           *ment models involving two-sided risk, Medi-*  
13           *care fee-for-service beneficiaries who are as-*  
14           *signed to the ACO, as determined by the*  
15           *Secretary.*

16           *“(C) QUALIFYING SERVICE.—For purposes*  
17           *of this subsection, a qualifying service is a pri-*  
18           *mary care service, as defined in section 425.20*  
19           *of title 42, Code of Federal Regulations (or in*  
20           *any successor regulation), with respect to which*  
21           *coinsurance applies under part B, furnished*  
22           *through an ACO by—*

23           *“(i) an ACO professional described in*  
24           *subsection (h)(1)(A) who has a primary*  
25           *care specialty designation included in the*



1           *definition of primary care physician under*  
2           *section 425.20 of title 42, Code of Federal*  
3           *Regulations (or any successor regulation);*

4           “*(ii) an ACO professional described in*  
5           *subsection (h)(1)(B); or*

6           “*(iii) a Federally qualified health cen-*  
7           *ter or rural health clinic (as such terms are*  
8           *defined in section 1861(aa)).*

9           “(D) *INCENTIVE PAYMENTS.—An incentive*  
10          *payment made by an ACO pursuant to an ACO*  
11          *Beneficiary Incentive Program established under*  
12          *this subsection shall be—*

13           “*(i) in an amount up to \$20, with*  
14           *such maximum amount updated annually*  
15           *by the percentage increase in the consumer*  
16           *price index for all urban consumers (United*  
17           *States city average) for the 12-month period*  
18           *ending with June of the previous year;*

19           “*(ii) in the same amount for each*  
20           *Medicare fee-for-service beneficiary described*  
21           *in clause (i) or (ii) of subparagraph (B)*  
22           *without regard to enrollment of such a bene-*  
23           *ficiary in a medicare supplemental policy*  
24           *(described in section 1882(g)(1)), in a State*  
25           *Medicaid plan under title XIX or a waiver*

1           of such a plan, or in any other health in-  
2           surance policy or health benefit plan;

3           “(iii) made for each qualifying service  
4           furnished to such a beneficiary described in  
5           clause (i) or (ii) of subparagraph (B) dur-  
6           ing a period specified by the Secretary; and

7           “(iv) made no later than 30 days after  
8           a qualifying service is furnished to such a  
9           beneficiary described in clause (i) or (ii) of  
10          subparagraph (B).

11          “(E) NO SEPARATE PAYMENTS FROM THE  
12          SECRETARY.—The Secretary shall not make any  
13          separate payment to an ACO for the costs, in-  
14          cluding incentive payments, of carrying out an  
15          ACO Beneficiary Incentive Program established  
16          under this subsection. Nothing in this subpara-  
17          graph shall be construed as prohibiting an ACO  
18          from using shared savings received under this  
19          section to carry out an ACO Beneficiary Incen-  
20          tive Program.

21          “(F) NO APPLICATION TO SHARED SAVINGS  
22          CALCULATION.—Incentive payments made by an  
23          ACO under this subsection shall be disregarded  
24          for purposes of calculating benchmarks, esti-

1           *mated average per capita Medicare expenditures,*  
2           *and shared savings under this section.*

3           “(G) *REPORTING REQUIREMENTS.—An*  
4           *ACO conducting an ACO Beneficiary Incentive*  
5           *Program under this subsection shall, at such*  
6           *times and in such format as the Secretary may*  
7           *require, report to the Secretary such information*  
8           *and retain such documentation as the Secretary*  
9           *may require, including the amount and fre-*  
10           *quency of incentive payments made and the*  
11           *number of Medicare fee-for-service beneficiaries*  
12           *receiving such payments.*

13           “(H) *TERMINATION.—The Secretary may*  
14           *terminate an ACO Beneficiary Incentive Pro-*  
15           *gram established under this subsection at any*  
16           *time for reasons determined appropriate by the*  
17           *Secretary.*

18           “(3) *EXCLUSION OF INCENTIVE PAYMENTS.—Any*  
19           *payment made under an ACO Beneficiary Incentive*  
20           *Program established under this subsection shall not be*  
21           *considered income or resources or otherwise taken into*  
22           *account for purposes of—*

23           “(A) *determining eligibility for benefits or*  
24           *assistance (or the amount or extent of benefits or*  
25           *assistance) under any Federal program or under*

1           *any State or local program financed in whole or*  
2           *in part with Federal funds; or*

3           “(B) *any Federal or State laws relating to*  
4           *taxation.*”;

5           (3) *in subsection (e), by inserting “, including*  
6           *an ACO Beneficiary Incentive Program under sub-*  
7           *sections (b)(2)(I) and (m)” after “the program”; and*

8           (4) *in subsection (g)(6), by inserting “or of an*  
9           *ACO Beneficiary Incentive Program under sub-*  
10           *sections (b)(2)(I) and (m)” after “under subsection*  
11           *(d)(4)”.*

12       (b) *AMENDMENT TO SECTION 1128B.—Section*  
13       *1128B(b)(3) of the Social Security Act (42 U.S.C. 1320a-*  
14       *7b(b)(3)) is amended—*

15           (1) *by striking “and” at the end of subpara-*  
16           *graph (I);*

17           (2) *by striking the period at the end of subpara-*  
18           *graph (J) and inserting “; and”; and*

19           (3) *by adding at the end the following new sub-*  
20           *paragraph:*

21           “(K) *an incentive payment made to a Medi-*  
22           *care fee-for-service beneficiary by an ACO under*  
23           *an ACO Beneficiary Incentive Program estab-*  
24           *lished under subsection (m) of section 1899, if*  
25           *the payment is made in accordance with the re-*

1            *quirements of such subsection and meets such*  
2            *other conditions as the Secretary may estab-*  
3            *lish.”.*

4            *(c) EVALUATION AND REPORT.—*

5            *(1) EVALUATION.—The Secretary of Health and*  
6            *Human Services (in this subsection referred to as the*  
7            *“Secretary”) shall conduct an evaluation of the ACO*  
8            *Beneficiary Incentive Program established under sub-*  
9            *sections (b)(2)(I) and (m) of section 1899 of the So-*  
10           *cial Security Act (42 U.S.C. 1395jii), as added by*  
11           *subsection (a). The evaluation shall include an anal-*  
12           *ysis of the impact of the implementation of the Pro-*  
13           *gram on expenditures and beneficiary health outcomes*  
14           *under title XVIII of the Social Security Act (42*  
15           *U.S.C. 1395 et seq.).*

16           *(2) REPORT.—Not later than October 1, 2023,*  
17           *the Secretary shall submit to Congress a report con-*  
18           *taining the results of the evaluation under paragraph*  
19           *(1), together with recommendations for such legisla-*  
20           *tion and administrative action as the Secretary deter-*  
21           *mines appropriate.*

1 **SEC. 2332. GAO STUDY AND REPORT ON LONGITUDINAL**  
2 **COMPREHENSIVE CARE PLANNING SERVICES**  
3 **UNDER MEDICARE PART B.**

4 (a) *STUDY.*—*The Comptroller General shall conduct a*  
5 *study on the establishment under part B of the Medicare*  
6 *program under title XVIII of the Social Security Act of*  
7 *a payment code for a visit for longitudinal comprehensive*  
8 *care planning services. Such study shall include an anal-*  
9 *ysis of the following to the extent such information is avail-*  
10 *able:*

11 (1) *The frequency with which services similar to*  
12 *longitudinal comprehensive care planning services are*  
13 *furnished to Medicare beneficiaries, which providers*  
14 *of services and suppliers are furnishing those services,*  
15 *whether Medicare reimbursement is being received for*  
16 *those services, and, if so, through which codes those*  
17 *services are being reimbursed.*

18 (2) *Whether, and the extent to which, longitu-*  
19 *dinal comprehensive care planning services would*  
20 *overlap, and could therefore result in duplicative pay-*  
21 *ment, with services covered under the hospice benefit*  
22 *as well as the chronic care management code, evalua-*  
23 *tion and management codes, or other codes that al-*  
24 *ready exist under part B of the Medicare program.*

25 (3) *Any barriers to hospitals, skilled nursing fa-*  
26 *cilities, hospice programs, home health agencies, and*

1        *other applicable providers working with a Medicare*  
2        *beneficiary to engage in the care planning process*  
3        *and complete the necessary documentation to support*  
4        *the treatment and care plan of the beneficiary and*  
5        *provide such documentation to other providers and*  
6        *the beneficiary or the beneficiary's representative.*

7            (4) *Any barriers to providers, other than the pro-*  
8        *vider furnishing longitudinal comprehensive care*  
9        *planning services, accessing the care plan and associ-*  
10       *ated documentation for use related to the care of the*  
11       *Medicare beneficiary.*

12           (5) *Potential options for ensuring that applica-*  
13       *ble providers are notified of a patient's existing longi-*  
14       *tudinal care plan and that applicable providers con-*  
15       *sider that plan in making their treatment decisions,*  
16       *and what the challenges might be in implementing*  
17       *such options.*

18           (6) *Stakeholder's views on the need for the devel-*  
19       *opment of quality metrics with respect to longitudinal*  
20       *comprehensive care planning services, such as meas-*  
21       *ures related to—*

22                (A) *the process of eliciting input from the*  
23                *Medicare beneficiary or from a legally author-*  
24                *ized representative and documenting in the med-*  
25                *ical record the patient-directed care plan;*

1           (B) the effectiveness and patient-  
2 centeredness of the care plan in organizing deliv-  
3 ery of services consistent with the plan;

4           (C) the availability of the care plan and as-  
5 sociated documentation to other providers that  
6 care for the beneficiary; and

7           (D) the extent to which the beneficiary re-  
8 ceived services and support that is free from dis-  
9 crimination based on advanced age, disability  
10 status, or advanced illness.

11           (7) Stakeholder's views on how such quality  
12 metrics would provide information on—

13           (A) the goals, values, and preferences of the  
14 beneficiary;

15           (B) the documentation of the care plan;

16           (C) services furnished to the beneficiary;  
17 and

18           (D) outcomes of treatment.

19           (8) Stakeholder's views on—

20           (A) the type of training and education  
21 needed for applicable providers, individuals, and  
22 caregivers in order to facilitate longitudinal  
23 comprehensive care planning services;



1           (B) the types of providers of services and  
2           suppliers that should be included in the inter-  
3           disciplinary team of an applicable provider; and

4           (C) the characteristics of Medicare bene-  
5           ficiaries that would be most appropriate to re-  
6           ceive longitudinal comprehensive care planning  
7           services, such as individuals with advanced dis-  
8           ease and individuals who need assistance with  
9           multiple activities of daily living.

10          (9) Stakeholder's views on the frequency with  
11          which longitudinal comprehensive care planning serv-  
12          ices should be furnished.

13          (b) *REPORT.*—Not later than 18 months after the date  
14          of the enactment of this Act, the Comptroller General shall  
15          submit to Congress a report containing the results of the  
16          study conducted under subsection (a), together with rec-  
17          ommendations for such legislation and administrative ac-  
18          tion as the Comptroller General determines appropriate.

19          (c) *DEFINITIONS.*—In this section:

20               (1) *APPLICABLE PROVIDER.*—The term “applica-  
21               ble provider” means a hospice program (as defined in  
22               subsection (dd)(2) of section 1861 of the Social Secu-  
23               rity Act (42 U.S.C. 1395ww)) or other provider of  
24               services (as defined in subsection (u) of such section)

1 or supplier (as defined in subsection (d) of such sec-  
2 tion) that—

3 (A) furnishes longitudinal comprehensive  
4 care planning services through an interdiscipli-  
5 nary team; and

6 (B) meets such other requirements as the  
7 Secretary may determine to be appropriate.

8 (2) *COMPTROLLER GENERAL.*—The term “Comptroller General” means the Comptroller General of the  
9 United States.  
10

11 (3) *INTERDISCIPLINARY TEAM.*—The term  
12 “interdisciplinary team” means a group that—

13 (A) includes the personnel described in sub-  
14 section (dd)(2)(B)(i) of such section 1861;

15 (B) may include a chaplain, minister, or  
16 other clergy; and

17 (C) may include other direct care personnel.

18 (4) *LONGITUDINAL COMPREHENSIVE CARE PLAN-*  
19 *NING SERVICES.*—The term “longitudinal comprehen-  
20 sive care planning services” means a voluntary  
21 shared decisionmaking process that is furnished by an  
22 applicable provider through an interdisciplinary  
23 team and includes a conversation with Medicare bene-  
24 ficiaries who have received a diagnosis of a serious or  
25 life-threatening illness. The purpose of such services is

1       to discuss a longitudinal care plan that addresses the  
2       progression of the disease, treatment options, the  
3       goals, values, and preferences of the beneficiary, and  
4       the availability of other resources and social supports  
5       that may reduce the beneficiary’s health risks and  
6       promote self-management and shared decisionmaking.

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

9       ***Subtitle E—Other Policies to Im-***  
10       ***prove Care for the Chronically***  
11       ***Ill***

12       ***SEC. 2341. GAO STUDY AND REPORT ON IMPROVING MEDI-***  
13       ***CATION SYNCHRONIZATION.***

14       (a) *STUDY.*—The Comptroller General of the United  
15       States (in this section referred to as the “Comptroller Gen-  
16       eral”) shall conduct a study on the extent to which Medicare  
17       prescription drug plans (MA–PD plans and stand alone  
18       prescription drug plans) under part D of title XVIII of the  
19       Social Security Act and private payors use programs that  
20       synchronize pharmacy dispensing so that individuals may  
21       receive multiple prescriptions on the same day to facilitate  
22       comprehensive counseling and promote medication adher-  
23       ence. The study shall include a analysis of the following:

24               (1) The extent to which pharmacies have adopted  
25       such programs.

1           (2) *The common characteristics of such pro-*  
2 *grams, including how pharmacies structure coun-*  
3 *seling sessions under such programs and the types of*  
4 *payment and other arrangements that Medicare pre-*  
5 *scription drug plans and private payors employ*  
6 *under such programs to support the efforts of phar-*  
7 *macies.*

8           (3) *How such programs compare for Medicare*  
9 *prescription drug plans and private payors.*

10          (4) *What is known about how such programs af-*  
11 *fect patient medication adherence and overall patient*  
12 *health outcomes, including if adherence and outcomes*  
13 *vary by patient subpopulations, such as disease state*  
14 *and socioeconomic status.*

15          (5) *What is known about overall patient satisfac-*  
16 *tion with such programs and satisfaction with such*  
17 *programs, including within patient subpopulations,*  
18 *such as disease state and socioeconomic status.*

19          (6) *The extent to which laws and regulations of*  
20 *the Medicare program support such programs.*

21          (7) *Barriers to the use of medication synchroni-*  
22 *zation programs by Medicare prescription drug plans.*

23          (b) *REPORT.*—*Not later than 18 months after the date*  
24 *of the enactment of this Act, the Comptroller General shall*  
25 *submit to Congress a report containing the results of the*

1 *study under subsection (a), together with recommendations*  
2 *for such legislation and administrative action as the Comp-*  
3 *troller General determines appropriate.*

4 **SEC. 2342. GAO STUDY AND REPORT ON IMPACT OF OBE-**  
5 **SITY DRUGS ON PATIENT HEALTH AND**  
6 **SPENDING.**

7 (a) *STUDY.*—*The Comptroller General of the United*  
8 *States (in this section referred to as the “Comptroller Gen-*  
9 *eral”)* shall, to the extent data are available, conduct a  
10 *study on the use of prescription drugs to manage the weight*  
11 *of obese patients and the impact of coverage of such drugs*  
12 *on patient health and on health care spending. Such study*  
13 *shall examine the use and impact of these obesity drugs in*  
14 *the non-Medicare population and for Medicare beneficiaries*  
15 *who have such drugs covered through an MA–PD plan (as*  
16 *defined in section 1860D–1(a)(3)(C) of the Social Security*  
17 *Act (42 U.S.C. 1395w–101(a)(3)(C))) as a supplemental*  
18 *health care benefit. The study shall include an analysis of*  
19 *the following:*

20 (1) *The prevalence of obesity in the Medicare*  
21 *and non-Medicare population.*

22 (2) *The utilization of obesity drugs.*

23 (3) *The distribution of Body Mass Index by in-*  
24 *dividuals taking obesity drugs, to the extent prac-*  
25 *ticable.*

1           (4) *What is known about the use of obesity drugs*  
2 *in conjunction with the receipt of other items or serv-*  
3 *ices, such as behavioral counseling, and how these*  
4 *compare to items and services received by obese indi-*  
5 *viduals who do not take obesity drugs.*

6           (5) *Physician considerations and attitudes re-*  
7 *lated to prescribing obesity drugs.*

8           (6) *The extent to which coverage policies cease or*  
9 *limit coverage for individuals who fail to receive clin-*  
10 *ical benefit.*

11          (7) *What is known about the extent to which in-*  
12 *dividuals who take obesity drugs adhere to the pre-*  
13 *scribed regimen.*

14          (8) *What is known about the extent to which in-*  
15 *dividuals who take obesity drugs maintain weight loss*  
16 *over time.*

17          (9) *What is known about the subsequent impact*  
18 *such drugs have on medical services that are directly*  
19 *related to obesity, including with respect to sub-*  
20 *populations determined based on the extent of obesity.*

21          (10) *What is known about the spending associ-*  
22 *ated with the care of individuals who take obesity*  
23 *drugs, compared to the spending associated with the*  
24 *care of individuals who do not take such drugs.*

1       (b) *REPORT.*—Not later than 18 months after the date  
2 of the enactment of this Act, the Comptroller General shall  
3 submit to Congress a report containing the results of the  
4 study under subsection (a), together with recommendations  
5 for such legislation and administrative action as the Comp-  
6 troller General determines appropriate.

7 **SEC. 2343. HHS STUDY AND REPORT ON LONG-TERM RISK**  
8                   **FACTORS FOR CHRONIC CONDITIONS AMONG**  
9                   **MEDICARE BENEFICIARIES.**

10       (a) *STUDY.*—The Secretary of Health and Human  
11 Services (in this section referred to as the “Secretary”) shall  
12 conduct a study on long-term cost drivers to the Medicare  
13 program, including obesity, tobacco use, mental health con-  
14 ditions, and other factors that may contribute to the deterio-  
15 ration of health conditions among individuals with chronic  
16 conditions in the Medicare population. The study shall in-  
17 clude an analysis of any barriers to collecting and ana-  
18 lyzing such information and how to remove any such bar-  
19 riers (including through legislation and administrative ac-  
20 tions).

21       (b) *REPORT.*—Not later than 18 months after the date  
22 of the enactment of this Act, the Secretary shall submit to  
23 Congress a report containing the results of the study under  
24 subsection (a), together with recommendations for such leg-  
25 islation and administrative action as the Secretary deter-

1 *mines appropriate. The Secretary shall also post such re-*  
 2 *port on the Internet website of the Department of Health*  
 3 *and Human Services.*

4 **TITLE IV—MEDICARE PART B**  
 5 **MISCELLANEOUS POLICIES**  
 6 **Subtitle A—Medicare Part B**  
 7 ***Improvement Act***

8 **SEC. 2401. HOME INFUSION THERAPY SERVICES TEM-**  
 9 **PORARY TRANSITIONAL PAYMENT.**

10 *(a) IN GENERAL.—Section 1834(u) of the Social Secu-*  
 11 *rity Act (42 U.S.C. 1395m(u)) is amended by adding at*  
 12 *the end the following new paragraph:*

13 *“(7) HOME INFUSION THERAPY SERVICES TEM-*  
 14 *PORARY TRANSITIONAL PAYMENT.—*

15 *“(A) TEMPORARY TRANSITIONAL PAY-*  
 16 *MENT.—*

17 *“(i) IN GENERAL.—The Secretary*  
 18 *shall, in accordance with the payment*  
 19 *methodology described in subparagraph (B)*  
 20 *and subject to the provisions of this para-*  
 21 *graph, provide a home infusion therapy*  
 22 *services temporary transitional payment*  
 23 *under this part to an eligible home infusion*  
 24 *supplier (as defined in subparagraph (F))*  
 25 *for items and services described in subpara-*



1            *graphs (A) and (B) of section 1861(iii)(2))*  
2            *furnished during the period specified in*  
3            *clause (ii) by such supplier in coordination*  
4            *with the furnishing of transitional home in-*  
5            *fusion drugs (as defined in clause (iii)).*

6            *“(ii) PERIOD SPECIFIED.—For pur-*  
7            *poses of clause (i), the period specified in*  
8            *this clause is the period beginning on Janu-*  
9            *ary 1, 2019, and ending on the day before*  
10           *the date of the implementation of the pay-*  
11           *ment system under paragraph (1)(A).*

12           *“(iii) TRANSITIONAL HOME INFUSION*  
13           *DRUG DEFINED.—For purposes of this para-*  
14           *graph, the term ‘transitional home infusion*  
15           *drug’ has the meaning given to the term*  
16           *‘home infusion drug’ under section*  
17           *1861(iii)(3)(C), except that clause (ii) of*  
18           *such section shall not apply if a drug de-*  
19           *scribed in such clause is identified in*  
20           *clauses (i), (ii), (iii) or (iv) of subpara-*  
21           *graph (C) as of the date of the enactment of*  
22           *this paragraph.*

23           *“(B) PAYMENT METHODOLOGY.—For pur-*  
24           *poses of this paragraph, the Secretary shall es-*  
25           *tablish a payment methodology, with respect to*

1            *items and services described in subparagraph*  
2            *(A)(i). Under such payment methodology the*  
3            *Secretary shall—*

4                    *“(i) create the three payment categories*  
5                    *described in clauses (i), (ii), and (iii) of*  
6                    *subparagraph (C);*

7                    *“(ii) assign drugs to such categories, in*  
8                    *accordance with such clauses;*

9                    *“(iii) assign appropriate Healthcare*  
10                   *Common Procedure Coding System*  
11                   *(HCPCS) codes to each payment category;*  
12                   *and*

13                   *“(iv) establish a single payment*  
14                   *amount for each such payment category, in*  
15                   *accordance with subparagraph (D), for each*  
16                   *infusion drug administration calendar day*  
17                   *in the individual’s home for drugs assigned*  
18                   *to such category.*

19                   *“(C) PAYMENT CATEGORIES.—*

20                   *“(i) PAYMENT CATEGORY 1.—The Sec-*  
21                   *retary shall create a payment category 1*  
22                   *and assign to such category drugs which are*  
23                   *covered under the Local Coverage Deter-*  
24                   *mination on External Infusion Pumps*  
25                   *(LCD number L33794) and billed with the*

1 following HCPCS codes (as identified as of  
2 January 1, 2018, and as subsequently  
3 modified by the Secretary): J0133, J0285,  
4 J0287, J0288, J0289, J0895, J1170, J1250,  
5 J1265, J1325, J1455, J1457, J1570, J2175,  
6 J2260, J2270, J2274, J2278, J3010, or  
7 J3285.

8 “(ii) PAYMENT CATEGORY 2.—The Sec-  
9 retary shall create a payment category 2  
10 and assign to such category drugs which are  
11 covered under such local coverage deter-  
12 mination and billed with the following  
13 HCPCS codes (as identified as of January  
14 1, 2018, and as subsequently modified by  
15 the Secretary): J1555 JB, J1559 JB, J1561  
16 JB, J1562 JB, J1569 JB, or J1575 JB.

17 “(iii) PAYMENT CATEGORY 3.—The  
18 Secretary shall create a payment category 3  
19 and assign to such category drugs which are  
20 covered under such local coverage deter-  
21 mination and billed with the following  
22 HCPCS codes (as identified as of January  
23 1, 2018, and as subsequently modified by  
24 the Secretary): J9000, J9039, J9040,

1           *J9065, J9100, J9190, J9200, J9360, or*  
2           *J9370.*

3           “(iv) *INFUSION DRUGS NOT OTHER-*  
4           *WISE INCLUDED.—With respect to drugs*  
5           *that are not included in payment category*  
6           *1, 2, or 3 under clause (i), (ii), or (iii), re-*  
7           *spectively, the Secretary shall assign to the*  
8           *most appropriate of such categories, as de-*  
9           *termined by the Secretary, drugs which*  
10          *are—*

11           “(I) *covered under such local cov-*  
12          *erage determination and billed under*  
13          *HCPCS codes J7799 or J7999 (as*  
14          *identified as of July 1, 2017, and as*  
15          *subsequently modified by the Sec-*  
16          *retary); or*

17           “(II) *billed under any code that is*  
18          *implemented after the date of the en-*  
19          *actment of this paragraph and in-*  
20          *cluded in such local coverage deter-*  
21          *mination or included in subregulatory*  
22          *guidance as a home infusion drug de-*  
23          *scribed in subparagraph (A)(i).*

24          “(D) *PAYMENT AMOUNTS.—*

1           “(i) *IN GENERAL.*—Under the payment  
2           *methodology, the Secretary shall pay eligible*  
3           *home infusion suppliers, with respect to*  
4           *items and services described in subpara-*  
5           *graph (A)(i) furnished during the period*  
6           *described in subparagraph (A)(ii) by such*  
7           *supplier to an individual, at amounts equal*  
8           *to the amounts determined under the physi-*  
9           *cian fee schedule established under section*  
10           *1848 for services furnished during the year*  
11           *for codes and units of such codes described*  
12           *in clauses (ii), (iii), and (iv) with respect*  
13           *to drugs included in the payment category*  
14           *under subparagraph (C) specified in the re-*  
15           *spective clause, determined without applica-*  
16           *tion of the geographic adjustment under*  
17           *subsection (e) of such section.*

18           “(ii) *PAYMENT AMOUNT FOR CATEGORY*  
19           *1.*—For purposes of clause (i), the codes and  
20           *units described in this clause, with respect*  
21           *to drugs included in payment category 1*  
22           *described in subparagraph (C)(i), are one*  
23           *unit of HCPCS code 96365 plus three units*  
24           *of HCPCS code 96366 (as identified as of*

1           *January 1, 2018, and as subsequently*  
2           *modified by the Secretary).*

3           “(iii) *PAYMENT AMOUNT FOR CAT-*  
4           *EGORY 2.—For purposes of clause (i), the*  
5           *codes and units described in this clause,*  
6           *with respect to drugs included in payment*  
7           *category 2 described in subparagraph*  
8           *(C)(i), are one unit of HCPCS code 96369*  
9           *plus three units of HCPCS code 96370 (as*  
10           *identified as of January 1, 2018, and as*  
11           *subsequently modified by the Secretary).*

12           “(iv) *PAYMENT AMOUNT FOR CAT-*  
13           *EGORY 3.—For purposes of clause (i), the*  
14           *codes and units described in this clause,*  
15           *with respect to drugs included in payment*  
16           *category 3 described in subparagraph*  
17           *(C)(i), are one unit of HCPCS code 96413*  
18           *plus three units of HCPCS code 96415 (as*  
19           *identified as of January 1, 2018, and as*  
20           *subsequently modified by the Secretary).*

21           “(E) *CLARIFICATIONS.—*

22           “(i) *INFUSION DRUG ADMINISTRATION*  
23           *DAY.—For purposes of this subsection, with*  
24           *respect to the furnishing of transitional*  
25           *home infusion drugs or home infusion drugs*

1           to an individual by an eligible home infu-  
2           sion supplier or a qualified home infusion  
3           therapy supplier, a reference to payment to  
4           such supplier for an infusion drug adminis-  
5           tration calendar day in the individual's  
6           home shall refer to payment only for the  
7           date on which professional services (as de-  
8           scribed in section 1861(iii)(2)(A)) were fur-  
9           nished to administer such drugs to such in-  
10          dividual. For purposes of the previous sen-  
11          tence, an infusion drug administration cal-  
12          endar day shall include all such drugs ad-  
13          ministered to such individual on such day.

14               “(ii) TREATMENT OF MULTIPLE DRUGS  
15          ADMINISTERED ON SAME INFUSION DRUG  
16          ADMINISTRATION DAY.—In the case that an  
17          eligible home infusion supplier, with respect  
18          to an infusion drug administration cal-  
19          endar day in an individual's home, fur-  
20          nishes to such individual transitional home  
21          infusion drugs which are not all assigned to  
22          the same payment category under subpara-  
23          graph (C), payment to such supplier for  
24          such infusion drug administration calendar  
25          day in the individual's home shall be a sin-

1            *gle payment equal to the amount of pay-*  
2            *ment under this paragraph for the drug,*  
3            *among all such drugs so furnished to such*  
4            *individual during such calendar day, for*  
5            *which the highest payment would be made*  
6            *under this paragraph.*

7            “(F) *ELIGIBLE HOME INFUSION SUP-*  
8            *PLIERS.—In this paragraph, the term ‘eligible*  
9            *home infusion supplier’ means a supplier that is*  
10           *enrolled under this part as a pharmacy that pro-*  
11           *vides external infusion pumps and external infu-*  
12           *sion pump supplies and that maintains all*  
13           *pharmacy licensure requirements in the State in*  
14           *which the applicable infusion drugs are adminis-*  
15           *tered.*

16           “(G) *IMPLEMENTATION.—Notwithstanding*  
17           *any other provision of law, the Secretary may*  
18           *implement this paragraph by program instruc-*  
19           *tion or otherwise.”.*

20           (b) *CONFORMING AMENDMENT.—*

21           (1) *Section 1842(b)(6)(I) of the Social Security*  
22           *Act (42 U.S.C. 1395u(b)(6)(I)) is amended by insert-*  
23           *ing “or, in the case of items and services described in*  
24           *clause (i) of section 1834(u)(7)(A) furnished to an in-*  
25           *dividual during the period described in clause (ii) of*



1        *such section, payment shall be made to the eligible*  
2        *home infusion therapy supplier” after “payment shall*  
3        *be made to the qualified home infusion therapy sup-*  
4        *plier”.*

5                *(2) Section 5012(d) of the 21st Century Cures*  
6        *Act is amended by inserting the following before the*  
7        *period at the end the following: “, except that the*  
8        *amendments made by paragraphs (1) and (2) of sub-*  
9        *section (c) shall apply to items and services furnished*  
10        *on or after January 1, 2019”.*

11        **SEC. 2402. ORTHOTIST’S AND PROSTHETIST’S CLINICAL**  
12                        **NOTES AS PART OF THE PATIENT’S MEDICAL**  
13                        **RECORD.**

14        *Section 1834(h) of the Social Security Act (42 U.S.C.*  
15        *1395m(h)) is amended by adding at the end the following*  
16        *new paragraph:*

17                *“(5) DOCUMENTATION CREATED BY ORTHOTISTS*  
18        *AND PROSTHETISTS.—For purposes of determining*  
19        *the reasonableness and medical necessity of orthotics*  
20        *and prosthetics, documentation created by an*  
21        *orthotist or prosthetist shall be considered part of the*  
22        *individual’s medical record to support documentation*  
23        *created by eligible professionals described in section*  
24        *1848(k)(3)(B).”.*

1 **SEC. 2403. INDEPENDENT ACCREDITATION FOR DIALYSIS**  
2 **FACILITIES AND ASSURANCE OF HIGH QUAL-**  
3 **ITY SURVEYS.**

4 (a) *ACCREDITATION AND SURVEYS.*—

5 (1) *IN GENERAL.*—Section 1865 of the Social Se-  
6 curity Act (42 U.S.C. 1395bb) is amended—

7 (A) in subsection (a)—

8 (i) in paragraph (1), in the matter  
9 preceding subparagraph (A), by striking “or  
10 the conditions and requirements under sec-  
11 tion 1881(b)”;

12 (ii) in paragraph (4), by inserting  
13 “(including a renal dialysis facility)” after  
14 “facility”;

15 (B) by adding at the end the following new  
16 subsection:

17 “(e) With respect to an accreditation body that has re-  
18 ceived approval from the Secretary under subsection  
19 (a)(3)(A) for accreditation of provider entities that are re-  
20 quired to meet the conditions and requirements under sec-  
21 tion 1881(b), in addition to review and oversight authori-  
22 ties otherwise applicable under this title, the Secretary shall  
23 (as the Secretary determines appropriate) conduct, with re-  
24 spect to such accreditation body and provider entities, any  
25 or all of the following as frequently as is otherwise required

1 *to be conducted under this title with respect to other accredi-*  
2 *tation bodies or other provider entities:*

3           “(1) *Validation surveys referred to in subsection*  
4 *(d).*”

5           “(2) *Accreditation program reviews (as defined*  
6 *in section 488.8(c) of title 42 of the Code of Federal*  
7 *Regulations, or a successor regulation).*”

8           “(3) *Performance reviews (as defined in section*  
9 *488.8(a) of title 42 of the Code of Federal Regula-*  
10 *tions, or a successor regulation).*”

11           (2) *TIMING FOR ACCEPTANCE OF REQUESTS*  
12 *FROM ACCREDITATION ORGANIZATIONS.—Not later*  
13 *than 90 days after the date of enactment of this Act,*  
14 *the Secretary of Health and Human Services shall*  
15 *begin accepting requests from national accreditation*  
16 *bodies for a finding described in section*  
17 *1865(a)(3)(A) of the Social Security Act (42 U.S.C.*  
18 *1395bb(a)(3)(A)) for purposes of accrediting provider*  
19 *entities that are required to meet the conditions and*  
20 *requirements under section 1881(b) of such Act (42*  
21 *U.S.C. 1395rr(b)).*

22           (b) *REQUIREMENT FOR TIMING OF SURVEYS OF NEW*  
23 *DIALYSIS FACILITIES.—Section 1881(b)(1) of the Social Se-*  
24 *curity Act (42 U.S.C. 1395rr(b)(1)) is amended by adding*  
25 *at the end the following new sentence: “Beginning 180 days*

1 *after the date of the enactment of this sentence, an initial*  
 2 *survey of a provider of services or a renal dialysis facility*  
 3 *to determine if the conditions and requirements under this*  
 4 *paragraph are met shall be initiated not later than 90 days*  
 5 *after such date on which both the provider enrollment form*  
 6 *(without regard to whether such form is submitted prior*  
 7 *to or after such date of enactment) has been determined by*  
 8 *the Secretary to be complete and the provider's enrollment*  
 9 *status indicates approval is pending the results of such sur-*  
 10 *vey.”.*

11 **SEC. 2404. MODERNIZING THE APPLICATION OF THE STARK**  
 12 **RULE UNDER MEDICARE.**

13 *(a) CLARIFICATION OF THE WRITING REQUIREMENT*  
 14 *AND SIGNATURE REQUIREMENT FOR ARRANGEMENTS PUR-*  
 15 *SUANT TO THE STARK RULE.—*

16 *(1) WRITING REQUIREMENT.—Section*  
 17 *1877(h)(1) of the Social Security Act (42 U.S.C.*  
 18 *1395nn(h)(1)) is amended by adding at the end the*  
 19 *following new subparagraph:*

20 *“(D) WRITTEN REQUIREMENT CLARIFIED.—In*  
 21 *the case of any requirement pursuant to this section*  
 22 *for a compensation arrangement to be in writing,*  
 23 *such requirement shall be satisfied by such means as*  
 24 *determined by the Secretary, including by a collection*  
 25 *of documents, including contemporaneous documents*

1 *evidencing the course of conduct between the parties*  
2 *involved.”.*

3 (2) *SIGNATURE REQUIREMENT.*—Section  
4 *1877(h)(1) of the Social Security Act (42 U.S.C.*  
5 *1395nn(h)(1)), as amended by paragraph (1), is fur-*  
6 *ther amended by adding at the end the following new*  
7 *subparagraph:*

8 “(E) *SPECIAL RULE FOR SIGNATURE RE-*  
9 *QUIREMENTS.*—*In the case of any requirement*  
10 *pursuant to this section for a compensation ar-*  
11 *rangement to be in writing and signed by the*  
12 *parties, such signature requirement shall be met*  
13 *if—*

14 “(i) *not later than 90 consecutive cal-*  
15 *endar days immediately following the date*  
16 *on which the compensation arrangement be-*  
17 *came noncompliant, the parties obtain the*  
18 *required signatures; and*

19 “(ii) *the compensation arrangement*  
20 *otherwise complies with all criteria of the*  
21 *applicable exception.”.*

22 (b) *INDEFINITE HOLDOVER FOR LEASE ARRANGE-*  
23 *MENTS AND PERSONAL SERVICES ARRANGEMENTS PURSU-*  
24 *ANT TO THE STARK RULE.*—Section *1877(e) of the Social*  
25 *Security Act (42 U.S.C. 1395nn(e)) is amended—*

1           (1) in paragraph (1), by adding at the end the  
2 following new subparagraph:

3           “(C) *HOLDOVER LEASE ARRANGEMENTS.*—

4           *In the case of a holdover lease arrangement for*  
5           *the lease of office space or equipment, which im-*  
6           *mediately follows a lease arrangement described*  
7           *in subparagraph (A) for the use of such office*  
8           *space or subparagraph (B) for the use of such*  
9           *equipment and that expired after a term of at*  
10           *least 1 year, payments made by the lessee to the*  
11           *lessor pursuant to such holdover lease arrange-*  
12           *ment, if—*

13           “(i) *the lease arrangement met the con-*  
14           *ditions of subparagraph (A) for the lease of*  
15           *office space or subparagraph (B) for the use*  
16           *of equipment when the arrangement ex-*  
17           *pired;*

18           “(ii) *the holdover lease arrangement is*  
19           *on the same terms and conditions as the*  
20           *immediately preceding arrangement; and*

21           “(iii) *the holdover arrangement con-*  
22           *tinues to satisfy the conditions of subpara-*  
23           *graph (A) for the lease of office space or*  
24           *subparagraph (B) for the use of equip-*  
25           *ment.”; and*

1           (2) *in paragraph (3), by adding at the end the*  
2 *following new subparagraph:*

3           “(C) *HOLDOVER PERSONAL SERVICE AR-*  
4 *RANGEMENT.—In the case of a holdover personal*  
5 *service arrangement, which immediately follows*  
6 *an arrangement described in subparagraph (A)*  
7 *that expired after a term of at least 1 year, re-*  
8 *muneration from an entity pursuant to such*  
9 *holdover personal service arrangement, if—*

10           “(i) *the personal service arrangement*  
11 *met the conditions of subparagraph (A)*  
12 *when the arrangement expired;*

13           “(ii) *the holdover personal service ar-*  
14 *rangement is on the same terms and condi-*  
15 *tions as the immediately preceding arrange-*  
16 *ment; and*

17           “(iii) *the holdover arrangement con-*  
18 *tinues to satisfy the conditions of subpara-*  
19 *graph (A).”.*

1 ***Subtitle B—Additional Provisions***

2 ***SEC. 2411. MAKING PERMANENT THE REMOVAL OF THE***  
 3 ***RENTAL CAP FOR DURABLE MEDICAL EQUIP-***  
 4 ***MENT UNDER MEDICARE WITH RESPECT TO***  
 5 ***SPEECH GENERATING DEVICES.***

6 *Section 1834(a)(2)(A)(iv) of the Social Security Act*  
 7 *(42 U.S.C. 1395m(a)(2)(A)(iv)) is amended by striking*  
 8 *“and before October 1, 2018,”.*

9 ***SEC. 2412. INCREASED CIVIL AND CRIMINAL PENALTIES***  
 10 ***AND INCREASED SENTENCES FOR FEDERAL***  
 11 ***HEALTH CARE PROGRAM FRAUD AND ABUSE.***

12 *(a) INCREASED CIVIL MONEY PENALTIES AND CRIMI-*  
 13 *NAL FINES.—*

14 *(1) INCREASED CIVIL MONEY PENALTIES.—Sec-*  
 15 *tion 1128A of the Social Security Act (42 U.S.C.*  
 16 *1320a–7a) is amended—*

17 *(A) in subsection (a), in the matter fol-*  
 18 *lowing paragraph (10)—*

19 *(i) by striking “\$10,000” and inserting*  
 20 *“\$20,000” each place it appears;*

21 *(ii) by striking “\$15,000” and insert-*  
 22 *ing “\$30,000”; and*

23 *(iii) by striking “\$50,000” and insert-*  
 24 *ing “\$100,000” each place it appears; and*

25 *(B) in subsection (b)—*



1           (i) in paragraph (1), in the flush text  
2 following subparagraph (B), by striking  
3 “\$2,000” and inserting “\$5,000”;

4           (ii) in paragraph (2), by striking  
5 “\$2,000” and inserting “\$5,000”; and

6           (iii) in paragraph (3)(A)(i), by strik-  
7 ing “\$5,000” and inserting “\$10,000”.

8           (2) *INCREASED CRIMINAL FINES.*—Section  
9 1128B of such Act (42 U.S.C. 1320a–7b) is amend-  
10 ed—

11           (A) in subsection (a), in the matter fol-  
12 lowing paragraph (6)—

13           (i) by striking “\$25,000” and inserting  
14 “\$100,000”; and

15           (ii) by striking “\$10,000” and insert-  
16 ing “\$20,000”;

17           (B) in subsection (b)—

18           (i) in paragraph (1), in the flush text  
19 following subparagraph (B), by striking  
20 “\$25,000” and inserting “\$100,000”; and

21           (ii) in paragraph (2), in the flush text  
22 following subparagraph (B), by striking  
23 “\$25,000” and inserting “\$100,000”;

24           (C) in subsection (c), by striking “\$25,000”  
25 and inserting “\$100,000”;

1           (D) in subsection (d), in the flush text fol-  
2           lowing paragraph (2), by striking “\$25,000” and  
3           inserting “\$100,000”; and

4           (E) in subsection (e), by striking “\$2,000”  
5           and inserting “\$4,000”.

6           (b) INCREASED SENTENCES FOR FELONIES INVOLVING  
7           FEDERAL HEALTH CARE PROGRAM FRAUD AND ABUSE.—

8           (1) FALSE STATEMENTS AND REPRESENTA-  
9           TIONS.—Section 1128B(a) of the Social Security Act  
10          (42 U.S.C. 1320a-7b(a)) is amended, in the matter  
11          following paragraph (6), by striking “not more than  
12          five years or both, or (ii)” and inserting “not more  
13          than 10 years or both, or (ii)”.

14          (2) ANTIKICKBACK.—Section 1128B(b) of such  
15          Act (42 U.S.C. 1320a-7b(b)) is amended—

16               (A) in paragraph (1), in the flush text fol-  
17               lowing subparagraph (B), by striking “not more  
18               than five years” and inserting “not more than  
19               10 years”; and

20               (B) in paragraph (2), in the flush text fol-  
21               lowing subparagraph (B), by striking “not more  
22               than five years” and inserting “not more than  
23               10 years”.

24          (3) FALSE STATEMENT OR REPRESENTATION  
25          WITH RESPECT TO CONDITIONS OR OPERATIONS OF

1 *FACILITIES.*—Section 1128B(c) of such Act (42 U.S.C.  
 2 1320a–7b(c)) is amended by striking “not more than  
 3 five years” and inserting “not more than 10 years”.

4 (4) *EXCESS CHARGES.*—Section 1128B(d) of  
 5 such Act (42 U.S.C. 1320a–7b(d)) is amended, in the  
 6 flush text following paragraph (2), by striking “not  
 7 more than five years” and inserting “not more than  
 8 10 years”.

9 (c) *EFFECTIVE DATE.*—The amendments made by this  
 10 section shall apply to acts committed after the date of the  
 11 enactment of this Act.

12 **SEC. 2413. REDUCING THE VOLUME OF FUTURE EHR-RE-**  
 13 **LATED SIGNIFICANT HARDSHIP REQUESTS.**

14 Section 1848(o)(2)(A) of the Social Security Act (42  
 15 U.S.C. 1395w–4(o)(2)(A)) and section 1886(n)(3)(A) of  
 16 such Act (42 U.S.C. 1395ww(n)(3)(A)) are each amended  
 17 in the last sentence by striking “by requiring” and all that  
 18 follows through “this paragraph”.

19 **SEC. 2414. COVERAGE OF CERTAIN DNA SPECIMEN PROVE-**  
 20 **NANCE ASSAY TESTS UNDER MEDICARE.**

21 (a) *BENEFIT.*—

22 (1) *COVERAGE.*—Section 1861 of the Social Se-  
 23 curity Act (42 U.S.C. 1395x) is amended—

24 (A) in subsection (s)(2)—

1                   (i) in subparagraph (FF), by striking  
2                   “and” at the end;

3                   (ii) in subparagraph (GG), by insert-  
4                   ing “and” at the end; and

5                   (iii) by adding at the end the following  
6                   new subparagraph:

7                   “(HH) a prostate cancer DNA Specimen Prove-  
8                   nance Assay test (DSPA test) (as defined in sub-  
9                   section (jjj)); and”; and

10                  (B) by adding at the end the following new  
11                  subsection:

12                  “(jjj) *PROSTATE CANCER DNA SPECIMENT PROVE-*  
13                  *NANCE ASSAY TEST.*—*The term ‘prostate cancer DNA Spec-*  
14                  *imen Provenance Assay Test’ (DSPA test) means a test*  
15                  *that, after a determination of cancer in one or more pros-*  
16                  *tate biopsy specimens obtained from an individual, assesses*  
17                  *the identity of the DNA in such specimens by comparing*  
18                  *such DNA with the DNA that was separately taken from*  
19                  *such individual at the time of the biopsy.”.*

20                  (2) *EXCLUSION FROM COVERAGE.*—*Section*  
21                  *1862(a)(1) of the Social Security Act (42 U.S.C.*  
22                  *1395y(a)(1)) is amended—*

23                         (A) in subparagraph (O), by striking “and”  
24                         at the end;

1           (B) in subparagraph (P), by striking the  
2           semicolon at the end and inserting “, and”; and

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

5           “(Q) in the case of a prostate cancer DNA Specimen Provenance Assay test (DSPA test) (as defined  
6           in section 1861(jjj)), unless such test is furnished on  
7           or after January 1, 2019, and before January 1,  
8           2024, and such test is ordered by the physician who  
9           furnished the prostate cancer biopsy that obtained the  
10          specimen tested;”.

12          (b) *PAYMENT AMOUNT AND RELATED REQUIRE-*  
13 *MENTS.—Section 1834 of the Social Security Act (42*  
14 *U.S.C. 1395m), as amended by section 2204, is further*  
15 *amended by adding at the end the following new subsection:*

16          “(w) *PROSTATE CANCER DNA SPECIMEN PROVE-*  
17 *NANCE ASSAY TESTS.—*

18           “(1) *PAYMENT FOR COVERED TESTS.—*

19           “(A) *IN GENERAL.—Subject to subpara-*  
20 *graph (B), the payment amount for a prostate*  
21 *cancer DNA Specimen Provenance Assay test*  
22 *(DSPA test) (as defined in section 1861(jjj))*  
23 *shall be \$200. Such payment shall be payment*  
24 *for all of the specimens obtained from the biopsy*  
25 *furnished to an individual that are tested.*

1           “(B) *LIMITATION.*—*Payment for a DSPA*  
2           *test under subparagraph (A) may only be made*  
3           *on an assignment-related basis.*

4           “(C) *PROHIBITION ON SEPARATE PAY-*  
5           *MENT.*—*No separate payment shall be made for*  
6           *obtaining DNA that was separately taken from*  
7           *an individual at the time of a biopsy described*  
8           *in subparagraph (A).*

9           “(2) *HCPCS CODE AND MODIFIER ASSIGN-*  
10          *MENT.*—

11           “(A) *IN GENERAL.*—*The Secretary shall as-*  
12           *sign one or more HCPCS codes to a prostate*  
13           *cancer DNA Specimen Provenance Assay test*  
14           *and may use a modifier to facilitate making*  
15           *payment under this section for such test.*

16           “(B) *IDENTIFICATION OF DNA MATCH ON*  
17           *CLAIM.*—*The Secretary shall require an indica-*  
18           *tion on a claim for a prostate cancer DNA Spec-*  
19           *imen Provenance Assay test of whether the DNA*  
20           *of the prostate biopsy specimens match the DNA*  
21           *of the individual diagnosed with prostate cancer.*  
22           *Such indication may be made through use of a*  
23           *HCPCS code, a modifier, or other means, as de-*  
24           *termined appropriate by the Secretary.*

25           “(3) *DNA MATCH REVIEW.*—

1           “(A) *IN GENERAL.*—*The Secretary shall re-*  
2           *view at least three years of claims under part B*  
3           *for prostate cancer DNA Specimen Provenance*  
4           *Assay tests to identify whether the DNA of the*  
5           *prostate biopsy specimens match the DNA of the*  
6           *individuals diagnosed with prostate cancer.*”

7           “(B) *POSTING ON INTERNET WEBSITE.*—*Not*  
8           *later than July 1, 2022, the Secretary shall post*  
9           *on the Internet website of the Centers for Medi-*  
10           *care & Medicaid Services the findings of the re-*  
11           *view conducted under subparagraph (A).”.*”

12           (c) *COST-SHARING.*—*Section 1833(a)(1) of the Social*  
13           *Security Act (42 U.S.C. 1395l(a)(1)) is amended—*

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

16           (2) *by inserting before the semicolon at the end*  
17           *the following: “, and (CC) with respect to a prostate*  
18           *cancer DNA Specimen Provenance Assay test (DSPA*  
19           *test) (as defined in section 1861(jjj)), the amount*  
20           *paid shall be an amount equal to 80 percent of the*  
21           *lesser of the actual charge for the test or the amount*  
22           *specified under section 1834(w).”.*

1 **SEC. 2415. STRENGTHENING RULES IN CASE OF COMPETI-**  
2 **TION FOR DIABETIC TESTING STRIPS.**

3 (a) *SPECIAL RULE IN CASE OF COMPETITION FOR DI-*  
4 *ABETIC TESTING STRIPS.—*

5 (1) *IN GENERAL.—*Paragraph (10) of section  
6 1847(b) of the Social Security Act (42 U.S.C. 1395w–  
7 3(b)) is amended—

8 (A) in subparagraph (A), by striking the  
9 second sentence and inserting the following new  
10 sentence: “With respect to bids to furnish such  
11 types of products on or after January 1, 2019,  
12 the volume for such types of products shall be de-  
13 termined by the Secretary through the use of  
14 multiple sources of data (from mail order and  
15 non-mail order Medicare markets), including  
16 market-based data measuring sales of diabetic  
17 testing strip products that are not exclusively  
18 sold by a single retailer from such markets.”;  
19 and

20 (B) by adding at the end the following new  
21 subparagraphs:

22 “(C) *DEMONSTRATION OF ABILITY TO FUR-*  
23 *NISH TYPES OF DIABETIC TESTING STRIP PROD-*  
24 *UCTS.—*With respect to bids to furnish diabetic  
25 testing strip products on or after January 1,  
26 2019, an entity shall attest to the Secretary that



1           *the entity has the ability to obtain an inventory*  
2           *of the types and quantities of diabetic testing*  
3           *strip products that will allow the entity to fur-*  
4           *nish such products in a manner consistent with*  
5           *its bid and—*

6                     *“(i) demonstrate to the Secretary,*  
7                     *through letters of intent with manufactur-*  
8                     *ers, wholesalers, or other suppliers, or other*  
9                     *evidence as the Secretary may specify, such*  
10                    *ability; or*

11                    *“(ii) demonstrate to the Secretary that*  
12                    *it made a good faith attempt to obtain such*  
13                    *a letter of intent or such other evidence.*

14                    *“(D) USE OF UNLISTED TYPES IN CALCULA-*  
15                    *TION OF PERCENTAGE.—With respect to bids to*  
16                    *furnish diabetic testing strip products on or after*  
17                    *January 1, 2019, in determining under subpara-*  
18                    *graph (A) whether a bid submitted by an entity*  
19                    *under such subparagraph covers 50 percent (or*  
20                    *such higher percentage as the Secretary may*  
21                    *specify) of all types of diabetic testing strip*  
22                    *products, the Secretary may not attribute a per-*  
23                    *centage to types of diabetic testing strip products*  
24                    *that the Secretary does not identify by brand,*  
25                    *model, and market share volume.*

1                   “(E) *ADHERENCE TO DEMONSTRATION.*—

2                   “(i) *IN GENERAL.*—*In the case of an*  
3                   *entity that is furnishing diabetic testing*  
4                   *strip products on or after January 1, 2019,*  
5                   *under a contract entered into under the*  
6                   *competition conducted pursuant to para-*  
7                   *graph (1), the Secretary shall establish a*  
8                   *process to monitor, on an ongoing basis, the*  
9                   *extent to which such entity continues to*  
10                   *cover the product types included in the enti-*  
11                   *ty’s bid.*

12                   “(ii) *TERMINATION.*—*If the Secretary*  
13                   *determines that an entity described in*  
14                   *clause (i) fails to maintain in inventory, or*  
15                   *otherwise maintain ready access to (through*  
16                   *requirements, contracts, or otherwise) a type*  
17                   *of product included in the entity’s bid, the*  
18                   *Secretary may terminate such contract un-*  
19                   *less the Secretary finds that the failure of*  
20                   *the entity to maintain inventory of, or*  
21                   *ready access to, the product is the result of*  
22                   *the discontinuation of the product by the*  
23                   *product manufacturer, a market-wide short-*  
24                   *age of the product, or the introduction of a*

1                    *newer model or version of the product in the*  
2                    *market involved.”.*

3            (b) *CODIFYING AND EXPANDING ANTI-SWITCHING*  
4 *RULE.—Section 1847(b) of the Social Security Act (42*  
5 *U.S.C. 1395w–3(b)), as amended by subsection (a)(1), is*  
6 *further amended—*

7                    (1) *by redesignating paragraph (11) as para-*  
8                    *graph (12); and*

9                    (2) *by inserting after paragraph (10) the fol-*  
10                    *lowing new paragraph:*

11                    “(11) *ADDITIONAL SPECIAL RULES IN CASE OF*  
12                    *COMPETITION FOR DIABETIC TESTING STRIPS.—*

13                    “(A) *IN GENERAL.—With respect to an enti-*  
14                    *ty that is furnishing diabetic testing strip prod-*  
15                    *ucts to individuals under a contract entered into*  
16                    *under the competitive acquisition program estab-*  
17                    *lished under this section, the entity shall furnish*  
18                    *to each individual a brand of such products that*  
19                    *is compatible with the home blood glucose mon-*  
20                    *itor selected by the individual.*

21                    “(B) *PROHIBITION ON INFLUENCING AND*  
22                    *INCENTIVIZING.—An entity described in sub-*  
23                    *paragraph (A) may not attempt to influence or*  
24                    *incentivize an individual to switch the brand of*

1 *glucose monitor or diabetic testing strip product*  
2 *selected by the individual, including by—*

3 *“(i) persuading, pressuring, or advis-*  
4 *ing the individual to switch; or*

5 *“(ii) furnishing information about al-*  
6 *ternative brands to the individual where the*  
7 *individual has not requested such informa-*  
8 *tion.*

9 *“(C) PROVISION OF INFORMATION.—*

10 *“(i) STANDARDIZED INFORMATION.—*  
11 *Not later than January 1, 2019, the Sec-*  
12 *retary shall develop and make available to*  
13 *entities described in subparagraph (A)*  
14 *standardized information that describes the*  
15 *rights of an individual with respect to such*  
16 *an entity. The information described in the*  
17 *preceding sentence shall include information*  
18 *regarding—*

19 *“(I) the requirements established*  
20 *under subparagraphs (A) and (B);*

21 *“(II) the right of the individual to*  
22 *purchase diabetic testing strip products*  
23 *from another mail order supplier of*  
24 *such products or a retail pharmacy if*  
25 *the entity is not able to furnish the*

1           *brand of such product that is compat-*  
2           *ible with the home blood glucose mon-*  
3           *itor selected by the individual; and*

4                   “(III) *the right of the individual*  
5           *to return diabetic testing strip prod-*  
6           *ucts furnished to the individual by the*  
7           *entity.*

8                   “(ii) *REQUIREMENT.—With respect to*  
9           *diabetic testing strip products furnished on*  
10          *or after the date on which the Secretary de-*  
11          *velops the standardized information under*  
12          *clause (i), an entity described in subpara-*  
13          *graph (A) may not communicate directly to*  
14          *an individual until the entity has verbally*  
15          *provided the individual with such standard-*  
16          *ized information.*

17                  “(D) *ORDER REFILLS.—With respect to di-*  
18          *abetic testing strip products furnished on or*  
19          *after January 1, 2019, the Secretary shall re-*  
20          *quire an entity furnishing diabetic testing strip*  
21          *products to an individual to contact and receive*  
22          *a request from the individual for such products*  
23          *not more than 14 days prior to dispensing a re-*  
24          *fill of such products to the individual.”.*

1       (c) *IMPLEMENTATION; NON-APPLICATION OF THE PA-*  
2 *PERWORK REDUCTION ACT.*—

3           (1) *IMPLEMENTATION.*—*Notwithstanding any*  
4 *other provision of law, the Secretary of Health and*  
5 *Human Services may implement the provisions of,*  
6 *and amendments made by, this section by program*  
7 *instruction or otherwise.*

8           (2) *NON-APPLICATION OF THE PAPERWORK RE-*  
9 *DUCTION ACT.*—*Chapter 35 of title 44, United States*  
10 *Code (commonly referred to as the “Paperwork Re-*  
11 *duction Act of 1995”), shall not apply to this section*  
12 *or the amendments made by this section.*

## 13           **TITLE V—OTHER HEALTH** 14           **EXTENDERS**

15 **SEC. 2501. EXTENSION FOR COMMUNITY HEALTH CENTERS,**  
16 **THE NATIONAL HEALTH SERVICE CORPS, AND**  
17 **TEACHING HEALTH CENTERS THAT OPERATE**  
18 **GME PROGRAMS.**

19       (a) *COMMUNITY HEALTH CENTERS FUNDING.*—*Sec-*  
20 *tion 10503(b)(1) of the Patient Protection and Affordable*  
21 *Care Act (42 U.S.C. 254b–2(b)(1)), as amended by section*  
22 *3101 of Public Law 115–96, is amended by amending sub-*  
23 *paragraph (F) to read as follows:*

24           “(F) \$3,600,000,000 for each of fiscal years  
25           2018 and 2019.”.

1       (b) *OTHER COMMUNITY HEALTH CENTERS PROVI-*  
2 *SIONS.—Section 330 of the Public Health Service Act (42*  
3 *U.S.C. 254b) is amended—*

4           (1) *in subsection (b)(1)(A)(ii), by striking*  
5 *“abuse” and inserting “use disorder”;*

6           (2) *in subsection (b)(2)(A), by striking “abuse”*  
7 *and inserting “use disorder”;*

8           (3) *in subsection (c)—*

9               (A) *in paragraph (1), by striking subpara-*  
10 *graphs (B) through (D);*

11               (B) *by striking “(1) IN GENERAL” and all*  
12 *that follows through “The Secretary” and insert-*  
13 *ing the following:*

14               “*(1) CENTERS.—The Secretary*”; *and*

15               (C) *in paragraph (1), as amended, by redес-*  
16 *ignating clauses (i) through (v) as subpara-*  
17 *graphs (A) through (E) and moving the margin*  
18 *of each of such redesignated subparagraph 2 ems*  
19 *to the left;*

20           (4) *by striking subsection (d) and inserting the*  
21 *following:*

22               “*(d) IMPROVING QUALITY OF CARE.—*

23               “*(1) SUPPLEMENTAL AWARDS.—The Secretary*  
24 *may award supplemental grant funds to health cen-*  
25 *ters funded under this section to implement evidence-*

1       *based models for increasing access to high-quality pri-*  
2       *mary care services, which may include models related*  
3       *to—*

4               “(A) *improving the delivery of care for in-*  
5               *dividuals with multiple chronic conditions;*

6               “(B) *workforce configuration;*

7               “(C) *reducing the cost of care;*

8               “(D) *enhancing care coordination;*

9               “(E) *expanding the use of telehealth and*  
10              *technology-enabled collaborative learning and ca-*  
11              *capacity building models;*

12              “(F) *care integration, including integration*  
13              *of behavioral health, mental health, or substance*  
14              *use disorder services; and*

15              “(G) *addressing emerging public health or*  
16              *substance use disorder issues to meet the health*  
17              *needs of the population served by the health cen-*  
18              *ter.*

19              “(2) *SUSTAINABILITY.—In making supplemental*  
20              *awards under this subsection, the Secretary may con-*  
21              *sider whether the health center involved has submitted*  
22              *a plan for continuing the activities funded under this*  
23              *subsection after supplemental funding is expended.*

24              “(3) *SPECIAL CONSIDERATION.—The Secretary*  
25              *may give special consideration to applications for*



1 *supplemental funding under this subsection that seek*  
2 *to address significant barriers to access to care in*  
3 *areas with a greater shortage of health care providers*  
4 *and health services relative to the national average.”;*

5 *(5) in subsection (e)(1)—*

6 *(A) in subparagraph (B)—*

7 *(i) by striking “2 years” and inserting*  
8 *“1 year”; and*

9 *(ii) by adding at the end the following:*  
10 *“The Secretary shall not make a grant*  
11 *under this paragraph unless the applicant*  
12 *provides assurances to the Secretary that*  
13 *within 120 days of receiving grant funding*  
14 *for the operation of the health center, the*  
15 *applicant will submit, for approval by the*  
16 *Secretary, an implementation plan to meet*  
17 *the requirements of subsection (k)(3). The*  
18 *Secretary may extend such 120-day period*  
19 *for achieving compliance upon a demonstra-*  
20 *tion of good cause by the health center.”;*  
21 *and*

22 *(B) in subparagraph (C)—*

23 *(i) in the subparagraph heading, by*  
24 *striking “AND PLANS”;*

1           (ii) by striking “or plan (as described  
2           in subparagraphs (B) and (C) of subsection  
3           (c)(1))”;

4           (iii) by striking “or plan, including  
5           the purchase” and inserting the following:  
6           “including—

7                   “(i) the purchase”;

8           (iv) by inserting “, which may include  
9           data and information systems” after “of  
10           equipment”;

11           (v) by striking the period at the end  
12           and inserting a semicolon; and

13           (vi) by adding at the end the following:

14                   “(ii) the provision of training and  
15           technical assistance; and

16                   “(iii) other activities that—

17                           “(I) reduce costs associated with  
18                           the provision of health services;

19                           “(II) improve access to, and  
20                           availability of, health services provided  
21                           to individuals served by the centers;

22                           “(III) enhance the quality and co-  
23                           ordination of health services; or

24                           “(IV) improve the health status of  
25                           communities.”;

1           (6) *in subsection (e)(5)(B)—*

2                   (A) *in the heading of subparagraph (B), by*  
3 *striking “AND PLANS”; and*

4                   (B) *by striking “and subparagraphs (B)*  
5 *and (C) of subsection (c)(1) to a health center or*  
6 *to a network or plan” and inserting “to a health*  
7 *center or to a network”;*

8           (7) *in subsection (e), by adding at the end the*  
9 *following:*

10                   “(6) *NEW ACCESS POINTS AND EXPANDED SERV-*  
11 *ICES.—*

12                           “(A) *APPROVAL OF NEW ACCESS POINTS.—*

13                                   “(i) *IN GENERAL.—The Secretary may*  
14 *approve applications for grants under sub-*  
15 *paragraph (A) or (B) of paragraph (1) to*  
16 *establish new delivery sites.*

17                                   “(ii) *SPECIAL CONSIDERATION.—In*  
18 *carrying out clause (i), the Secretary may*  
19 *give special consideration to applicants that*  
20 *have demonstrated the new delivery site will*  
21 *be located within a sparsely populated area,*  
22 *or an area which has a level of unmet need*  
23 *that is higher relative to other applicants.*

24                                   “(iii) *CONSIDERATION OF APPLICA-*  
25 *TIONS.—In carrying out clause (i), the Sec-*

1           retary shall approve applications for grants  
2           in such a manner that the ratio of the  
3           medically underserved populations in rural  
4           areas which may be expected to use the serv-  
5           ices provided by the applicants involved to  
6           the medically underserved populations in  
7           urban areas which may be expected to use  
8           the services provided by the applicants is  
9           not less than two to three or greater than  
10          three to two.

11           “(iv) *SERVICE AREA OVERLAP.*—If in  
12          carrying out clause (i) the applicant pro-  
13          poses to serve an area that is currently  
14          served by another health center funded  
15          under this section, the Secretary may con-  
16          sider whether the award of funding to an  
17          additional health center in the area can be  
18          justified based on the unmet need for addi-  
19          tional services within the catchment area.

20           “(B) *APPROVAL OF EXPANDED SERVICE AP-*  
21          *PLICATIONS.*—

22           “(i) *IN GENERAL.*—The Secretary may  
23          approve applications for grants under sub-  
24          paragraph (A) or (B) of paragraph (1) to  
25          expand the capacity of the applicant to pro-

1 *vide* required primary health services de-  
2 scribed in subsection (b)(1) or additional  
3 health services described in subsection  
4 (b)(2).

5 “(ii) *PRIORITY EXPANSION*  
6 *PROJECTS.*—In carrying out clause (i), the  
7 Secretary may give special consideration to  
8 expanded service applications that seek to  
9 address emerging public health or behav-  
10 ioral health, mental health, or substance  
11 abuse issues through increasing the avail-  
12 ability of additional health services de-  
13 scribed in subsection (b)(2) in an area in  
14 which there are significant barriers to ac-  
15 cessing care.

16 “(iii) *CONSIDERATION OF APPLICA-*  
17 *TIONS.*—In carrying out clause (i), the Sec-  
18 retary shall approve applications for grants  
19 in such a manner that the ratio of the  
20 medically underserved populations in rural  
21 areas which may be expected to use the serv-  
22 ices provided by the applicants involved to  
23 the medically underserved populations in  
24 urban areas which may be expected to use  
25 the services provided by such applicants is

1           *not less than two to three or greater than*  
2           *three to two.”;*

3           (8) *in subsection (h)—*

4           (A) *in paragraph (1), by striking “and*  
5           *children and youth at risk of homelessness” and*  
6           *inserting “, children and youth at risk of home-*  
7           *lessness, homeless veterans, and veterans at risk*  
8           *of homelessness”;* and

9           (B) *in paragraph (5)—*

10           (i) *by striking subparagraph (B);*

11           (ii) *by redesignating subparagraph (C)*  
12           *as subparagraph (B); and*

13           (iii) *in subparagraph (B) (as so red-*  
14           *ignated)—*

15           (I) *in the subparagraph heading,*  
16           *by striking “ABUSE” and inserting*  
17           *“USE DISORDER”;* and

18           (II) *by striking “abuse” and in-*  
19           *serting “use disorder”;*

20           (9) *in subsection (k)—*

21           (A) *in paragraph (2)—*

22           (i) *in the paragraph heading, by in-*  
23           *serting “UNMET” before “NEED”;*

1           (ii) in the matter preceding subpara-  
2 graph (A), by inserting “or subsection  
3 (e)(6)” after “subsection (e)(1)”;

4           (iii) in subparagraph (A), by inserting  
5 “unmet” before “need for health services”;

6           (iv) in subparagraph (B), by striking  
7 “and” at the end;

8           (v) in subparagraph (C), by striking  
9 the period at the end and inserting “; and”;  
10 and

11           (vi) by adding after subparagraph (C)  
12 the following:

13           “(D) in the case of an application for a  
14 grant pursuant to subsection (e)(6), a dem-  
15 onstration that the applicant has consulted with  
16 appropriate State and local government agen-  
17 cies, and health care providers regarding the  
18 need for the health services to be provided at the  
19 proposed delivery site.”;

20           (B) in paragraph (3)—

21           (i) in the matter preceding subpara-  
22 graph (A), by inserting “or subsection  
23 (e)(6)” after “subsection (e)(1)(B)”;

24           (ii) in subparagraph (B), by striking  
25 “in the catchment area of the center” and

1           inserting “, including other health care pro-  
2           viders that provide care within the  
3           catchment area, local hospitals, and spe-  
4           cialty providers in the catchment area of  
5           the center, to provide access to services not  
6           available through the health center and to  
7           reduce the non-urgent use of hospital emer-  
8           gency departments”;

9           (iii) in subparagraph (H)(ii), by in-  
10          serting “who shall be directly employed by  
11          the center” after “approves the selection of  
12          a director for the center”;

13          (iv) in subparagraph (L), by striking  
14          “and” at the end;

15          (v) in subparagraph (M), by striking  
16          the period and inserting “; and”; and

17          (vi) by inserting after subparagraph  
18          (M), the following:

19          “(N) the center has written policies and  
20          procedures in place to ensure the appropriate use  
21          of Federal funds in compliance with applicable  
22          Federal statutes, regulations, and the terms and  
23          conditions of the Federal award.”; and

24          (C) by striking paragraph (4);



1           (10) in subsection (l), by adding at the end the  
2 following: “Funds expended to carry out activities  
3 under this subsection and operational support activi-  
4 ties under subsection (m) shall not exceed 3 percent  
5 of the amount appropriated for this section for the fis-  
6 cal year involved.”;

7           (11) in subsection (q)(4), by adding at the end  
8 the following: “A waiver provided by the Secretary  
9 under this paragraph may not remain in effect for  
10 more than 1 year and may not be extended after such  
11 period. An entity may not receive more than one  
12 waiver under this paragraph in consecutive years.”;

13           (12) in subsection (r)(3)—

14           (A) by striking “appropriate committees of  
15 Congress a report concerning the distribution of  
16 funds under this section” and inserting the fol-  
17 lowing: “Committee on Health, Education,  
18 Labor, and Pensions of the Senate, and the Com-  
19 mittee on Energy and Commerce of the House of  
20 Representatives, a report including, at a min-  
21 imum—

22           “(A) the distribution of funds for carrying  
23 out this section”;

1           (B) by striking “populations. Such report  
2 shall include an assessment” and inserting the  
3 following: “populations;

4           “(B) an assessment”;

5           (C) by striking “and the rationale for any  
6 substantial changes in the distribution of funds.”  
7 and inserting a semicolon; and

8           (D) by adding at the end the following:

9           “(C) the distribution of awards and funding  
10 for new or expanded services in each of rural  
11 areas and urban areas;

12           “(D) the distribution of awards and fund-  
13 ing for establishing new access points, and the  
14 number of new access points created;

15           “(E) the amount of unexpended funding for  
16 loan guarantees and loan guarantee authority  
17 under title XVI;

18           “(F) the rationale for any substantial  
19 changes in the distribution of funds;

20           “(G) the rate of closures for health centers  
21 and access points;

22           “(H) the number and reason for any grants  
23 awarded pursuant to subsection (e)(1)(B); and

24           “(I) the number and reason for any waivers  
25 provided pursuant to subsection (q)(4).”;

1           (13) in subsection (r), by adding at the end the  
2 following new paragraph:

3           “(5) *FUNDING FOR PARTICIPATION OF HEALTH*  
4 *CENTERS IN ALL OF US RESEARCH PROGRAM.*—*In ad-*  
5 *dition to any amounts made available pursuant to*  
6 *paragraph (1) of this subsection, section 402A of this*  
7 *Act, or section 10503 of the Patient Protection and*  
8 *Affordable Care Act, there is authorized to be appro-*  
9 *priated, and there is appropriated, out of any monies*  
10 *in the Treasury not otherwise appropriated, to the*  
11 *Secretary \$25,000,000 for fiscal year 2018 to support*  
12 *the participation of health centers in the All of Us*  
13 *Research Program under the Precision Medicine Ini-*  
14 *tiative under section 498E of this Act.”; and*

15           (14) by striking subsection (s).

16           (c) *NATIONAL HEALTH SERVICE CORPS.*—*Section*  
17 *10503(b)(2) of the Patient Protection and Affordable Care*  
18 *Act (42 U.S.C. 254b–2(b)(2)), as amended by section 3101*  
19 *of Public Law 115–96, is amended by amending subpara-*  
20 *graph (F) to read as follows:*

21           “(F) \$310,000,000 for each of fiscal years  
22 2018 and 2019.”.

23           (d) *TEACHING HEALTH CENTERS THAT OPERATE*  
24 *GRADUATE MEDICAL EDUCATION PROGRAMS.*—

1           (1) *PAYMENTS.*—*Subsection (a) of section 340H*  
2 *of the Public Health Service Act (42 U.S.C. 256h) is*  
3 *amended to read as follows:*

4           “(a) *PAYMENTS.*—

5           “(1) *IN GENERAL.*—*Subject to subsection (h)(2),*  
6 *the Secretary shall make payments under this section*  
7 *for direct expenses and indirect expenses to qualified*  
8 *teaching health centers that are listed as sponsoring*  
9 *institutions by the relevant accrediting body for, as*  
10 *appropriate—*

11           “(A) *maintenance of filled positions at ex-*  
12 *isting approved graduate medical residency*  
13 *training programs;*

14           “(B) *expansion of existing approved grad-*  
15 *uate medical residency training programs; and*

16           “(C) *establishment of new approved grad-*  
17 *uate medical residency training programs.*

18           “(2) *PER RESIDENT AMOUNT.*—*In making pay-*  
19 *ments under paragraph (1), the Secretary shall con-*  
20 *sider the cost of training residents at teaching health*  
21 *centers and the implications of the per resident*  
22 *amount on approved graduate medical residency*  
23 *training programs at teaching health centers.*

1           “(3) *PRIORITY.*—*In making payments under*  
2           *paragraph (1)(C), the Secretary shall give priority to*  
3           *qualified teaching health centers that—*

4                     “(A) *serve a health professional shortage*  
5                     *area with a designation in effect under section*  
6                     *332 or a medically underserved community (as*  
7                     *defined in section 799B); or*

8                     “(B) *are located in a rural area (as defined*  
9                     *in section 1886(d)(2)(D) of the Social Security*  
10                    *Act).”.*

11           (2) *FUNDING.*—*Paragraph (1) of section*  
12           *340H(g) of the Public Health Service Act (42 U.S.C.*  
13           *256h(g)), as amended by section 3101 of Public Law*  
14           *115–96, is amended by striking “and \$30,000,000 for*  
15           *the period of the first and second quarters of fiscal*  
16           *year 2018” and inserting “and \$126,500,000 for each*  
17           *of fiscal years 2018 and 2019”.*

18           (3) *ANNUAL REPORTING.*—*Subsection (h)(1) of*  
19           *section 340H of the Public Health Service Act (42*  
20           *U.S.C. 256h) is amended—*

21                     (A) *by redesignating subparagraph (D) as*  
22                     *subparagraph (H); and*

23                     (B) *by inserting after subparagraph (C) the*  
24                     *following:*

1           “(D) The number of patients treated by  
2 residents described in paragraph (4).

3           “(E) The number of visits by patients treat-  
4 ed by residents described in paragraph (4).

5           “(F) Of the number of residents described in  
6 paragraph (4) who completed their residency  
7 training at the end of such residency academic  
8 year, the number and percentage of such resi-  
9 dents entering primary care practice (meaning  
10 any of the areas of practice listed in the defini-  
11 tion of a primary care residency program in sec-  
12 tion 749A).

13           “(G) Of the number of residents described in  
14 paragraph (4) who completed their residency  
15 training at the end of such residency academic  
16 year, the number and percentage of such resi-  
17 dents who entered practice at a health care facil-  
18 ity—

19                   “(i) primarily serving a health profes-  
20 sional shortage area with a designation in  
21 effect under section 332 or a medically un-  
22 derserved community (as defined in section  
23 799B); or

1                   “(ii) located in a rural area (as de-  
2                   fined in section 1886(d)(2)(D) of the Social  
3                   Security Act).”.

4                   (4) *REPORT ON TRAINING COSTS.*—Not later  
5                   than March 31, 2019, the Secretary of Health and  
6                   Human Services shall submit to the Congress a report  
7                   on the direct graduate expenses of approved graduate  
8                   medical residency training programs, and the indi-  
9                   rect expenses associated with the additional costs of  
10                  teaching residents, of qualified teaching health centers  
11                  (as such terms are used or defined in section 340H  
12                  of the Public Health Service Act (42 U.S.C. 256h)).

13                  (5) *DEFINITION.*—Subsection (j) of section 340H  
14                  of the Public Health Service Act (42 U.S.C. 256h) is  
15                  amended—

16                         (A) by redesignating paragraphs (2) and  
17                         (3) as paragraphs (3) and (4), respectively; and

18                         (B) by inserting after paragraph (1) the fol-  
19                         lowing:

20                         “(2) *NEW APPROVED GRADUATE MEDICAL RESI-*  
21                         *DENCY TRAINING PROGRAM.*—The term ‘new approved  
22                         graduate medical residency training program’ means  
23                         an approved graduate medical residency training  
24                         program for which the sponsoring qualified teaching  
25                         health center has not received a payment under this

1        *section for a previous fiscal year (other than pursuant*  
2        *to subsection (a)(1)(C)).”.*

3            (6) *TECHNICAL CORRECTION.*—*Subsection (f) of*  
4        *section 340H (42 U.S.C. 256h) is amended by strik-*  
5        *ing “hospital” each place it appears and inserting*  
6        *“teaching health center”.*

7            (7) *PAYMENTS FOR PREVIOUS FISCAL YEARS.*—  
8        *The provisions of section 340H of the Public Health*  
9        *Service Act (42 U.S.C. 256h), as in effect on the day*  
10       *before the date of enactment of Public Law 115–96,*  
11       *shall continue to apply with respect to payments*  
12       *under such section for fiscal years before fiscal year*  
13       *2018.*

14          (e) *APPLICATION.*—*Amounts appropriated pursuant to*  
15       *this section for fiscal year 2018 or 2019 are subject to the*  
16       *requirements contained in Public Law 115–31 for funds for*  
17       *programs authorized under sections 330 through 340 of the*  
18       *Public Health Service Act (42 U.S.C. 254b–256).*

19          (f) *CONFORMING AMENDMENT.*—*Paragraph (4) of sec-*  
20       *tion 3014(h) of title 18, United States Code, as amended*  
21       *by section 3101 of Public Law 115–96, is amended by strik-*  
22       *ing “and section 3101(d) of the CHIP and Public Health*  
23       *Funding Extension Act” and inserting “and section*  
24       *2501(e) of the SUSTAIN Care Act of 2018”.*



1 **SEC. 2502. EXTENSION FOR SPECIAL DIABETES PROGRAMS.**

2       (a) *SPECIAL DIABETES PROGRAM FOR TYPE I DIABE-*  
3 *TES.*—Subparagraph (D) of section 330B(b)(2) of the Pub-  
4 *lic Health Service Act (42 U.S.C. 254c–2(b)(2)), as amend-*  
5 *ed by section 3102 of Public Law 115–96, is amended to*  
6 *read as follows:*

7               “(D) \$150,000,000 for each of fiscal years  
8               2018 and 2019, to remain available until ex-  
9               pended.”.

10       (b) *SPECIAL DIABETES PROGRAM FOR INDIANS.*—Sub-  
11 *paragraph (D) of section 330C(c)(2) of the Public Health*  
12 *Service Act (42 U.S.C. 254c–3(c)(2)), as amended by sec-*  
13 *tion 3102 of Public Law 115–96, is amended to read as*  
14 *follows:*

15               “(D) \$150,000,000 for each of fiscal years  
16               2018 and 2019, to remain available until ex-  
17               pended.”.

18 **SEC. 2503. EXTENSION FOR FAMILY-TO-FAMILY HEALTH IN-**  
19 **FORMATION CENTERS.**

20       Section 501(c) of the Social Security Act (42 U.S.C.  
21 701(c)) is amended—

22               (1) in paragraph (1)(A)—

23                       (A) in clause (v), by striking “and” at the  
24                       end;

25                       (B) in clause (vi), by striking the period at  
26                       the end and inserting “; and”; and

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

3           “(vii) \$6,000,000 for each of fiscal years 2018  
4           and 2019.”;

5           (2) in paragraph (3)(C), by inserting before the  
6           period the following: “, and with respect to fiscal  
7           years 2018 and 2019, such centers shall also be devel-  
8           oped in all territories and at least one such center  
9           shall be developed for Indian Tribes”; and

10          (3) by amending paragraph (5) to read as fol-  
11          lows:

12          “(5) For purposes of this subsection—

13               “(A) the term ‘Indian Tribe’ has the meaning  
14               given to the term ‘Indian tribe’ in section 4 of the In-  
15               dian Health Care Improvement Act (25 U.S.C. 1603);

16               “(B) the term ‘State’ means each of the 50 States  
17               and the District of Columbia; and

18               “(C) the term ‘territory’ means Puerto Rico,  
19               Guam, American Samoa, the United States Virgin Is-  
20               lands, and the Northern Mariana Islands.”.

21 **SEC. 2504. EXTENSION FOR SEXUAL RISK AVOIDANCE EDU-**  
22 **CATION.**

23          (a) *IN GENERAL.*—Section 510 of the Social Security  
24          Act (42 U.S.C. 710) is amended to read as follows:

1 **“SEC. 510. SEXUAL RISK AVOIDANCE EDUCATION.**

2 “(a) *IN GENERAL.*—

3 “(1) *ALLOTMENTS TO STATES.*—*For the purpose*  
4 *described in subsection (b), the Secretary shall, for*  
5 *each of fiscal years 2018 and 2019, allot to each State*  
6 *which has transmitted an application for the fiscal*  
7 *year under section 505(a) an amount equal to the*  
8 *product of—*

9 “(A) *the amount appropriated pursuant to*  
10 *subsection (e)(1) for the fiscal year, minus the*  
11 *amount reserved under subsection (e)(2) for the*  
12 *fiscal year; and*

13 “(B) *the proportion that the number of low-*  
14 *income children in the State bears to the total of*  
15 *such numbers of children for all the States.*

16 “(2) *OTHER ALLOTMENTS.*—

17 “(A) *OTHER ENTITIES.*—*For the purpose*  
18 *described in subsection (b), the Secretary shall,*  
19 *for each of fiscal years 2018 and 2019, for any*  
20 *State which has not transmitted an application*  
21 *for the fiscal year under section 505(a), allot to*  
22 *one or more entities in the State the amount that*  
23 *would have been allotted to the State under*  
24 *paragraph (1) if the State had submitted such*  
25 *an application.*

1           “(B) *PROCESS.*—*The Secretary shall select*  
2           *the recipients of allotments under subparagraph*  
3           *(A) by means of a competitive grant process*  
4           *under which—*

5                   “(i) *not later than 30 days after the*  
6                   *deadline for the State involved to submit an*  
7                   *application for the fiscal year under section*  
8                   *505(a), the Secretary publishes a notice so-*  
9                   *liciting grant applications; and*

10                   “(ii) *not later than 120 days after such*  
11                   *deadline, all such applications must be sub-*  
12                   *mitted.*

13           “(b) *PURPOSE.*—

14                   “(1) *IN GENERAL.*—*Except for research under*  
15                   *paragraph (5) and information collection and report-*  
16                   *ing under paragraph (6), the purpose of an allotment*  
17                   *under subsection (a) to a State (or to another entity*  
18                   *in the State pursuant to subsection (a)(2)) is to en-*  
19                   *able the State or other entity to implement education*  
20                   *exclusively on sexual risk avoidance (meaning volun-*  
21                   *tarily refraining from sexual activity).*

22                   “(2) *REQUIRED COMPONENTS.*—*Education on*  
23                   *sexual risk avoidance pursuant to an allotment under*  
24                   *this section shall—*

1           “(A) ensure that the unambiguous and pri-  
2           mary emphasis and context for each topic de-  
3           scribed in paragraph (3) is a message to youth  
4           that normalizes the optimal health behavior of  
5           avoiding nonmarital sexual activity;

6           “(B) be medically accurate and complete;

7           “(C) be age-appropriate;

8           “(D) be based on adolescent learning and  
9           developmental theories for the age group receiv-  
10          ing the education; and

11          “(E) be culturally appropriate, recognizing  
12          the experiences of youth from diverse commu-  
13          nities, backgrounds, and experiences.

14          “(3) TOPICS.—Education on sexual risk avoid-  
15          ance pursuant to an allotment under this section  
16          shall address each of the following topics:

17                 “(A) The holistic individual and societal  
18                 benefits associated with personal responsibility,  
19                 self-regulation, goal setting, healthy decision-  
20                 making, and a focus on the future.

21                 “(B) The advantage of refraining from non-  
22                 marital sexual activity in order to improve the  
23                 future prospects and physical and emotional  
24                 health of youth.

1           “(C) *The increased likelihood of avoiding*  
2           *poverty when youth attain self-sufficiency and*  
3           *emotional maturity before engaging in sexual ac-*  
4           *tivity.*

5           “(D) *The foundational components of*  
6           *healthy relationships and their impact on the*  
7           *formation of healthy marriages and safe and sta-*  
8           *ble families.*

9           “(E) *How other youth risk behaviors, such*  
10          *as drug and alcohol usage, increase the risk for*  
11          *teen sex.*

12          “(F) *How to resist and avoid, and receive*  
13          *help regarding, sexual coercion and dating vio-*  
14          *lence, recognizing that even with consent teen sex*  
15          *remains a youth risk behavior.*

16          “(4) *CONTRACEPTION.—Education on sexual risk*  
17          *avoidance pursuant to an allotment under this section*  
18          *shall ensure that—*

19                 “(A) *any information provided on contra-*  
20                 *ception is medically accurate and complete and*  
21                 *ensures that students understand that contracep-*  
22                 *tion offers physical risk reduction, but not risk*  
23                 *elimination; and*

1           “(B) *the education does not include dem-*  
2           *onstrations, simulations, or distribution of con-*  
3           *traceptive devices.*

4           “(5) *RESEARCH.—*

5           “(A) *IN GENERAL.—A State or other entity*  
6           *receiving an allotment pursuant to subsection (a)*  
7           *may use up to 20 percent of such allotment to*  
8           *build the evidence base for sexual risk avoidance*  
9           *education by conducting or supporting research.*

10          “(B) *REQUIREMENTS.—Any research con-*  
11          *ducted or supported pursuant to subparagraph*  
12          *(A) shall be—*

13                   “(i) *rigorous;*

14                   “(ii) *evidence-based; and*

15                   “(iii) *designed and conducted by inde-*  
16                   *pendent researchers who have experience in*  
17                   *conducting and publishing research in peer-*  
18                   *reviewed outlets.*

19          “(6) *INFORMATION COLLECTION AND REPORT-*  
20          *ING.—A State or other entity receiving an allotment*  
21          *pursuant to subsection (a) shall, as specified by the*  
22          *Secretary—*

23                   “(A) *collect information on the programs*  
24                   *and activities funded through the allotment; and*

1           “(B) submit reports to the Secretary on the  
2           data from such programs and activities.

3           “(c) NATIONAL EVALUATION.—

4           “(1) IN GENERAL.—The Secretary shall—

5           “(A) in consultation with appropriate State  
6           and local agencies, conduct one or more rigorous  
7           evaluations of the education funded through this  
8           section and associated data; and

9           “(B) submit a report to the Congress on the  
10          results of such evaluations, together with a sum-  
11          mary of the information collected pursuant to  
12          subsection (b)(6).

13          “(2) CONSULTATION.—In conducting the evalua-  
14          tions required by paragraph (1), including the estab-  
15          lishment of rigorous evaluation methodologies, the  
16          Secretary shall consult with relevant stakeholders and  
17          evaluation experts.

18          “(d) APPLICABILITY OF CERTAIN PROVISIONS.—

19          “(1) Sections 503, 507, and 508 apply to allot-  
20          ments under subsection (a) to the same extent and in  
21          the same manner as such sections apply to allotments  
22          under section 502(c).

23          “(2) Sections 505 and 506 apply to allotments  
24          under subsection (a) to the extent determined by the  
25          Secretary to be appropriate.



1       “(e) *DEFINITIONS.—In this section:*

2               “(1) *The term ‘age-appropriate’ means suitable*  
3 *(in terms of topics, messages, and teaching methods)*  
4 *to the developmental and social maturity of the par-*  
5 *ticular age or age group of children or adolescents,*  
6 *based on developing cognitive, emotional, and behav-*  
7 *ioral capacity typical for the age or age group.*

8               “(2) *The term ‘medically accurate and complete’*  
9 *means verified or supported by the weight of research*  
10 *conducted in compliance with accepted scientific*  
11 *methods and—*

12                       “(A) *published in peer-reviewed journals,*  
13 *where applicable; or*

14                       “(B) *comprising information that leading*  
15 *professional organizations and agencies with rel-*  
16 *evant expertise in the field recognize as accurate,*  
17 *objective, and complete.*

18               “(3) *The term ‘rigorous’, with respect to research*  
19 *or evaluation, means using—*

20                       “(A) *established scientific methods for meas-*  
21 *uring the impact of an intervention or program*  
22 *model in changing behavior (specifically sexual*  
23 *activity or other sexual risk behaviors), or reduc-*  
24 *ing pregnancy, among youth; or*

1           “(B) other evidence-based methodologies es-  
2           tablished by the Secretary for purposes of this  
3           section.

4           “(4) The term ‘youth’ refers to one or more indi-  
5           viduals who have attained age 10 but not age 20.

6           “(f) FUNDING.—

7           “(1) IN GENERAL.—To carry out this section,  
8           there is appropriated, out of any money in the Treas-  
9           ury not otherwise appropriated, \$75,000,000 for each  
10          of fiscal years 2018 and 2019.

11          “(2) RESERVATION.—The Secretary shall reserve,  
12          for each of fiscal years 2018 and 2019, not more than  
13          20 percent of the amount appropriated pursuant to  
14          paragraph (1) for administering the program under  
15          this section, including the conducting of national  
16          evaluations and the provision of technical assistance  
17          to the recipients of allotments.”.

18          (b) EFFECTIVE DATE.—The amendment made by this  
19          section takes effect on October 1, 2017.

20       **SEC. 2505. EXTENSION FOR PERSONAL RESPONSIBILITY**  
21               **EDUCATION.**

22          (a) IN GENERAL.—Section 513 of the Social Security  
23          Act (42 U.S.C. 713) is amended—

24               (1) in subsection (a)(1)(A), by striking “2017”  
25               and inserting “2019”; and

1           (2) *in subsection (a)(4)—*

2                   (A) *in subparagraph (A), by striking*  
3           “2017” *each place it appears and inserting*  
4           “2019”; and

5                   (B) *in subparagraph (B)—*

6                           (i) *in the subparagraph heading, by*  
7           striking “3-YEAR GRANTS” *and inserting*  
8           “COMPETITIVE PREP GRANTS”; and

9                           (ii) *in clause (i), by striking “solicit*  
10          *applications to award 3-year grants in each*  
11          *of fiscal years 2012 through 2017” and in-*  
12          *serting “continue through fiscal year 2019*  
13          *grants awarded for any of fiscal years 2015*  
14          *through 2017”;*

15           (3) *in subsection (c)(1), by inserting after “youth*  
16          *with HIV/AIDS,” the following: “victims of human*  
17          *trafficking,”; and*

18                   (4) *in subsection (f), by striking “2017” and in-*  
19          *serting “2019”.*

20          (b) *EFFECTIVE DATE.—The amendments made by this*  
21          *section take effect on October 1, 2017.*

1     **TITLE VI—CHILD AND FAMILY**  
2             **SERVICES AND SUPPORT**  
3     **Subtitle A—Family First Prevention**  
4             **Services Act**

5     **SEC. 2601. SHORT TITLE.**

6             *This subtitle may be cited as the “Family First Pre-*  
7     *vention Services Act”.*

8     **CHAPTER 1—INVESTING IN PREVENTION**  
9             **AND FAMILY SERVICES**

10    **SEC. 2611. PURPOSE.**

11            *The purpose of this chapter is to enable States to use*  
12    *Federal funds available under parts B and E of title IV*  
13    *of the Social Security Act to provide enhanced support to*  
14    *children and families and prevent foster care placements*  
15    *through the provision of mental health and substance abuse*  
16    *prevention and treatment services, in-home parent skill-*  
17    *based programs, and kinship navigator services.*

18    **Subchapter A—Prevention Activities Under**  
19            **Title IV–E**

20    **SEC. 2621. FOSTER CARE PREVENTION SERVICES AND PRO-**  
21            **GRAMS.**

22            *(a) STATE OPTION.—Section 471 of the Social Secu-*  
23    *rity Act (42 U.S.C. 671) is amended—*

24            *(1) in subsection (a)(1), by striking “and” and*  
25    *all that follows through the semicolon and inserting “,*

1       *adoption assistance in accordance with section 473,*  
2       *and, at the option of the State, services or programs*  
3       *specified in subsection (e)(1) of this section for chil-*  
4       *dren who are candidates for foster care or who are*  
5       *pregnant or parenting foster youth and the parents or*  
6       *kin caregivers of the children, in accordance with the*  
7       *requirements of that subsection;”;* and

8               *(2) by adding at the end the following:*

9       “*(e) PREVENTION AND FAMILY SERVICES AND PRO-*  
10 *GRAMS.—*

11               “*(1) IN GENERAL.—Subject to the succeeding*  
12       *provisions of this subsection, the Secretary may make*  
13       *a payment to a State for providing the following serv-*  
14       *ices or programs for a child described in paragraph*  
15       *(2) and the parents or kin caregivers of the child*  
16       *when the need of the child, such a parent, or such a*  
17       *caregiver for the services or programs are directly re-*  
18       *lated to the safety, permanence, or well-being of the*  
19       *child or to preventing the child from entering foster*  
20       *care:*

21               “*(A) MENTAL HEALTH AND SUBSTANCE*  
22       *ABUSE PREVENTION AND TREATMENT SERV-*  
23       *ICES.—Mental health and substance abuse pre-*  
24       *vention and treatment services provided by a*  
25       *qualified clinician for not more than a 12-month*

1           *period that begins on any date described in*  
2           *paragraph (3) with respect to the child.*

3           “(B) *IN-HOME PARENT SKILL-BASED PRO-*  
4           *GRAMS.—In-home parent skill-based programs*  
5           *for not more than a 12-month period that begins*  
6           *on any date described in paragraph (3) with re-*  
7           *spect to the child and that include parenting*  
8           *skills training, parent education, and individual*  
9           *and family counseling.*

10          “(2) *CHILD DESCRIBED.—For purposes of para-*  
11          *graph (1), a child described in this paragraph is the*  
12          *following:*

13                 “(A) *A child who is a candidate for foster*  
14                 *care (as defined in section 475(13)) but can re-*  
15                 *main safely at home or in a kinship placement*  
16                 *with receipt of services or programs specified in*  
17                 *paragraph (1).*

18                 “(B) *A child in foster care who is a preg-*  
19                 *nant or parenting foster youth.*

20          “(3) *DATE DESCRIBED.—For purposes of para-*  
21          *graph (1), the dates described in this paragraph are*  
22          *the following:*

23                 “(A) *The date on which a child is identified*  
24                 *in a prevention plan maintained under para-*

1           *graph (4) as a child who is a candidate for foster*  
2           *care (as defined in section 475(13)).*

3           “(B) *The date on which a child is identified*  
4           *in a prevention plan maintained under para-*  
5           *graph (4) as a pregnant or parenting foster*  
6           *youth in need of services or programs specified*  
7           *in paragraph (1).*

8           “(4) *REQUIREMENTS RELATED TO PROVIDING*  
9           *SERVICES AND PROGRAMS.—Services and programs*  
10          *specified in paragraph (1) may be provided under*  
11          *this subsection only if specified in advance in the*  
12          *child’s prevention plan described in subparagraph (A)*  
13          *and the requirements in subparagraphs (B) through*  
14          *(E) are met:*

15          “(A) *PREVENTION PLAN.—The State main-*  
16          *tains a written prevention plan for the child that*  
17          *meets the following requirements (as applicable):*

18                  “(i) *CANDIDATES.—In the case of a*  
19                  *child who is a candidate for foster care de-*  
20                  *scribed in paragraph (2)(A), the prevention*  
21                  *plan shall—*

22                          “(I) *identify the foster care pre-*  
23                          *vention strategy for the child so that*  
24                          *the child may remain safely at home,*  
25                          *live temporarily with a kin caregiver*

1           *until reunification can be safely*  
2           *achieved, or live permanently with a*  
3           *kin caregiver;*

4           *“(II) list the services or programs*  
5           *to be provided to or on behalf of the*  
6           *child to ensure the success of that pre-*  
7           *vention strategy; and*

8           *“(III) comply with such other re-*  
9           *quirements as the Secretary shall es-*  
10          *tablish.*

11          *“(ii) PREGNANT OR PARENTING FOS-*  
12          *TER YOUTH.—In the case of a child who is*  
13          *a pregnant or parenting foster youth de-*  
14          *scribed in paragraph (2)(B), the prevention*  
15          *plan shall—*

16           *“(I) be included in the child’s case*  
17           *plan required under section 475(1);*

18           *“(II) list the services or programs*  
19           *to be provided to or on behalf of the*  
20           *youth to ensure that the youth is pre-*  
21           *pared (in the case of a pregnant foster*  
22           *youth) or able (in the case of a par-*  
23           *enting foster youth) to be a parent;*



1                   “(III) describe the foster care pre-  
2                   vention strategy for any child born to  
3                   the youth; and

4                   “(IV) comply with such other re-  
5                   quirements as the Secretary shall es-  
6                   tablish.

7                   “(B) TRAUMA-INFORMED.—The services or  
8                   programs to be provided to or on behalf of a  
9                   child are provided under an organizational  
10                  structure and treatment framework that involves  
11                  understanding, recognizing, and responding to  
12                  the effects of all types of trauma and in accord-  
13                  ance with recognized principles of a trauma-in-  
14                  formed approach and trauma-specific interven-  
15                  tions to address trauma’s consequences and fa-  
16                  cilitate healing.

17                  “(C) ONLY SERVICES AND PROGRAMS PRO-  
18                  VIDED IN ACCORDANCE WITH PROMISING, SUP-  
19                  PORTED, OR WELL-SUPPORTED PRACTICES PER-  
20                  MITTED.—

21                  “(i) IN GENERAL.—Only State expend-  
22                  itures for services or programs specified in  
23                  subparagraph (A) or (B) of paragraph (1)  
24                  that are provided in accordance with prac-  
25                  tices that meet the requirements specified in

1           *clause (ii) of this subparagraph and that*  
2           *meet the requirements specified in clause*  
3           *(iii), (iv), or (v), respectively, for being a*  
4           *promising, supported, or well-supported*  
5           *practice, shall be eligible for a Federal*  
6           *matching payment under section*  
7           *474(a)(6)(A).*

8           “(ii) *GENERAL PRACTICE REQUIRE-*  
9           *MENTS.—The general practice requirements*  
10           *specified in this clause are the following:*

11                   “(I) *The practice has a book,*  
12                   *manual, or other available writings*  
13                   *that specify the components of the*  
14                   *practice protocol and describe how to*  
15                   *administer the practice.*

16                   “(II) *There is no empirical basis*  
17                   *suggesting that, compared to its likely*  
18                   *benefits, the practice constitutes a risk*  
19                   *of harm to those receiving it.*

20                   “(III) *If multiple outcome studies*  
21                   *have been conducted, the overall weight*  
22                   *of evidence supports the benefits of the*  
23                   *practice.*

24                   “(IV) *Outcome measures are reli-*  
25                   *able and valid, and are administrated*

1 consistently and accurately across all  
2 those receiving the practice.

3 “(V) There is no case data sug-  
4 gesting a risk of harm that was prob-  
5 ably caused by the treatment and that  
6 was severe or frequent.

7 “(iii) *PROMISING PRACTICE*.—A prac-  
8 tice shall be considered to be a ‘promising  
9 practice’ if the practice is superior to an  
10 appropriate comparison practice using con-  
11 ventional standards of statistical signifi-  
12 cance (in terms of demonstrated meaningful  
13 improvements in validated measures of im-  
14 portant child and parent outcomes, such as  
15 mental health, substance abuse, and child  
16 safety and well-being), as established by the  
17 results or outcomes of at least one study  
18 that—

19 “(I) was rated by an independent  
20 systematic review for the quality of the  
21 study design and execution and deter-  
22 mined to be well-designed and well-exe-  
23 cuted; and

1                   “(II) utilized some form of control  
2                   (such as an untreated group, a placebo  
3                   group, or a wait list study).

4                   “(iv) SUPPORTED PRACTICE.—A prac-  
5                   tice shall be considered to be a ‘supported  
6                   practice’ if—

7                   “(I) the practice is superior to an  
8                   appropriate comparison practice using  
9                   conventional standards of statistical  
10                  significance (in terms of demonstrated  
11                  meaningful improvements in validated  
12                  measures of important child and par-  
13                  ent outcomes, such as mental health,  
14                  substance abuse, and child safety and  
15                  well-being), as established by the re-  
16                  sults or outcomes of at least one study  
17                  that—

18                  “(aa) was rated by an inde-  
19                  pendent systematic review for the  
20                  quality of the study design and  
21                  execution and determined to be  
22                  well-designed and well-executed;

23                  “(bb) was a rigorous ran-  
24                  dom-controlled trial (or, if not  
25                  available, a study using a rig-

1                    *orous quasi-experimental research*  
2                    *design); and*

3                    *“(cc) was carried out in a*  
4                    *usual care or practice setting; and*

5                    *“(II) the study described in sub-*  
6                    *clause (I) established that the practice*  
7                    *has a sustained effect (when compared*  
8                    *to a control group) for at least 6*  
9                    *months beyond the end of the treat-*  
10                   *ment.*

11                   *“(v) WELL-SUPPORTED PRACTICE.—A*  
12                   *practice shall be considered to be a ‘well-*  
13                   *supported practice’ if—*

14                   *“(I) the practice is superior to an*  
15                   *appropriate comparison practice using*  
16                   *conventional standards of statistical*  
17                   *significance (in terms of demonstrated*  
18                   *meaningful improvements in validated*  
19                   *measures of important child and par-*  
20                   *ent outcomes, such as mental health,*  
21                   *substance abuse, and child safety and*  
22                   *well-being), as established by the re-*  
23                   *sults or outcomes of at least two studies*  
24                   *that—*

1           “(aa) were rated by an inde-  
2           pendent systematic review for the  
3           quality of the study design and  
4           execution and determined to be  
5           well-designed and well-executed;

6           “(bb) were rigorous random-  
7           controlled trials (or, if not avail-  
8           able, studies using a rigorous  
9           quasi-experimental research de-  
10          sign); and

11          “(cc) were carried out in a  
12          usual care or practice setting; and

13          “(II) at least one of the studies de-  
14          scribed in subclause (I) established that  
15          the practice has a sustained effect  
16          (when compared to a control group) for  
17          at least 1 year beyond the end of treat-  
18          ment.

19          “(D) GUIDANCE ON PRACTICES CRITERIA  
20          AND PRE-APPROVED SERVICES AND PROGRAMS.—

21          “(i) IN GENERAL.—Not later than Oc-  
22          tober 1, 2018, the Secretary shall issue guid-  
23          ance to States regarding the practices cri-  
24          teria required for services or programs to  
25          satisfy the requirements of subparagraph

1           (C). *The guidance shall include a pre-ap-*  
2           *proved list of services and programs that*  
3           *satisfy the requirements.*

4                   “(ii) *UPDATES.—The Secretary shall*  
5           *issue updates to the guidance required by*  
6           *clause (i) as often as the Secretary deter-*  
7           *mines necessary.*

8                   “(E) *OUTCOME ASSESSMENT AND REPORT-*  
9           *ING.—The State shall collect and report to the*  
10          *Secretary the following information with respect*  
11          *to each child for whom, or on whose behalf men-*  
12          *tal health and substance abuse prevention and*  
13          *treatment services or in-home parent skill-based*  
14          *programs are provided during a 12-month pe-*  
15          *riod beginning on the date the child is deter-*  
16          *mined by the State to be a child described in*  
17          *paragraph (2):*

18                   “(i) *The specific services or programs*  
19           *provided and the total expenditures for each*  
20           *of the services or programs.*

21                   “(ii) *The duration of the services or*  
22           *programs provided.*

23                   “(iii) *In the case of a child described*  
24           *in paragraph (2)(A), the child’s placement*  
25           *status at the beginning, and at the end, of*

1           *the 1-year period, respectively, and whether*  
2           *the child entered foster care within 2 years*  
3           *after being determined a candidate for fos-*  
4           *ter care.*

5           “(5) *STATE PLAN COMPONENT.—*

6                   “(A) *IN GENERAL.—A State electing to pro-*  
7           *vide services or programs specified in paragraph*  
8           *(1) shall submit as part of the State plan re-*  
9           *quired by subsection (a) a prevention services*  
10           *and programs plan component that meets the re-*  
11           *quirements of subparagraph (B).*

12                   “(B) *PREVENTION SERVICES AND PRO-*  
13           *GRAMS PLAN COMPONENT.—In order to meet the*  
14           *requirements of this subparagraph, a prevention*  
15           *services and programs plan component, with re-*  
16           *spect to each 5-year period for which the plan*  
17           *component is in operation in the State, shall in-*  
18           *clude the following:*

19                           “(i) *How providing services and pro-*  
20           *grams specified in paragraph (1) is ex-*  
21           *pected to improve specific outcomes for chil-*  
22           *dren and families.*

23                           “(ii) *How the State will monitor and*  
24           *oversee the safety of children who receive*  
25           *services and programs specified in para-*



1           *graph (1), including through periodic risk*  
2           *assessments throughout the period in which*  
3           *the services and programs are provided on*  
4           *behalf of a child and reexamination of the*  
5           *prevention plan maintained for the child*  
6           *under paragraph (4) for the provision of the*  
7           *services or programs if the State determines*  
8           *the risk of the child entering foster care re-*  
9           *remains high despite the provision of the serv-*  
10          *ices or programs.*

11           *“(iii) With respect to the services and*  
12          *programs specified in subparagraphs (A)*  
13          *and (B) of paragraph (1), information on*  
14          *the specific promising, supported, or well-*  
15          *supported practices the State plans to use to*  
16          *provide the services or programs, including*  
17          *a description of—*

18                   *“(I) the services or programs and*  
19                   *whether the practices used are prom-*  
20                   *ising, supported, or well-supported;*

21                   *“(II) how the State plans to im-*  
22                   *plement the services or programs, in-*  
23                   *cluding how implementation of the*  
24                   *services or programs will be continu-*  
25                   *ously monitored to ensure fidelity to*

1           *the practice model and to determine*  
2           *outcomes achieved and how informa-*  
3           *tion learned from the monitoring will*  
4           *be used to refine and improve prac-*  
5           *tices;*

6                     *“(III) how the State selected the*  
7                     *services or programs;*

8                     *“(IV) the target population for the*  
9                     *services or programs; and*

10                    *“(V) how each service or program*  
11                    *provided will be evaluated through a*  
12                    *well-designed and rigorous process,*  
13                    *which may consist of an ongoing,*  
14                    *cross-site evaluation approved by the*  
15                    *Secretary.*

16                    *“(iv) A description of the consultation*  
17                    *that the State agencies responsible for ad-*  
18                    *ministering the State plans under this part*  
19                    *and part B engage in with other State*  
20                    *agencies responsible for administering*  
21                    *health programs, including mental health*  
22                    *and substance abuse prevention and treat-*  
23                    *ment services, and with other public and*  
24                    *private agencies with experience in admin-*  
25                    *istering child and family services, including*

1           *community-based organizations, in order to*  
2           *foster a continuum of care for children de-*  
3           *scribed in paragraph (2) and their parents*  
4           *or kin caregivers.*

5           “(v) *A description of how the State*  
6           *shall assess children and their parents or*  
7           *kin caregivers to determine eligibility for*  
8           *services or programs specified in paragraph*  
9           *(1).*

10          “(vi) *A description of how the services*  
11          *or programs specified in paragraph (1) that*  
12          *are provided for or on behalf of a child and*  
13          *the parents or kin caregivers of the child*  
14          *will be coordinated with other child and*  
15          *family services provided to the child and the*  
16          *parents or kin caregivers of the child under*  
17          *the State plans in effect under subparts 1*  
18          *and 2 of part B.*

19          “(vii) *Descriptions of steps the State is*  
20          *taking to support and enhance a competent,*  
21          *skilled, and professional child welfare work-*  
22          *force to deliver trauma-informed and evi-*  
23          *dence-based services, including—*

24                  “(I) *ensuring that staff is quali-*  
25                  *fied to provide services or programs*

1                   *that are consistent with the promising,*  
2                   *supported, or well-supported practice*  
3                   *models selected; and*

4                   “(II) *developing appropriate pre-*  
5                   *vention plans, and conducting the risk*  
6                   *assessments required under clause (iii).*

7                   “(viii) *A description of how the State*  
8                   *will provide training and support for case-*  
9                   *workers in assessing what children and*  
10                   *their families need, connecting to the fami-*  
11                   *lies served, knowing how to access and de-*  
12                   *liver the needed trauma-informed and evi-*  
13                   *dence-based services, and overseeing and*  
14                   *evaluating the continuing appropriateness*  
15                   *of the services.*

16                   “(ix) *A description of how caseload size*  
17                   *and type for prevention caseworkers will be*  
18                   *determined, managed, and overseen.*

19                   “(x) *An assurance that the State will*  
20                   *report to the Secretary such information*  
21                   *and data as the Secretary may require with*  
22                   *respect to the provision of services and pro-*  
23                   *grams specified in paragraph (1), including*  
24                   *information and data necessary to deter-*  
25                   *mine the performance measures for the*

1           *State under paragraph (6) and compliance*  
2           *with paragraph (7).*

3           “(C) *REIMBURSEMENT FOR SERVICES*  
4           *UNDER THE PREVENTION PLAN COMPONENT.—*

5                   “(i) *LIMITATION.—Except as provided*  
6                   *in subclause (ii), a State may not receive a*  
7                   *Federal payment under this part for a*  
8                   *given promising, supported, or well-sup-*  
9                   *ported practice unless (in accordance with*  
10                   *subparagraph (B)(iii)(V)) the plan includes*  
11                   *a well-designed and rigorous evaluation*  
12                   *strategy for that practice.*

13                   “(ii) *WAIVER OF LIMITATION.—The*  
14                   *Secretary may waive the requirement for a*  
15                   *well-designed and rigorous evaluation of*  
16                   *any well-supported practice if the Secretary*  
17                   *deems the evidence of the effectiveness of the*  
18                   *practice to be compelling and the State*  
19                   *meets the continuous quality improvement*  
20                   *requirements included in subparagraph*  
21                   *(B)(iii)(II) with regard to the practice.*

22           “(6) *PREVENTION SERVICES MEASURES.—*

23                   “(A) *ESTABLISHMENT; ANNUAL UPDATES.—*  
24                   *Beginning with fiscal year 2021, and annually*  
25                   *thereafter, the Secretary shall establish the fol-*

1           *lowing prevention services measures based on in-*  
2           *formation and data reported by States that elect*  
3           *to provide services and programs specified in*  
4           *paragraph (1):*

5                   “(i) *PERCENTAGE OF CANDIDATES FOR*  
6                   *FOSTER CARE WHO DO NOT ENTER FOSTER*  
7                   *CARE.—The percentage of candidates for*  
8                   *foster care for whom, or on whose behalf, the*  
9                   *services or programs are provided who do*  
10                   *not enter foster care, including those placed*  
11                   *with a kin caregiver outside of foster care,*  
12                   *during the 12-month period in which the*  
13                   *services or programs are provided and*  
14                   *through the end of the succeeding 12-month*  
15                   *period.*

16                   “(ii) *PER-CHILD SPENDING.—The total*  
17                   *amount of expenditures made for mental*  
18                   *health and substance abuse prevention and*  
19                   *treatment services or in-home parent skill-*  
20                   *based programs, respectively, for, or on be-*  
21                   *half of, each child described in paragraph*  
22                   *(2).*

23                   “(B) *DATA.—The Secretary shall establish*  
24                   *and annually update the prevention services*  
25                   *measures—*

1           “(i) based on the median State values  
2           of the information reported under each  
3           clause of subparagraph (A) for the 3 then  
4           most recent years; and

5           “(ii) taking into account State dif-  
6           ferences in the price levels of consumption  
7           goods and services using the most recent re-  
8           gional price parities published by the Bu-  
9           reau of Economic Analysis of the Depart-  
10          ment of Commerce or such other data as the  
11          Secretary determines appropriate.

12          “(C) *PUBLICATION OF STATE PREVENTION*  
13          *SERVICES MEASURES.*—The Secretary shall an-  
14          nually make available to the public the preven-  
15          tion services measures of each State.

16          “(7) *MAINTENANCE OF EFFORT FOR STATE FOS-*  
17          *TER CARE PREVENTION EXPENDITURES.*—

18                 “(A) *IN GENERAL.*—If a State elects to pro-  
19                 vide services and programs specified in para-  
20                 graph (1) for a fiscal year, the State foster care  
21                 prevention expenditures for the fiscal year shall  
22                 not be less than the amount of the expenditures  
23                 for fiscal year 2014 (or, at the option of a State  
24                 described in subparagraph (E), fiscal year 2015  
25                 or fiscal year 2016 (whichever the State elects)).

1           “(B) *STATE FOSTER CARE PREVENTION EX-*  
2           *PENDITURES.*—*The term ‘State foster care pre-*  
3           *vention expenditures’ means the following:*

4                   “(i) *TANF; IV-B; SSBG.*—*State ex-*  
5                   *penditures for foster care prevention services*  
6                   *and activities under the State program*  
7                   *funded under part A (including from*  
8                   *amounts made available by the Federal*  
9                   *Government), under the State plan devel-*  
10                   *oped under part B (including any such*  
11                   *amounts), or under the Social Services*  
12                   *Block Grant Programs under subtitle A of*  
13                   *title XX (including any such amounts).*

14                   “(ii) *OTHER STATE PROGRAMS.*—*State*  
15                   *expenditures for foster care prevention serv-*  
16                   *ices and activities under any State program*  
17                   *that is not described in clause (i) (other*  
18                   *than any State expenditures for foster care*  
19                   *prevention services and activities under the*  
20                   *State program under this part (including*  
21                   *under a waiver of the program)).*

22           “(C) *STATE EXPENDITURES.*—*The term*  
23           *‘State expenditures’ means all State or local*  
24           *funds that are expended by the State or a local*  
25           *agency including State or local funds that are*



1           *matched or reimbursed by the Federal Govern-*  
2           *ment and State or local funds that are not*  
3           *matched or reimbursed by the Federal Govern-*  
4           *ment.*

5           “(D) *DETERMINATION OF PREVENTION*  
6           *SERVICES AND ACTIVITIES.—The Secretary shall*  
7           *require each State that elects to provide services*  
8           *and programs specified in paragraph (1) to re-*  
9           *port the expenditures specified in subparagraph*  
10          *(B) for fiscal year 2014 and for such fiscal years*  
11          *thereafter as are necessary to determine whether*  
12          *the State is complying with the maintenance of*  
13          *effort requirement in subparagraph (A). The Sec-*  
14          *retary shall specify the specific services and ac-*  
15          *tivities under each program referred to in sub-*  
16          *paragraph (B) that are ‘prevention services and*  
17          *activities’ for purposes of the reports.*

18          “(E) *STATE DESCRIBED.—For purposes of*  
19          *subparagraph (A), a State is described in this*  
20          *subparagraph if the population of children in the*  
21          *State in 2014 was less than 200,000 (as deter-*  
22          *mined by the Bureau of the Census).*

23          “(8) *PROHIBITION AGAINST USE OF STATE FOS-*  
24          *TER CARE PREVENTION EXPENDITURES AND FEDERAL*  
25          *IV–E PREVENTION FUNDS FOR MATCHING OR EXPEND-*

1 *ITURE REQUIREMENT.—A State that elects to provide*  
2 *services and programs specified in paragraph (1)*  
3 *shall not use any State foster care prevention expend-*  
4 *itures for a fiscal year for the State share of expendi-*  
5 *tures under section 474(a)(6) for a fiscal year.*

6 *“(9) ADMINISTRATIVE COSTS.—Expenditures de-*  
7 *scribed in section 474(a)(6)(B)—*

8 *“(A) shall not be eligible for payment under*  
9 *subparagraph (A), (B), or (E) of section*  
10 *474(a)(3); and*

11 *“(B) shall be eligible for payment under sec-*  
12 *tion 474(a)(6)(B) without regard to whether the*  
13 *expenditures are incurred on behalf of a child*  
14 *who is, or is potentially, eligible for foster care*  
15 *maintenance payments under this part.*

16 *“(10) APPLICATION.—*

17 *“(A) IN GENERAL.—The provision of serv-*  
18 *ices or programs under this subsection to or on*  
19 *behalf of a child described in paragraph (2) shall*  
20 *not be considered to be receipt of aid or assist-*  
21 *ance under the State plan under this part for*  
22 *purposes of eligibility for any other program es-*  
23 *tablished under this Act.*

24 *“(B) CANDIDATES IN KINSHIP CARE.—A*  
25 *child described in paragraph (2) for whom such*

1           *services or programs under this subsection are*  
2           *provided for more than 6 months while in the*  
3           *home of a kin caregiver, and who would satisfy*  
4           *the AFDC eligibility requirement of section*  
5           *472(a)(3)(A)(ii)(II) but for residing in the home*  
6           *of the caregiver for more than 6 months, is*  
7           *deemed to satisfy that requirement for purposes*  
8           *of determining whether the child is eligible for*  
9           *foster care maintenance payments under section*  
10           *472.”.*

11           **(b) DEFINITION.**—*Section 475 of such Act (42 U.S.C.*  
12 *675) is amended by adding at the end the following:*

13           *“(13) The term ‘child who is a candidate for fos-*  
14           *ter care’ means, a child who is identified in a preven-*  
15           *tion plan under section 471(e)(4)(A) as being at im-*  
16           *minent risk of entering foster care (without regard to*  
17           *whether the child would be eligible for foster care*  
18           *maintenance payments under section 472 or is or*  
19           *would be eligible for adoption assistance or kinship*  
20           *guardianship assistance payments under section 473)*  
21           *but who can remain safely in the child’s home or in*  
22           *a kinship placement as long as services or programs*  
23           *specified in section 471(e)(1) that are necessary to*  
24           *prevent the entry of the child into foster care are pro-*  
25           *vided. The term includes a child whose adoption or*

1 *guardianship arrangement is at risk of a disruption*  
2 *or dissolution that would result in a foster care place-*  
3 *ment.”.*

4 *(c) PAYMENTS UNDER TITLE IV–E.—Section 474(a)*  
5 *of such Act (42 U.S.C. 674(a)) is amended—*

6 *(1) in paragraph (5), by striking the period at*  
7 *the end and inserting “; plus”; and*

8 *(2) by adding at the end the following:*

9 *“(6) subject to section 471(e)—*

10 *“(A) for each quarter—*

11 *“(i) subject to clause (ii)—*

12 *“(I) beginning after September*  
13 *30, 2019, and before October 1, 2026,*  
14 *an amount equal to 50 percent of the*  
15 *total amount expended during the*  
16 *quarter for the provision of services or*  
17 *programs specified in subparagraph*  
18 *(A) or (B) of section 471(e)(1) that are*  
19 *provided in accordance with prom-*  
20 *ising, supported, or well-supported*  
21 *practices that meet the applicable cri-*  
22 *teria specified for the practices in sec-*  
23 *tion 471(e)(4)(C); and*

24 *“(II) beginning after September*  
25 *30, 2026, an amount equal to the Fed-*

1            *eral medical assistance percentage*  
2            *(which shall be as defined in section*  
3            *1905(b), in the case of a State other*  
4            *than the District of Columbia, or 70*  
5            *percent, in the case of the District of*  
6            *Columbia) of the total amount ex-*  
7            *pende d during the quarter for the pro-*  
8            *vision of services or programs specified*  
9            *in subparagraph (A) or (B) of section*  
10           *471(e)(1) that are provided in accord-*  
11           *ance with promising, supported, or*  
12           *well-supported practices that meet the*  
13           *applicable criteria specified for the*  
14           *practices in section 471(e)(4)(C) (or,*  
15           *with respect to the payments made*  
16           *during the quarter under a cooperative*  
17           *agreement or contract entered into by*  
18           *the State and an Indian tribe, tribal*  
19           *organization, or tribal consortium for*  
20           *the administration or payment of*  
21           *funds under this part, an amount*  
22           *equal to the Federal medical assistance*  
23           *percentage that would apply under sec-*  
24           *tion 479B(d) (in this paragraph re-*  
25           *ferred to as the ‘tribal FMAP’) if the*

1            *Indian tribe, tribal organization, or*  
2            *tribal consortium made the payments*  
3            *under a program operated under that*  
4            *section, unless the tribal FMAP is less*  
5            *than the Federal medical assistance*  
6            *percentage that applies to the State);*  
7            *except that*

8            *“(ii) not less than 50 percent of the*  
9            *total amount expended by a State under*  
10           *clause (i) for a fiscal year shall be for the*  
11           *provision of services or programs specified*  
12           *in subparagraph (A) or (B) of section*  
13           *471(e)(1) that are provided in accordance*  
14           *with well-supported practices; plus*

15           *“(B) for each quarter specified in subpara-*  
16           *graph (A), an amount equal to the sum of the*  
17           *following proportions of the total amount ex-*  
18           *pended during the quarter—*

19           *“(i) 50 percent of so much of the ex-*  
20           *penditures as are found necessary by the*  
21           *Secretary for the proper and efficient ad-*  
22           *ministration of the State plan for the provi-*  
23           *sion of services or programs specified in sec-*  
24           *tion 471(e)(1), including expenditures for*  
25           *activities approved by the Secretary that*

1           *promote the development of necessary proc-*  
2           *esses and procedures to establish and imple-*  
3           *ment the provision of the services and pro-*  
4           *grams for individuals who are eligible for*  
5           *the services and programs and expenditures*  
6           *attributable to data collection and report-*  
7           *ing; and*

8           “(ii) 50 percent of so much of the ex-  
9           *penditures with respect to the provision of*  
10          *services and programs specified in section*  
11          *471(e)(1) as are for training of personnel*  
12          *employed or preparing for employment by*  
13          *the State agency or by the local agency ad-*  
14          *ministering the plan in the political sub-*  
15          *division and of the members of the staff of*  
16          *State-licensed or State-approved child wel-*  
17          *fare agencies providing services to children*  
18          *described in section 471(e)(2) and their par-*  
19          *ents or kin caregivers, including on how to*  
20          *determine who are individuals eligible for*  
21          *the services or programs, how to identify*  
22          *and provide appropriate services and pro-*  
23          *grams, and how to oversee and evaluate the*  
24          *ongoing appropriateness of the services and*  
25          *programs.”.*

1       (d) *TECHNICAL ASSISTANCE AND BEST PRACTICES,*  
2 *CLEARINGHOUSE, AND DATA COLLECTION AND EVALUA-*  
3 *TIONS.—Section 476 of such Act (42 U.S.C. 676) is amend-*  
4 *ed by adding at the end the following:*

5       “(d) *TECHNICAL ASSISTANCE AND BEST PRACTICES,*  
6 *CLEARINGHOUSE, DATA COLLECTION, AND EVALUATIONS*  
7 *RELATING TO PREVENTION SERVICES AND PROGRAMS.—*

8               “(1) *TECHNICAL ASSISTANCE AND BEST PRAC-*  
9 *TICES.—The Secretary shall provide to States and, as*  
10 *applicable, to Indian tribes, tribal organizations, and*  
11 *tribal consortia, technical assistance regarding the*  
12 *provision of services and programs described in sec-*  
13 *tion 471(e)(1) and shall disseminate best practices*  
14 *with respect to the provision of the services and pro-*  
15 *grams, including how to plan and implement a well-*  
16 *designed and rigorous evaluation of a promising, sup-*  
17 *ported, or well-supported practice.*

18               “(2) *CLEARINGHOUSE OF PROMISING, SUP-*  
19 *PORTED, AND WELL-SUPPORTED PRACTICES.—The*  
20 *Secretary shall, directly or through grants, contracts,*  
21 *or interagency agreements, evaluate research on the*  
22 *practices specified in clauses (iii), (iv), and (v), re-*  
23 *spectively, of section 471(e)(4)(C), and programs that*  
24 *meet the requirements described in section 427(a)(1),*  
25 *including culturally specific, or location- or popu-*



1        *lation-based adaptations of the practices, to identify*  
2        *and establish a public clearinghouse of the practices*  
3        *that satisfy each category described by such clauses.*  
4        *In addition, the clearinghouse shall include informa-*  
5        *tion on the specific outcomes associated with each*  
6        *practice, including whether the practice has been*  
7        *shown to prevent child abuse and neglect and reduce*  
8        *the likelihood of foster care placement by supporting*  
9        *birth families and kinship families and improving*  
10       *targeted supports for pregnant and parenting youth*  
11       *and their children.*

12                *“(3) DATA COLLECTION AND EVALUATIONS.—The*  
13        *Secretary, directly or through grants, contracts, or*  
14        *interagency agreements, may collect data and conduct*  
15        *evaluations with respect to the provision of services*  
16        *and programs described in section 471(e)(1) for pur-*  
17        *poses of assessing the extent to which the provision of*  
18        *the services and programs—*

19                        *“(A) reduces the likelihood of foster care*  
20        *placement;*

21                        *“(B) increases use of kinship care arrange-*  
22        *ments; or*

23                        *“(C) improves child well-being.*

24                *“(4) REPORTS TO CONGRESS.—*

1           “(A) *IN GENERAL.*—*The Secretary shall*  
2           *submit to the Committee on Finance of the Sen-*  
3           *ate and the Committee on Ways and Means of*  
4           *the House of Representatives periodic reports*  
5           *based on the provision of services and programs*  
6           *described in section 471(e)(1) and the activities*  
7           *carried out under this subsection.*

8           “(B) *PUBLIC AVAILABILITY.*—*The Secretary*  
9           *shall make the reports to the Congress submitted*  
10           *under this paragraph publicly available.*

11           “(5) *APPROPRIATION.*—*Out of any money in the*  
12           *Treasury of the United States not otherwise appro-*  
13           *priated, there are appropriated to the Secretary*  
14           *\$1,000,000 for fiscal year 2018 and each fiscal year*  
15           *thereafter to carry out this subsection.”.*

16           *(e) APPLICATION TO PROGRAMS OPERATED BY INDIAN*  
17           *TRIBAL ORGANIZATIONS.—*

18           *(1) IN GENERAL.*—*Section 479B of such Act (42*  
19           *U.S.C. 679c) is amended—*

20                   *(A) in subsection (c)(1)—*

21                           *(i) in subparagraph (C)(i)—*

22                                   *(I) in subclause (II), by striking*  
23                                   *“and” after the semicolon;*

1                   (II) in subclause (III), by striking  
2                   the period at the end and inserting “;  
3                   and”; and

4                   (III) by adding at the end the fol-  
5                   lowing:

6                   “(IV) at the option of the tribe,  
7                   organization, or consortium, services  
8                   and programs specified in section  
9                   471(e)(1) to children described in sec-  
10                  tion 471(e)(2) and their parents or kin  
11                  caregivers, in accordance with section  
12                  471(e) and subparagraph (E).”; and

13                  (ii) by adding at the end the following:

14                  “(E) PREVENTION SERVICES AND PRO-  
15                  GRAMS FOR CHILDREN AND THEIR PARENTS AND  
16                  KIN CAREGIVERS.—

17                  “(i) IN GENERAL.—In the case of a  
18                  tribe, organization, or consortium that  
19                  elects to provide services and programs spec-  
20                  ified in section 471(e)(1) to children de-  
21                  scribed in section 471(e)(2) and their par-  
22                  ents or kin caregivers under the plan, the  
23                  Secretary shall specify the requirements ap-  
24                  plicable to the provision of the services and  
25                  programs. The requirements shall, to the

1           *greatest extent practicable, be consistent*  
2           *with the requirements applicable to States*  
3           *under section 471(e) and shall permit the*  
4           *provision of the services and programs in*  
5           *the form of services and programs that are*  
6           *adapted to the culture and context of the*  
7           *tribal communities served.*

8           “(ii) *PERFORMANCE MEASURES.—The*  
9           *Secretary shall establish specific perform-*  
10           *ance measures for each tribe, organization,*  
11           *or consortium that elects to provide services*  
12           *and programs specified in section 471(e)(1).*  
13           *The performance measures shall, to the*  
14           *greatest extent practicable, be consistent*  
15           *with the prevention services measures re-*  
16           *quired for States under section 471(e)(6)*  
17           *but shall allow for consideration of factors*  
18           *unique to the provision of the services by*  
19           *tribes, organizations, or consortia.”; and*

20           *(B) in subsection (d)(1), by striking “and*  
21           *(5)” and inserting “(5), and (6)(A)”.*

22           “(2) *CONFORMING AMENDMENT.—The heading for*  
23           *subsection (d) of section 479B of such Act (42 U.S.C.*  
24           *679c) is amended by striking “FOR FOSTER CARE*



1 *the eligibility were determined without regard to*  
2 *paragraphs (1)(B) and (3) of subsection (a), shall be*  
3 *eligible for the payments for a period of not more*  
4 *than 12 months during which the child is placed with*  
5 *a parent who is in a licensed residential family-based*  
6 *treatment facility for substance abuse, but only if—*

7 *“(A) the recommendation for the placement*  
8 *is specified in the child’s case plan before the*  
9 *placement;*

10 *“(B) the treatment facility provides, as part*  
11 *of the treatment for substance abuse, parenting*  
12 *skills training, parent education, and individual*  
13 *and family counseling; and*

14 *“(C) the substance abuse treatment, par-*  
15 *enting skills training, parent education, and in-*  
16 *dividual and family counseling is provided*  
17 *under an organizational structure and treatment*  
18 *framework that involves understanding, recog-*  
19 *nizing, and responding to the effects of all types*  
20 *of trauma and in accordance with recognized*  
21 *principles of a trauma-informed approach and*  
22 *trauma-specific interventions to address the con-*  
23 *sequences of trauma and facilitate healing.*

24 *“(2) APPLICATION.—With respect to children for*  
25 *whom foster care maintenance payments are made*

1 under paragraph (1), only the children who satisfy  
2 the requirements of paragraphs (1)(B) and (3) of sub-  
3 section (a) shall be considered to be children with re-  
4 spect to whom foster care maintenance payments are  
5 made under this section for purposes of subsection (h)  
6 or section 473(b)(3)(B).”.

7 (b) *CONFORMING AMENDMENT.*—Section 474(a)(1) of  
8 such Act (42 U.S.C. 674(a)(1)) is amended by inserting  
9 “subject to section 472(j),” before “an amount equal to the  
10 Federal” the first place it appears.

11 **SEC. 2623. TITLE IV-E PAYMENTS FOR EVIDENCE-BASED**  
12 **KINSHIP NAVIGATOR PROGRAMS.**

13 Section 474(a) of the Social Security Act (42 U.S.C.  
14 674(a)), as amended by section 2621(c) of this Act, is  
15 amended—

16 (1) in paragraph (6), by striking the period at  
17 the end and inserting “; plus”; and

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

19 “(7) an amount equal to 50 percent of the  
20 amounts expended by the State during the quarter as  
21 the Secretary determines are for kinship navigator  
22 programs that meet the requirements described in sec-  
23 tion 427(a)(1) and that the Secretary determines are  
24 operated in accordance with promising, supported, or  
25 well-supported practices that meet the applicable cri-





1 child, pursuant to section 475(5)(F), is consid-  
2 ered to have entered foster care” and inserting  
3 “and to ensure the strength and stability of the  
4 reunification. In the case of a child who has been  
5 returned home, the services and activities shall  
6 only be provided during the 15-month period  
7 that begins on the date that the child returns  
8 home”.

9 (b) *CONFORMING AMENDMENTS.*—

10 (1) Section 430 of such Act (42 U.S.C. 629) is  
11 amended in the matter preceding paragraph (1), by  
12 striking “time-limited”.

13 (2) Subsections (a)(4), (a)(5)(A), and (b)(1) of  
14 section 432 of such Act (42 U.S.C. 629b) are amended  
15 by striking “time-limited” each place it appears.

16 **SEC. 2632. REDUCING BUREAUCRACY AND UNNECESSARY**  
17 **DELAYS WHEN PLACING CHILDREN IN HOMES**  
18 **ACROSS STATE LINES.**

19 (a) *STATE PLAN REQUIREMENT.*—

20 (1) *IN GENERAL.*—Section 471(a)(25) of the So-  
21 cial Security Act (42 U.S.C. 671(a)(25)) is amend-  
22 ed—

23 (A) by striking “provide” and inserting  
24 “provides”; and

1           (B) by inserting “, which, in the case of a  
2           State other than the Commonwealth of Puerto  
3           Rico, the United States Virgin Islands, Guam,  
4           and American Samoa, not later than October 1,  
5           2027, shall include the use of an electronic inter-  
6           state case-processing system” before the first  
7           semicolon.

8           (2) *EXEMPTION OF INDIAN TRIBES.*—Section  
9           479B(c) of such Act (42 U.S.C. 679c(c)) is amended  
10          by adding at the end the following:

11           “(4) *INAPPLICABILITY OF STATE PLAN REQUIRE-*  
12          *MENT TO HAVE IN EFFECT PROCEDURES PROVIDING*  
13          *FOR THE USE OF AN ELECTRONIC INTERSTATE CASE-*  
14          *PROCESSING SYSTEM.*—The requirement in section  
15          471(a)(25) that a State plan provide that the State  
16          shall have in effect procedures providing for the use  
17          of an electronic interstate case-processing system shall  
18          not apply to an Indian tribe, tribal organization, or  
19          tribal consortium that elects to operate a program  
20          under this part.”.

21          (b) *FUNDING FOR THE DEVELOPMENT OF AN ELEC-*  
22          *TRONIC INTERSTATE CASE-PROCESSING SYSTEM TO EXPE-*  
23          *DITE THE INTERSTATE PLACEMENT OF CHILDREN IN FOS-*  
24          *TER CARE OR GUARDIANSHIP, OR FOR ADOPTION.*—Section

1 437 of such Act (42 U.S.C. 629g) is amended by adding  
2 at the end the following:

3 “(g) *FUNDING FOR THE DEVELOPMENT OF AN ELEC-*  
4 *TRONIC INTERSTATE CASE-PROCESSING SYSTEM TO EXPE-*  
5 *DITE THE INTERSTATE PLACEMENT OF CHILDREN IN FOS-*  
6 *TER CARE OR GUARDIANSHIP, OR FOR ADOPTION.*—

7 “(1) *PURPOSE.*—*The purpose of this subsection*  
8 *is to facilitate the development of an electronic inter-*  
9 *state case-processing system for the exchange of data*  
10 *and documents to expedite the placements of children*  
11 *in foster, guardianship, or adoptive homes across*  
12 *State lines.*

13 “(2) *REQUIREMENTS.*—*A State that seeks fund-*  
14 *ing under this subsection shall submit to the Sec-*  
15 *retary the following information:*

16 “(A) *A description of the goals and out-*  
17 *comes to be achieved, which goals and outcomes*  
18 *must result in—*

19 “(i) *reducing the time it takes for a*  
20 *child to be provided with a safe and appro-*  
21 *priate permanent living arrangement across*  
22 *State lines;*

23 “(ii) *improving administrative proc-*  
24 *esses and reducing costs in the foster care*  
25 *system; and*

1           “(iii) the secure exchange of relevant  
2           case files and other necessary materials in  
3           real time, and timely communications and  
4           placement decisions regarding interstate  
5           placements of children.

6           “(B) A description of the activities to be  
7           funded in whole or in part with the funds, in-  
8           cluding the sequencing of the activities.

9           “(C) A description of the strategies for inte-  
10          grating programs and services for children who  
11          are placed across State lines.

12          “(D) Such other information as the Sec-  
13          retary may require.

14          “(3) FUNDING AUTHORITY.—The Secretary may  
15          provide funds to a State that complies with para-  
16          graph (2). In providing funds under this subsection,  
17          the Secretary shall prioritize States that are not yet  
18          connected with the electronic interstate case-processing  
19          system referred to in paragraph (1).

20          “(4) USE OF FUNDS.—A State to which funding  
21          is provided under this subsection shall use the fund-  
22          ing to support the State in connecting with, or en-  
23          hancing or expediting services provided under, the  
24          electronic interstate case-processing system referred to  
25          in paragraph (1).

1           “(5) *EVALUATIONS.*—Not later than 1 year after  
2           the final year in which funds are awarded under this  
3           subsection, the Secretary shall submit to the Congress,  
4           and make available to the general public by posting  
5           on a website, a report that contains the following in-  
6           formation:

7                   “(A) *How using the electronic interstate*  
8                   *case-processing system developed pursuant to*  
9                   *paragraph (4) has changed the time it takes for*  
10                  *children to be placed across State lines.*

11                  “(B) *The number of cases subject to the*  
12                  *Interstate Compact on the Placement of Children*  
13                  *that were processed through the electronic inter-*  
14                  *state case-processing system, and the number of*  
15                  *interstate child placement cases that were proc-*  
16                  *essed outside the electronic interstate case-proc-*  
17                  *essing system, by each State in each year.*

18                  “(C) *The progress made by States in imple-*  
19                  *menting the electronic interstate case-processing*  
20                  *system.*

21                  “(D) *How using the electronic interstate*  
22                  *case-processing system has affected various*  
23                  *metrics related to child safety and well-being, in-*  
24                  *cluding the time it takes for children to be placed*  
25                  *across State lines.*

1           “(E) *How using the electronic interstate*  
2           *case-processing system has affected administra-*  
3           *tive costs and caseworker time spent on placing*  
4           *children across State lines.*

5           “(6) *DATA INTEGRATION.—The Secretary, in*  
6           *consultation with the Secretariat for the Interstate*  
7           *Compact on the Placement of Children and the States,*  
8           *shall assess how the electronic interstate case-proc-*  
9           *essing system developed pursuant to paragraph (4)*  
10          *could be used to better serve and protect children that*  
11          *come to the attention of the child welfare system, by—*

12           “(A) *connecting the system with other data*  
13           *systems (such as systems operated by State law*  
14           *enforcement and judicial agencies, systems oper-*  
15           *ated by the Federal Bureau of Investigation for*  
16           *the purposes of the Innocence Lost National Ini-*  
17           *tiative, and other systems);*

18           “(B) *simplifying and improving reporting*  
19           *related to paragraphs (34) and (35) of section*  
20           *471(a) regarding children or youth who have*  
21           *been identified as being a sex trafficking victim*  
22           *or children missing from foster care; and*

23           “(C) *improving the ability of States to*  
24           *quickly comply with background check require-*  
25           *ments of section 471(a)(20), including checks of*

1           *child abuse and neglect registries as required by*  
2           *section 471(a)(20)(B).”.*

3           (c) *RESERVATION OF FUNDS TO IMPROVE THE INTER-*  
4 *STATE PLACEMENT OF CHILDREN.*—Section 437(b) of such  
5 *Act (42 U.S.C. 629g(b)) is amended by adding at the end*  
6 *the following:*

7           “(4) *IMPROVING THE INTERSTATE PLACEMENT*  
8 *OF CHILDREN.*—The Secretary shall reserve  
9 \$5,000,000 of the amount made available for fiscal  
10 year 2018 for grants under subsection (g), and the  
11 amount so reserved shall remain available through  
12 fiscal year 2022.”.

13 **SEC. 2633. ENHANCEMENTS TO GRANTS TO IMPROVE WELL-**  
14 **BEING OF FAMILIES AFFECTED BY SUB-**  
15 **STANCE ABUSE.**

16           Section 437(f) of the Social Security Act (42 U.S.C.  
17 629g(f)) is amended—

18           (1) *in the subsection heading, by striking “IN-*  
19 *CREASE THE WELL-BEING OF, AND TO IMPROVE THE*  
20 *PERMANENCY OUTCOMES FOR, CHILDREN AFFECTED*  
21 *BY” and inserting “IMPLEMENT IV–E PREVENTION*  
22 *SERVICES, AND IMPROVE THE WELL-BEING OF, AND*  
23 *IMPROVE PERMANENCY OUTCOMES FOR, CHILDREN*  
24 *AND FAMILIES AFFECTED BY HEROIN, OPIOIDS, AND*  
25 *OTHER”;*

1           (2) *by striking paragraph (2) and inserting the*  
2 *following:*

3           “(2) *REGIONAL PARTNERSHIP DEFINED.—In this*  
4 *subsection, the term ‘regional partnership’ means a*  
5 *collaborative agreement (which may be established on*  
6 *an interstate, State, or intrastate basis) entered into*  
7 *by the following:*

8                   “(A) *MANDATORY PARTNERS FOR ALL PART-*  
9 *NERSHIP GRANTS.—*

10                   “(i) *The State child welfare agency*  
11 *that is responsible for the administration of*  
12 *the State plan under this part and part E.*

13                   “(ii) *The State agency responsible for*  
14 *administering the substance abuse preven-*  
15 *tion and treatment block grant provided*  
16 *under subpart II of part B of title XIX of*  
17 *the Public Health Service Act.*

18                   “(B) *MANDATORY PARTNERS FOR PARTNER-*  
19 *SHIP GRANTS PROPOSING TO SERVE CHILDREN*  
20 *IN OUT-OF-HOME PLACEMENTS.—If the partner-*  
21 *ship proposes to serve children in out-of-home*  
22 *placements, the Juvenile Court or Administrative*  
23 *Office of the Court that is most appropriate to*  
24 *oversee the administration of court programs in*  
25 *the region to address the population of families*



1           *who come to the attention of the court due to*  
2           *child abuse or neglect.*

3           “(C) *OPTIONAL PARTNERS.—At the option*  
4           *of the partnership, any of the following:*

5                     “(i) *An Indian tribe or tribal consor-*  
6                     *tium.*

7                     “(ii) *Nonprofit child welfare service*  
8                     *providers.*

9                     “(iii) *For-profit child welfare service*  
10                    *providers.*

11                    “(iv) *Community health service pro-*  
12                    *viders, including substance abuse treatment*  
13                    *providers.*

14                    “(v) *Community mental health pro-*  
15                    *viders.*

16                    “(vi) *Local law enforcement agencies.*

17                    “(vii) *School personnel.*

18                    “(viii) *Tribal child welfare agencies*  
19                    *(or a consortia of the agencies).*

20                    “(ix) *Any other providers, agencies,*  
21                    *personnel, officials, or entities that are re-*  
22                    *lated to the provision of child and family*  
23                    *services under a State plan approved under*  
24                    *this subpart.*

1           “(D) *EXCEPTION FOR REGIONAL PARTNER-*  
2           *SHIPS WHERE THE LEAD APPLICANT IS AN IN-*  
3           *DIAN TRIBE OR TRIBAL CONSORTIA.*—*If an In-*  
4           *Indian tribe or tribal consortium enters into a re-*  
5           *gional partnership for purposes of this sub-*  
6           *section, the Indian tribe or tribal consortium—*

7                   “(i) *may (but is not required to) in-*  
8                   *clude the State child welfare agency as a*  
9                   *partner in the collaborative agreement;*

10                   “(ii) *may not enter into a collaborative*  
11                   *agreement only with tribal child welfare*  
12                   *agencies (or a consortium of the agencies);*  
13                   *and*

14                   “(iii) *if the condition described in*  
15                   *paragraph (2)(B) applies, may include trib-*  
16                   *al court organizations in lieu of other judi-*  
17                   *cial partners.”;*

18           (3) *in paragraph (3)—*

19                   (A) *in subparagraph (A)—*

20                           (i) *by striking “2012 through 2016”*  
21                           *and inserting “2017 through 2021”; and*

22                           (ii) *by striking “\$500,000 and not*  
23                           *more than \$1,000,000” and inserting*  
24                           *“\$250,000 and not more than \$1,000,000”;*

25                   (B) *in subparagraph (B)—*

1           (i) in the subparagraph heading, by  
2           inserting “; PLANNING” after “APPROVAL”;

3           (ii) in clause (i), by striking “clause  
4           (ii)” and inserting “clauses (ii) and (iii)”;  
5           and

6           (iii) by adding at the end the fol-  
7           lowing:

8           “(iii) SUFFICIENT PLANNING.—A grant  
9           awarded under this subsection shall be dis-  
10          bursed in two phases: a planning phase (not  
11          to exceed 2 years) and an implementation  
12          phase. The total disbursement to a grantee  
13          for the planning phase may not exceed  
14          \$250,000, and may not exceed the total an-  
15          ticipated funding for the implementation  
16          phase.”; and

17          (C) by adding at the end the following:

18          “(D) LIMITATION ON PAYMENT FOR A FIS-  
19          CAL YEAR.—No payment shall be made under  
20          subparagraph (A) or (C) for a fiscal year until  
21          the Secretary determines that the eligible part-  
22          nership has made sufficient progress in meeting  
23          the goals of the grant and that the members of  
24          the eligible partnership are coordinating to a

1           *reasonable degree with the other members of the*  
2           *eligible partnership.”;*

3           *(4) in paragraph (4)—*

4                 *(A) in subparagraph (B)—*

5                     *(i) in clause (i), by inserting “, par-*  
6                     *ents, and families” after “children”;*

7                     *(ii) in clause (ii), by striking “safety*  
8                     *and permanence for such children; and”*  
9                     *and inserting “safe, permanent caregiving*  
10                    *relationships for the children;”;*

11                    *(iii) in clause (iii), by striking “or”*  
12                    *and inserting “increase reunification rates*  
13                    *for children who have been placed in out-of-*  
14                    *home care, or decrease”;* and

15                    *(iv) by redesignating clause (iii) as*  
16                    *clause (v) and inserting after clause (ii) the*  
17                    *following:*

18                         *“(iii) improve the substance abuse*  
19                         *treatment outcomes for parents including*  
20                         *retention in treatment and successful com-*  
21                         *pletion of treatment;*

22                         *“(iv) facilitate the implementation, de-*  
23                         *livery, and effectiveness of prevention serv-*  
24                         *ices and programs under section 471(e);*  
25                         *and”;*

1           (B) in subparagraph (D), by striking  
2           “where appropriate,”; and

3           (C) by striking subparagraphs (E) and (F)  
4           and inserting the following:

5           “(E) A description of a plan for sustaining  
6           the services provided by or activities funded  
7           under the grant after the conclusion of the grant  
8           period, including through the use of prevention  
9           services and programs under section 471(e) and  
10          other funds provided to the State for child wel-  
11          fare and substance abuse prevention and treat-  
12          ment services.

13          “(F) Additional information needed by the  
14          Secretary to determine that the proposed activi-  
15          ties and implementation will be consistent with  
16          research or evaluations showing which practices  
17          and approaches are most effective.”;

18          (5) in paragraph (5)(A), by striking “abuse  
19          treatment” and inserting “use disorder treatment in-  
20          cluding medication assisted treatment and in-home  
21          substance abuse disorder treatment and recovery”;

22          (6) in paragraph (7)—

23                 (A) by striking “and” at the end of sub-  
24                 paragraph (C); and

1           (B) by redesignating subparagraph (D) as  
2           subparagraph (E) and inserting after subpara-  
3           graph (C) the following:

4           “(D) demonstrate a track record of success-  
5           ful collaboration among child welfare, substance  
6           abuse disorder treatment and mental health  
7           agencies; and”;

8           (7) in paragraph (8)—

9           (A) in subparagraph (A)—

10           (i) by striking “establish indicators  
11           that will be” and inserting “review indica-  
12           tors that are”; and

13           (ii) by striking “in using funds made  
14           available under such grants to achieve the  
15           purpose of this subsection” and inserting  
16           “and establish a set of core indicators re-  
17           lated to child safety, parental recovery, par-  
18           enting capacity, and family well-being. In  
19           developing the core indicators, to the extent  
20           possible, indicators shall be made consistent  
21           with the outcome measures described in sec-  
22           tion 471(e)(6)”;

23           (B) in subparagraph (B)—

24           (i) in the matter preceding clause (i),  
25           by inserting “base the performance meas-

1            *ures on lessons learned from prior rounds of*  
2            *regional partnership grants under this sub-*  
3            *section, and” before “consult”; and*

4            *(ii) by striking clauses (iii) and (iv)*  
5            *and inserting the following:*

6            *“(iii) Other stakeholders or constitu-*  
7            *encies as determined by the Secretary.”;*

8            *(8) in paragraph (9)(A), by striking clause (i)*  
9            *and inserting the following:*

10            *“(i) SEMIANNUAL REPORTS.—Not later*  
11            *than September 30 of each fiscal year in*  
12            *which a recipient of a grant under this sub-*  
13            *section is paid funds under the grant, and*  
14            *every 6 months thereafter, the grant recipi-*  
15            *ent shall submit to the Secretary a report*  
16            *on the services provided and activities car-*  
17            *ried out during the reporting period,*  
18            *progress made in achieving the goals of the*  
19            *program, the number of children, adults,*  
20            *and families receiving services, and such*  
21            *additional information as the Secretary de-*  
22            *termines is necessary. The report due not*  
23            *later than September 30 of the last such fis-*  
24            *cal year shall include, at a minimum, data*  
25            *on each of the performance indicators in-*

1                   cluded in the evaluation of the regional  
2                   partnership.”; and

3                   (9) in paragraph (10), by striking “2012  
4                   through 2016” and inserting “2017 through 2021”.

5                   ***Subchapter C—Miscellaneous***

6                   **SEC. 2641. REVIEWING AND IMPROVING LICENSING STAND-**  
7                   **ARDS FOR PLACEMENT IN A RELATIVE FOS-**  
8                   **TER FAMILY HOME.**

9                   (a) *IDENTIFICATION OF REPUTABLE MODEL LICENS-*  
10                  *ING STANDARDS.*—Not later than October 1, 2018, the Sec-  
11                  retary of Health and Human Services shall identify rep-  
12                  utable model licensing standards with respect to the licens-  
13                  ing of foster family homes (as defined in section 472(c)(1)  
14                  of the Social Security Act).

15                  (b) *STATE PLAN REQUIREMENT.*—Section 471(a) of  
16                  the Social Security Act (42 U.S.C. 671(a)) is amended—

17                         (1) in paragraph (34)(B), by striking “and”  
18                         after the semicolon;

19                         (2) in paragraph (35)(B), by striking the period  
20                         at the end and inserting a semicolon; and

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

22                                 “(36) provides that, not later than April 1, 2019,  
23                                 the State shall submit to the Secretary information  
24                                 addressing—



1           “(A) whether the State licensing standards  
2 are in accord with model standards identified by  
3 the Secretary, and if not, the reason for the spe-  
4 cific deviation and a description as to why hav-  
5 ing a standard that is reasonably in accord with  
6 the corresponding national model standards is  
7 not appropriate for the State;

8           “(B) whether the State has elected to waive  
9 standards established in 471(a)(10)(A) for rel-  
10 ative foster family homes (pursuant to waiver  
11 authority provided by 471(a)(10)(D)), a descrip-  
12 tion of which standards the State most com-  
13 monly waives, and if the State has not elected to  
14 waive the standards, the reason for not waiving  
15 these standards;

16           “(C) if the State has elected to waive stand-  
17 ards specified in subparagraph (B), how case-  
18 workers are trained to use the waiver authority  
19 and whether the State has developed a process or  
20 provided tools to assist caseworkers in waiving  
21 nonsafety standards per the authority provided  
22 in 471(a)(10)(D) to quickly place children with  
23 relatives; and

1           “(D) a description of the steps the State is  
2           taking to improve caseworker training or the  
3           process, if any; and”.

4 **SEC. 2642. DEVELOPMENT OF A STATEWIDE PLAN TO PRE-**  
5 **VENT CHILD ABUSE AND NEGLECT FATALI-**  
6 **TIES.**

7           Section 422(b)(19) of the Social Security Act (42  
8 U.S.C. 622(b)(19)) is amended to read as follows:

9           “(19) document steps taken to track and prevent  
10          child maltreatment deaths by including—

11           “(A) a description of the steps the State is  
12          taking to compile complete and accurate infor-  
13          mation on the deaths required by Federal law to  
14          be reported by the State agency referred to in  
15          paragraph (1), including gathering relevant in-  
16          formation on the deaths from the relevant orga-  
17          nizations in the State including entities such as  
18          State vital statistics department, child death re-  
19          view teams, law enforcement agencies, offices of  
20          medical examiners, or coroners; and

21           “(B) a description of the steps the State is  
22          taking to develop and implement a comprehen-  
23          sive, statewide plan to prevent the fatalities that  
24          involves and engages relevant public and private

1           agency partners, including those in public  
2           health, law enforcement, and the courts.”.

3 **SEC. 2643. MODERNIZING THE TITLE AND PURPOSE OF**  
4                                   **TITLE IV-E.**

5           (a) *PART HEADING.*—The heading for part E of title  
6 IV of the Social Security Act (42 U.S.C. 670 et seq.) is  
7 amended to read as follows:

8           **“PART E—FEDERAL PAYMENTS FOR FOSTER**  
9           **CARE, PREVENTION, AND PERMANENCY”.**

10          (b) *PURPOSE.*—The first sentence of section 470 of  
11 such Act (42 U.S.C. 670) is amended—

12               (1) by striking “1995) and” and inserting  
13               “1995),”;

14               (2) by inserting “kinship guardianship assist-  
15               ance, and prevention services or programs specified in  
16               section 471(e)(1),” after “needs,”; and

17               (3) by striking “(commencing with the fiscal  
18               year which begins October 1, 1980)”.

19 **SEC. 2644. EFFECTIVE DATES.**

20          (a) *EFFECTIVE DATES.*—

21               (1) *IN GENERAL.*—Except as provided in para-  
22               graph (2), subject to subsection (b), the amendments  
23               made by this chapter shall take effect on October 1,  
24               2018.

1           (2) *EXCEPTIONS.*—*The amendments made by*  
2           *sections 2621(d), 2641, and 2643 shall take effect on*  
3           *the date of enactment of this Act.*

4           **(b) TRANSITION RULE.**—

5           (1) *IN GENERAL.*—*In the case of a State plan*  
6           *under part B or E of title IV of the Social Security*  
7           *Act which the Secretary of Health and Human Serv-*  
8           *ices determines requires State legislation (other than*  
9           *legislation appropriating funds) in order for the plan*  
10           *to meet the additional requirements imposed by the*  
11           *amendments made by this chapter, the State plan*  
12           *shall not be regarded as failing to comply with the re-*  
13           *quirements of such part solely on the basis of the fail-*  
14           *ure of the plan to meet such additional requirements*  
15           *before the first day of the first calendar quarter begin-*  
16           *ning after the close of the first regular session of the*  
17           *State legislature that begins after the date of enact-*  
18           *ment of this Act. For purposes of the previous sen-*  
19           *tence, in the case of a State that has a 2-year legisla-*  
20           *tive session, each year of the session shall be deemed*  
21           *to be a separate regular session of the State legisla-*  
22           *ture.*

23           (2) *APPLICATION TO PROGRAMS OPERATED BY*  
24           *INDIAN TRIBAL ORGANIZATIONS.*—*In the case of an*  
25           *Indian tribe, tribal organization, or tribal consortium*



1           (A) in subsection (a)(2)(C), by inserting “,  
2           but only to the extent permitted under subsection  
3           (k)” after “institution”; and

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

5           “(k) *LIMITATION ON FEDERAL FINANCIAL PARTICIPA-*  
6           *TION.*—

7           “(1) *IN GENERAL.*—Beginning with the third  
8           week for which foster care maintenance payments are  
9           made under this section on behalf of a child placed  
10          in a child-care institution, no Federal payment shall  
11          be made to the State under section 474(a)(1) for  
12          amounts expended for foster care maintenance pay-  
13          ments on behalf of the child unless—

14               “(A) the child is placed in a child-care in-  
15               stitution that is a setting specified in paragraph  
16               (2) (or is placed in a licensed residential family-  
17               based treatment facility consistent with sub-  
18               section (j)); and

19               “(B) in the case of a child placed in a  
20               qualified residential treatment program (as de-  
21               fined in paragraph (4)), the requirements speci-  
22               fied in paragraph (3) and section 475A(c) are  
23               met.

1           “(2) *SPECIFIED SETTINGS FOR PLACEMENT.*—  
2           *The settings for placement specified in this paragraph*  
3           *are the following:*

4                   “(A) *A qualified residential treatment pro-*  
5                   *gram (as defined in paragraph (4)).*

6                   “(B) *A setting specializing in providing*  
7                   *prenatal, post-partum, or parenting supports for*  
8                   *youth.*

9                   “(C) *In the case of a child who has attained*  
10                  *18 years of age, a supervised setting in which the*  
11                  *child is living independently.*

12                  “(D) *A setting providing high-quality resi-*  
13                  *dential care and supportive services to children*  
14                  *and youth who have been found to be, or are at*  
15                  *risk of becoming, sex trafficking victims, in ac-*  
16                  *cordance with section 471(a)(9)(C).*

17           “(3) *ASSESSMENT TO DETERMINE APPROPRIATE-*  
18           *NESS OF PLACEMENT IN A QUALIFIED RESIDENTIAL*  
19           *TREATMENT PROGRAM.*—

20                   “(A) *DEADLINE FOR ASSESSMENT.*—*In the*  
21                   *case of a child who is placed in a qualified resi-*  
22                   *dential treatment program, if the assessment re-*  
23                   *quired under section 475A(c)(1) is not completed*  
24                   *within 30 days after the placement is made, no*  
25                   *Federal payment shall be made to the State*

1           *under section 474(a)(1) for any amounts ex-*  
2           *pende*d for foster care maintenance payments on  
3           *behalf of the child during the placement.*

4           “(B) *DEADLINE FOR TRANSITION OUT OF*  
5           *PLACEMENT.—If the assessment required under*  
6           *section 475A(c)(1) determines that the placement*  
7           *of a child in a qualified residential treatment*  
8           *program is not appropriate, a court disapproves*  
9           *such a placement under section 475A(c)(2), or a*  
10           *child who has been in an approved placement in*  
11           *a qualified residential treatment program is*  
12           *going to return home or be placed with a fit and*  
13           *willing relative, a legal guardian, or an adoptive*  
14           *parent, or in a foster family home, Federal pay-*  
15           *ments shall be made to the State under section*  
16           *474(a)(1) for amounts expended for foster care*  
17           *maintenance payments on behalf of the child*  
18           *while the child remains in the qualified residen-*  
19           *tial treatment program only during the period*  
20           *necessary for the child to transition home or to*  
21           *such a placement. In no event shall a State re-*  
22           *ceive Federal payments under section 474(a)(1)*  
23           *for amounts expended for foster care mainte-*  
24           *nance payments on behalf of a child who re-*  
25           *remains placed in a qualified residential treat-*



1           *ment program after the end of the 30-day period*  
2           *that begins on the date a determination is made*  
3           *that the placement is no longer the recommended*  
4           *or approved placement for the child.*

5           “(4) *QUALIFIED RESIDENTIAL TREATMENT PRO-*  
6           *GRAM.—For purposes of this part, the term ‘qualified*  
7           *residential treatment program’ means a program*  
8           *that—*

9                   “(A) *has a trauma-informed treatment*  
10                  *model that is designed to address the needs, in-*  
11                  *cluding clinical needs as appropriate, of children*  
12                  *with serious emotional or behavioral disorders or*  
13                  *disturbances and, with respect to a child, is able*  
14                  *to implement the treatment identified for the*  
15                  *child by the assessment of the child required*  
16                  *under section 475A(c);*

17                  “(B) *subject to paragraphs (5) and (6), has*  
18                  *registered or licensed nursing staff and other li-*  
19                  *icensed clinical staff who—*

20                          “(i) *provide care within the scope of*  
21                          *their practice as defined by State law;*

22                          “(ii) *are on-site in accordance with the*  
23                          *treatment model referred to in subpara-*  
24                          *graph (A); and*

1                   “(iii) are available 24 hours a day and  
2                   7 days a week;

3                   “(C) to extent appropriate, and in accord-  
4                   ance with the child’s best interests, facilitates  
5                   participation of family members in the child’s  
6                   treatment program;

7                   “(D) facilitates outreach to the family mem-  
8                   bers of the child, including siblings, documents  
9                   how the outreach is made (including contact in-  
10                  formation), and maintains contact information  
11                  for any known biological family and fictive kin  
12                  of the child;

13                  “(E) documents how family members are  
14                  integrated into the treatment process for the  
15                  child, including post-discharge, and how sibling  
16                  connections are maintained;

17                  “(F) provides discharge planning and fam-  
18                  ily-based aftercare support for at least 6 months  
19                  post-discharge; and

20                  “(G) is licensed in accordance with section  
21                  471(a)(10) and is accredited by any of the fol-  
22                  lowing independent, not-for-profit organizations:

23                         “(i) The Commission on Accreditation  
24                         of Rehabilitation Facilities (CARF).

1                   “(ii) *The Joint Commission on Accred-*  
2                   *itation of Healthcare Organizations*  
3                   *(JCAHO).*

4                   “(iii) *The Council on Accreditation*  
5                   *(COA).*

6                   “(iv) *Any other independent, not-for-*  
7                   *profit accrediting organization approved by*  
8                   *the Secretary.*

9                   “(5) *ADMINISTRATIVE COSTS.—The prohibition*  
10                  *in paragraph (1) on Federal payments under section*  
11                  *474(a)(1) shall not be construed as prohibiting Fed-*  
12                  *eral payments for administrative expenditures in-*  
13                  *curring on behalf of a child placed in a child-care in-*  
14                  *stitution and for which payment is available under*  
15                  *section 474(a)(3).*

16                  “(6) *RULE OF CONSTRUCTION.—The require-*  
17                  *ments in paragraph (4)(B) shall not be construed as*  
18                  *requiring a qualified residential treatment program*  
19                  *to acquire nursing and behavioral health staff solely*  
20                  *through means of a direct employer to employee rela-*  
21                  *tionship.”.*

22                  “(2) *CONFORMING AMENDMENT.—Section*  
23                  *474(a)(1) of such Act (42 U.S.C. 674(a)(1)), as*  
24                  *amended by section 2622(b) of this Act, is amended*

1       *by striking “section 472(j)” and inserting “sub-*  
2       *sections (j) and (k) of section 472”.*

3       **(b) DEFINITION OF FOSTER FAMILY HOME, CHILD-**  
4       **CARE INSTITUTION.**—*Section 472(c) of such Act (42 U.S.C.*  
5       *672(c)(1)) is amended to read as follows:*

6       **“(c) DEFINITIONS.**—*For purposes of this part:*

7               **“(1) FOSTER FAMILY HOME.**—

8                       **“(A) IN GENERAL.**—*The term ‘foster family*  
9                       *home’ means the home of an individual or fam-*  
10                      *ily—*

11                               *“(i) that is licensed or approved by the*  
12                               *State in which it is situated as a foster*  
13                               *family home that meets the standards estab-*  
14                               *lished for the licensing or approval; and*

15                               *“(ii) in which a child in foster care*  
16                               *has been placed in the care of an indi-*  
17                               *vidual, who resides with the child and who*  
18                               *has been licensed or approved by the State*  
19                               *to be a foster parent—*

20                                       *“(I) that the State deems capable*  
21                                       *of adhering to the reasonable and pru-*  
22                                       *dent parent standard;*

23                                       *“(II) that provides 24-hour sub-*  
24                                       *stitute care for children placed away*

1                   *from their parents or other caretakers;*  
2                   *and*

3                   “(III) *that provides the care for*  
4                   *not more than six children in foster*  
5                   *care.*

6                   “(B) *STATE FLEXIBILITY.—The number of*  
7                   *foster children that may be cared for in a home*  
8                   *under subparagraph (A) may exceed the numer-*  
9                   *ical limitation in subparagraph (A)(ii)(III), at*  
10                  *the option of the State, for any of the following*  
11                  *reasons:*

12                  “(i) *To allow a parenting youth in fos-*  
13                  *ter care to remain with the child of the par-*  
14                  *enting youth.*

15                  “(ii) *To allow siblings to remain to-*  
16                  *gether.*

17                  “(iii) *To allow a child with an estab-*  
18                  *lished meaningful relationship with the*  
19                  *family to remain with the family.*

20                  “(iv) *To allow a family with special*  
21                  *training or skills to provide care to a child*  
22                  *who has a severe disability.*

23                  “(C) *RULE OF CONSTRUCTION.—Subpara-*  
24                  *graph (A) shall not be construed as prohibiting*  
25                  *a foster parent from renting the home in which*

1           *the parent cares for a foster child placed in the*  
2           *parent's care.*

3           “(2) *CHILD-CARE INSTITUTION.*—

4                   “(A) *IN GENERAL.*—*The term ‘child-care in-*  
5                   *stitution’ means a private child-care institution,*  
6                   *or a public child-care institution which accom-*  
7                   *modates no more than 25 children, which is li-*  
8                   *censed by the State in which it is situated or has*  
9                   *been approved by the agency of the State respon-*  
10                   *sible for licensing or approval of institutions of*  
11                   *this type as meeting the standards established for*  
12                   *the licensing.*

13                   “(B) *SUPERVISED SETTINGS.*—*In the case*  
14                   *of a child who has attained 18 years of age, the*  
15                   *term shall include a supervised setting in which*  
16                   *the individual is living independently, in ac-*  
17                   *cordance with such conditions as the Secretary*  
18                   *shall establish in regulations.*

19                   “(C) *EXCLUSIONS.*—*The term shall not in-*  
20                   *clude detention facilities, forestry camps, train-*  
21                   *ing schools, or any other facility operated pri-*  
22                   *marily for the detention of children who are de-*  
23                   *termined to be delinquent.”.*

24           (c) *TRAINING FOR STATE JUDGES, ATTORNEYS, AND*  
25 *OTHER LEGAL PERSONNEL IN CHILD WELFARE CASES.*—

1 *Section 438(b)(1) of such Act (42 U.S.C. 629h(b)(1)) is*  
2 *amended in the matter preceding subparagraph (A) by in-*  
3 *serting “shall provide for the training of judges, attorneys,*  
4 *and other legal personnel in child welfare cases on Federal*  
5 *child welfare policies and payment limitations with respect*  
6 *to children in foster care who are placed in settings that*  
7 *are not a foster family home,” after “with respect to the*  
8 *child,”.*

9 *(d) ASSURANCE OF NONIMPACT ON JUVENILE JUSTICE*  
10 *SYSTEM.—*

11 *(1) STATE PLAN REQUIREMENT.—Section 471(a)*  
12 *of such Act (42 U.S.C. 671(a)), as amended by section*  
13 *2641 of this Act, is further amended by adding at the*  
14 *end the following:*

15 *“(37) includes a certification that, in response to*  
16 *the limitation imposed under section 472(k) with re-*  
17 *spect to foster care maintenance payments made on*  
18 *behalf of any child who is placed in a setting that is*  
19 *not a foster family home, the State will not enact or*  
20 *advance policies or practices that would result in a*  
21 *significant increase in the population of youth in the*  
22 *State’s juvenile justice system.”.*

23 *(2) GAO STUDY AND REPORT.—The Comptroller*  
24 *General of the United States shall evaluate the im-*  
25 *act, if any, on State juvenile justice systems of the*

1 *limitation imposed under section 472(k) of the Social*  
2 *Security Act (as added by subsection (a)(1) of this*  
3 *section) on foster care maintenance payments made*  
4 *on behalf of any child who is placed in a setting that*  
5 *is not a foster family home, in accordance with the*  
6 *amendments made by subsections (a) and (b) of this*  
7 *section. In particular, the Comptroller General shall*  
8 *evaluate the extent to which children in foster care*  
9 *who also are subject to the juvenile justice system of*  
10 *the State are placed in a facility under the jurisdic-*  
11 *tion of the juvenile justice system and whether the*  
12 *lack of available congregate care placements under the*  
13 *jurisdiction of the child welfare systems is a contrib-*  
14 *uting factor to that result. Not later than December*  
15 *31, 2024, the Comptroller General shall submit to*  
16 *Congress a report on the results of the evaluation.*

17 **SEC. 2652. ASSESSMENT AND DOCUMENTATION OF THE**  
18 **NEED FOR PLACEMENT IN A QUALIFIED RESI-**  
19 **DENTIAL TREATMENT PROGRAM.**

20 *Section 475A of the Social Security Act (42 U.S.C.*  
21 *675a) is amended by adding at the end the following:*

22 *“(c) ASSESSMENT, DOCUMENTATION, AND JUDICIAL*  
23 *DETERMINATION REQUIREMENTS FOR PLACEMENT IN A*  
24 *QUALIFIED RESIDENTIAL TREATMENT PROGRAM.—In the*  
25 *case of any child who is placed in a qualified residential*



1 *treatment program (as defined in section 472(k)(4)), the fol-*  
2 *lowing requirements shall apply for purposes of approving*  
3 *the case plan for the child and the case system review proce-*  
4 *dure for the child:*

5           “(1)(A) *Within 30 days of the start of each*  
6 *placement in such a setting, a qualified individual*  
7 *(as defined in subparagraph (D)) shall—*

8                   “(i) *assess the strengths and needs of the*  
9 *child using an age-appropriate, evidence-based,*  
10 *validated, functional assessment tool approved by*  
11 *the Secretary;*

12                   “(ii) *determine whether the needs of the*  
13 *child can be met with family members or*  
14 *through placement in a foster family home or, if*  
15 *not, which setting from among the settings speci-*  
16 *fied in section 472(k)(2) would provide the most*  
17 *effective and appropriate level of care for the*  
18 *child in the least restrictive environment and be*  
19 *consistent with the short- and long-term goals for*  
20 *the child, as specified in the permanency plan*  
21 *for the child; and*

22                   “(iii) *develop a list of child-specific short-*  
23 *and long-term mental and behavioral health*  
24 *goals.*

1           “(B)(i) *The State shall assemble a family and*  
2           *permanency team for the child in accordance with the*  
3           *requirements of clauses (ii) and (iii). The qualified*  
4           *individual conducting the assessment required under*  
5           *subparagraph (A) shall work in conjunction with the*  
6           *family of, and permanency team for, the child while*  
7           *conducting and making the assessment.*

8           “(ii) *The family and permanency team shall*  
9           *consist of all appropriate biological family members,*  
10          *relative, and fictive kin of the child, as well as, as ap-*  
11          *propriate, professionals who are a resource to the*  
12          *family of the child, such as teachers, medical or men-*  
13          *tal health providers who have treated the child, or*  
14          *clergy. In the case of a child who has attained age 14,*  
15          *the family and permanency team shall include the*  
16          *members of the permanency planning team for the*  
17          *child that are selected by the child in accordance with*  
18          *section 475(5)(C)(iv).*

19          “(iii) *The State shall document in the child’s*  
20          *case plan—*

21                 “(I) *the reasonable and good faith effort of*  
22                 *the State to identify and include all such indi-*  
23                 *viduals on the family of, and permanency team*  
24                 *for, the child;*

1           “(II) all contact information for members of  
2           the family and permanency team, as well as con-  
3           tact information for other family members and  
4           fictive kin who are not part of the family and  
5           permanency team;

6           “(III) evidence that meetings of the family  
7           and permanency team, including meetings relat-  
8           ing to the assessment required under subpara-  
9           graph (A), are held at a time and place conven-  
10          ient for family;

11          “(IV) if reunification is the goal, evidence  
12          demonstrating that the parent from whom the  
13          child was removed provided input on the mem-  
14          bers of the family and permanency team;

15          “(V) evidence that the assessment required  
16          under subparagraph (A) is determined in con-  
17          junction with the family and permanency team;

18          “(VI) the placement preferences of the fam-  
19          ily and permanency team relative to the assess-  
20          ment that recognizes children should be placed  
21          with their siblings unless there is a finding by  
22          the court that such placement is contrary to their  
23          best interest; and

24          “(VII) if the placement preferences of the  
25          family and permanency team and child are not

1           *the placement setting recommended by the quali-*  
2           *fied individual conducting the assessment under*  
3           *subparagraph (A), the reasons why the pref-*  
4           *erences of the team and of the child were not rec-*  
5           *ommended.*

6           “(C) *In the case of a child who the qualified in-*  
7           *dividual conducting the assessment under subpara-*  
8           *graph (A) determines should not be placed in a foster*  
9           *family home, the qualified individual shall specify in*  
10          *writing the reasons why the needs of the child cannot*  
11          *be met by the family of the child or in a foster family*  
12          *home. A shortage or lack of foster family homes shall*  
13          *not be an acceptable reason for determining that the*  
14          *needs of the child cannot be met in a foster family*  
15          *home. The qualified individual also shall specify in*  
16          *writing why the recommended placement in a quali-*  
17          *fied residential treatment program is the setting that*  
18          *will provide the child with the most effective and ap-*  
19          *propriate level of care in the least restrictive environ-*  
20          *ment and how that placement is consistent with the*  
21          *short- and long-term goals for the child, as specified*  
22          *in the permanency plan for the child.*

23           “(D)(i) *Subject to clause (ii), in this subsection,*  
24           *the term ‘qualified individual’ means a trained pro-*  
25           *fessional or licensed clinician who is not an employee*

1       of the State agency and who is not connected to, or  
2       affiliated with, any placement setting in which chil-  
3       dren are placed by the State.

4               “(ii) The Secretary may approve a request of a  
5       State to waive any requirement in clause (i) upon a  
6       submission by the State, in accordance with criteria  
7       established by the Secretary, that certifies that the  
8       trained professionals or licensed clinicians with re-  
9       sponsibility for performing the assessments described  
10      in subparagraph (A) shall maintain objectivity with  
11      respect to determining the most effective and appro-  
12      priate placement for a child.

13              “(2) Within 60 days of the start of each place-  
14      ment in a qualified residential treatment program, a  
15      family or juvenile court or another court (including  
16      a tribal court) of competent jurisdiction, or an ad-  
17      ministrative body appointed or approved by the  
18      court, independently, shall—

19                      “(A) consider the assessment, determination,  
20                      and documentation made by the qualified indi-  
21                      vidual conducting the assessment under para-  
22                      graph (1);

23                      “(B) determine whether the needs of the  
24                      child can be met through placement in a foster  
25                      family home or, if not, whether placement of the

1           *child in a qualified residential treatment pro-*  
2           *gram provides the most effective and appropriate*  
3           *level of care for the child in the least restrictive*  
4           *environment and whether that placement is con-*  
5           *sistent with the short- and long-term goals for*  
6           *the child, as specified in the permanency plan*  
7           *for the child; and*

8                     *“(C) approve or disapprove the placement.*

9           *“(3) The written documentation made under*  
10          *paragraph (1)(C) and documentation of the deter-*  
11          *mination and approval or disapproval of the place-*  
12          *ment in a qualified residential treatment program by*  
13          *a court or administrative body under paragraph (2)*  
14          *shall be included in and made part of the case plan*  
15          *for the child.*

16                    *“(4) As long as a child remains placed in a*  
17          *qualified residential treatment program, the State*  
18          *agency shall submit evidence at each status review*  
19          *and each permanency hearing held with respect to the*  
20          *child—*

21                    *“(A) demonstrating that ongoing assessment*  
22          *of the strengths and needs of the child continues*  
23          *to support the determination that the needs of*  
24          *the child cannot be met through placement in a*  
25          *foster family home, that the placement in a*

1           *qualified residential treatment program provides*  
2           *the most effective and appropriate level of care*  
3           *for the child in the least restrictive environment,*  
4           *and that the placement is consistent with the*  
5           *short- and long-term goals for the child, as speci-*  
6           *fied in the permanency plan for the child;*

7           “(B) *documenting the specific treatment or*  
8           *service needs that will be met for the child in the*  
9           *placement and the length of time the child is ex-*  
10          *pected to need the treatment or services; and*

11          “(C) *documenting the efforts made by the*  
12          *State agency to prepare the child to return home*  
13          *or to be placed with a fit and willing relative,*  
14          *a legal guardian, or an adoptive parent, or in*  
15          *a foster family home.*

16          “(5) *In the case of any child who is placed in*  
17          *a qualified residential treatment program for more*  
18          *than 12 consecutive months or 18 nonconsecutive*  
19          *months (or, in the case of a child who has not at-*  
20          *tained age 13, for more than 6 consecutive or non-*  
21          *consecutive months), the State agency shall submit to*  
22          *the Secretary—*

23                 “(A) *the most recent versions of the evidence*  
24                 *and documentation specified in paragraph (4);*  
25                 *and*

1                   “(B) the signed approval of the head of the  
2                   State agency for the continued placement of the  
3                   child in that setting.”.

4 **SEC. 2653. PROTOCOLS TO PREVENT INAPPROPRIATE DIAG-**  
5 **NOSES.**

6           (a)     STATE PLAN REQUIREMENT.—Section  
7 422(b)(15)(A) of the Social Security Act (42 U.S.C.  
8 622(b)(15)(A)) is amended—

9                   (1) in clause (vi), by striking “and” after the  
10                  semicolon;

11                  (2) by redesignating clause (vii) as clause (viii);  
12                  and

13                  (3) by inserting after clause (vi) the following:

14                                 “(vii) the procedures and protocols the  
15                                 State has established to ensure that children  
16                                 in foster care placements are not inappro-  
17                                 priately diagnosed with mental illness,  
18                                 other emotional or behavioral disorders,  
19                                 medically fragile conditions, or develop-  
20                                 mental disabilities, and placed in settings  
21                                 that are not foster family homes as a result  
22                                 of the inappropriate diagnoses; and”.

23           (b) EVALUATION.—Section 476 of such Act (42 U.S.C.  
24 676), as amended by section 2621(d) of this Act, is further  
25 amended by adding at the end the following:



1           “(e) *EVALUATION OF STATE PROCEDURES AND PRO-*  
 2 *TOCOLS TO PREVENT INAPPROPRIATE DIAGNOSES OF MEN-*  
 3 *TAL ILLNESS OR OTHER CONDITIONS.*—*The Secretary shall*  
 4 *conduct an evaluation of the procedures and protocols estab-*  
 5 *lished by States in accordance with the requirements of sec-*  
 6 *tion 422(b)(15)(A)(vii). The evaluation shall analyze the ex-*  
 7 *tent to which States comply with and enforce the procedures*  
 8 *and protocols and the effectiveness of various State proce-*  
 9 *dures and protocols and shall identify best practices. Not*  
 10 *later than January 1, 2020, the Secretary shall submit a*  
 11 *report on the results of the evaluation to Congress.”.*

12 **SEC. 2654. ADDITIONAL DATA AND REPORTS REGARDING**  
 13 **CHILDREN PLACED IN A SETTING THAT IS**  
 14 **NOT A FOSTER FAMILY HOME.**

15           *Section 479A(a)(7)(A) of the Social Security Act (42*  
 16 *U.S.C. 679b(a)(7)(A)) is amended by striking clauses (i)*  
 17 *through (vi) and inserting the following:*

18                           “(i) *with respect to each such place-*  
 19                           *ment—*

20   “(I) *the type of the placement set-*  
 21   *ting, including whether the placement*  
 22   *is shelter care, a group home and if so,*  
 23   *the range of the child population in the*  
 24   *home, a residential treatment facility,*  
 25   *a hospital or institution providing*

1           *medical, rehabilitative, or psychiatric*  
2           *care, a setting specializing in pro-*  
3           *viding prenatal, post-partum, or par-*  
4           *enting supports, or some other kind of*  
5           *child-care institution and if so, what*  
6           *kind;*

7           “(II) *the number of children in*  
8           *the placement setting and the age, race,*  
9           *ethnicity, and gender of each of the*  
10          *children;*

11          “(III) *for each child in the place-*  
12          *ment setting, the length of the place-*  
13          *ment of the child in the setting, wheth-*  
14          *er the placement of the child in the set-*  
15          *ting is the first placement of the child*  
16          *and if not, the number and type of*  
17          *previous placements of the child, and*  
18          *whether the child has special needs or*  
19          *another diagnosed mental or physical*  
20          *illness or condition; and*

21          “(IV) *the extent of any specialized*  
22          *education, treatment, counseling, or*  
23          *other services provided in the setting;*  
24          *and*

1                   “(ii) separately, the number and ages  
2                   of children in the placements who have a  
3                   permanency plan of another planned per-  
4                   manent living arrangement; and”.

5 **SEC. 2655. CRIMINAL RECORDS CHECKS AND CHECKS OF**  
6                   **CHILD ABUSE AND NEGLECT REGISTRIES FOR**  
7                   **ADULTS WORKING IN CHILD-CARE INSTITU-**  
8                   **TIONS AND OTHER GROUP CARE SETTINGS.**

9                   (a) *STATE PLAN REQUIREMENT.*—Section 471(a)(20)  
10 of the Social Security Act (42 U.S.C. 671(a)(20)) is amend-  
11 ed—

12                   (1) in each of subparagraphs (A)(ii) and  
13                   (B)(iii), by striking “and” after the semicolon;

14                   (2) in subparagraph (C), by adding “and” after  
15                   the semicolon; and

16                   (3) by inserting after subparagraph (C) the fol-  
17                   lowing:

18                   “(D) provides procedures for any child care in-  
19                   stitution, including a group home, residential treat-  
20                   ment center, shelter, or other congregate care setting,  
21                   to conduct criminal records checks, including finger-  
22                   print-based checks of national crime information  
23                   databases (as defined in section 534(f)(3)(A) of title  
24                   28, United States Code), and checks described in sub-  
25                   paragraph (B) of this paragraph, on any adult work-

1        *ing in a child-care institution, including a group*  
2        *home, residential treatment center, shelter, or other*  
3        *congregate care setting, unless the State reports to the*  
4        *Secretary the alternative criminal records checks and*  
5        *child abuse registry checks the State conducts on any*  
6        *adult working in a child-care institution, including a*  
7        *group home, residential treatment center, shelter, or*  
8        *other congregate care setting, and why the checks*  
9        *specified in this subparagraph are not appropriate*  
10       *for the State;”.*

11       *(b) TECHNICAL AMENDMENTS.—Subparagraphs (A)*  
12       *and (C) of section 471(a)(20) of the Social Security Act*  
13       *(42 U.S.C. 671(a)(20)) are each amended by striking “sec-*  
14       *tion 534(e)(3)(A)” and inserting “section 534(f)(3)(A)”.*

15       **SEC. 2656. EFFECTIVE DATES; APPLICATION TO WAIVERS.**

16       *(a) EFFECTIVE DATES.—*

17                *(1) IN GENERAL.—Subject to paragraph (2) and*  
18        *subsections (b) through (d), the amendments made by*  
19        *this chapter shall take effect on January 1, 2018.*

20                *(2) TRANSITION RULE.—In the case of a State*  
21        *plan under part B or E of title IV of the Social Secu-*  
22        *urity Act which the Secretary of Health and Human*  
23        *Services determines requires State legislation (other*  
24        *than legislation appropriating funds) in order for the*  
25        *plan to meet the additional requirements imposed by*

1        *the amendments made by this chapter, the State plan*  
2        *shall not be regarded as failing to comply with the re-*  
3        *quirements of such part solely on the basis of the fail-*  
4        *ure of the plan to meet the additional requirements*  
5        *before the first day of the first calendar quarter begin-*  
6        *ning after the close of the first regular session of the*  
7        *State legislature that begins after the date of enact-*  
8        *ment of this Act. For purposes of the previous sen-*  
9        *tence, in the case of a State that has a 2-year legisla-*  
10       *tive session, each year of the session shall be deemed*  
11       *to be a separate regular session of the State legisla-*  
12       *ture.*

13       *(b) LIMITATION ON FEDERAL FINANCIAL PARTICIPA-*  
14       *TION FOR PLACEMENTS THAT ARE NOT IN FOSTER FAMILY*  
15       *HOMES AND RELATED PROVISIONS.—*

16                *(1) IN GENERAL.—The amendments made by sec-*  
17        *tions 2651(a), 2651(b), 2651(d), and 2652 shall take*  
18        *effect on October 1, 2019.*

19                *(2) STATE OPTION TO DELAY EFFECTIVE DATE*  
20        *FOR NOT MORE THAN 2 YEARS.—If a State requests*  
21        *a delay in the effective date provided for in para-*  
22        *graph (1), the Secretary of Health and Human Serv-*  
23        *ices shall delay the effective date with respect to the*  
24        *State for the amount of time requested by the State*  
25        *not to exceed 2 years. If the effective date is so delayed*

1       for a period with respect to a State under the pre-  
2       ceding sentence, then—

3               (A) notwithstanding section 2644, the date  
4               that the amendments made by section 2621(c)  
5               take effect with respect to the State shall be de-  
6               layed for the period; and

7               (B) in applying section 474(a)(6) of the So-  
8               cial Security Act with respect to the State, “on  
9               or after the date this paragraph takes effect with  
10              respect to the State” is deemed to be substituted  
11              for “after September 30, 2019” in subparagraph  
12              (A)(i)(I) of such section.

13       (c) *CRIMINAL RECORDS CHECKS AND CHECKS OF*  
14 *CHILD ABUSE AND NEGLECT REGISTRIES FOR ADULTS*  
15 *WORKING IN CHILD-CARE INSTITUTIONS AND OTHER*  
16 *GROUP CARE SETTINGS.*—The amendments made by sec-  
17 *tion 2655 shall take effect on October 1, 2018.*

18       (d) *APPLICATION TO STATES WITH WAIVERS.*—In the  
19 *case of a State that, on the date of enactment of this Act,*  
20 *has in effect a waiver approved under section 1130 of the*  
21 *Social Security Act (42 U.S.C. 1320a–9), the amendments*  
22 *made by this chapter shall not apply with respect to the*  
23 *State before the expiration (determined without regard to*  
24 *any extensions) of the waiver to the extent the amendments*  
25 *are inconsistent with the terms of the waiver.*

1    **CHAPTER 3—CONTINUING SUPPORT FOR**  
2                    **CHILD AND FAMILY SERVICES**

3    **SEC. 2661. SUPPORTING AND RETAINING FOSTER FAMILIES**  
4                    **FOR CHILDREN.**

5            (a) *SUPPORTING AND RETAINING FOSTER PARENTS AS*  
6    *A FAMILY SUPPORT SERVICE.*—Section 431(a)(2)(B) of the  
7    *Social Security Act (42 U.S.C. 631(a)(2)(B)) is amended*  
8    *by redesignating clauses (iii) through (vi) as clauses (iv)*  
9    *through (vii), respectively, and inserting after clause (ii)*  
10 *the following:*

11                            “(iii) *To support and retain foster*  
12                            *families so they can provide quality family-*  
13                            *based settings for children in foster care.*”.

14            (b) *SUPPORT FOR FOSTER FAMILY HOMES.*—Section  
15 *436 of such Act (42 U.S.C. 629f) is amended by adding*  
16 *at the end the following:*

17                            “(c) *SUPPORT FOR FOSTER FAMILY HOMES.*—Out of  
18 *any money in the Treasury of the United States not other-*  
19 *wise appropriated, there are appropriated to the Secretary*  
20 *for fiscal year 2018, \$8,000,000 for the Secretary to make*  
21 *competitive grants to States, Indian tribes, or tribal con-*  
22 *sortia to support the recruitment and retention of high-*  
23 *quality foster families to increase their capacity to place*  
24 *more children in family settings, focused on States, Indian*  
25 *tribes, or tribal consortia with the highest percentage of*

1 *children in non-family settings. The amount appropriated*  
2 *under this subparagraph shall remain available through fis-*  
3 *cal year 2022.”.*

4 **SEC. 2662. EXTENSION OF CHILD AND FAMILY SERVICES**  
5 **PROGRAMS.**

6 (a) *EXTENSION OF STEPHANIE TUBBS JONES CHILD*  
7 *WELFARE SERVICES PROGRAM.—Section 425 of the Social*  
8 *Security Act (42 U.S.C. 625) is amended by striking “2012*  
9 *through 2016” and inserting “2017 through 2021”.*

10 (b) *EXTENSION OF PROMOTING SAFE AND STABLE*  
11 *FAMILIES PROGRAM AUTHORIZATIONS.—*

12 (1) *IN GENERAL.—Section 436(a) of such Act*  
13 *(42 U.S.C. 629f(a)) is amended by striking all that*  
14 *follows “\$345,000,000” and inserting “for each of fis-*  
15 *cal years 2017 through 2021.”.*

16 (2) *DISCRETIONARY GRANTS.—Section 437(a) of*  
17 *such Act (42 U.S.C. 629g(a)) is amended by striking*  
18 *“2012 through 2016” and inserting “2017 through*  
19 *2021”.*

20 (c) *EXTENSION OF FUNDING RESERVATIONS FOR*  
21 *MONTHLY CASEWORKER VISITS AND REGIONAL PARTNER-*  
22 *SHIP GRANTS.—Section 436(b) of such Act (42 U.S.C.*  
23 *629f(b)) is amended—*



1           (1) *in paragraph (4)(A), by striking “2012*  
2 *through 2016” and inserting “2017 through 2021”;*  
3 *and*

4           (2) *in paragraph (5), by striking “2012 through*  
5 *2016” and inserting “2017 through 2021”.*

6           (d) *REAUTHORIZATION OF FUNDING FOR STATE*  
7 *COURTS.—*

8           (1) *EXTENSION OF PROGRAM.—Section 438(c)(1)*  
9 *of such Act (42 U.S.C. 629h(c)(1)) is amended by*  
10 *striking “2012 through 2016” and inserting “2017*  
11 *through 2021”.*

12           (2) *EXTENSION OF FEDERAL SHARE.—Section*  
13 *438(d) of such Act (42 U.S.C. 629h(d)) is amended by*  
14 *striking “2012 through 2016” and inserting “2017*  
15 *through 2021”.*

16           (e) *REPEAL OF EXPIRED PROVISIONS.—Section 438(e)*  
17 *of such Act (42 U.S.C. 629h(e)) is repealed.*

18 **SEC. 2663. IMPROVEMENTS TO THE JOHN H. CHAFEE FOS-**  
19 **TER CARE INDEPENDENCE PROGRAM AND**  
20 **RELATED PROVISIONS.**

21           (a) *AUTHORITY TO SERVE FORMER FOSTER YOUTH*  
22 *UP TO AGE 23.—Section 477 of the Social Security Act (42*  
23 *U.S.C. 677) is amended—*

24           (1) *in subsection (a)(5), by inserting “(or 23*  
25 *years of age, in the case of a State with a certifi-*

1 *cation under subsection (b)(3)(A)(ii) to provide assist-*  
2 *ance and services to youths who have aged out of fos-*  
3 *ter care and have not attained such age, in accord-*  
4 *ance with such subsection)” after “21 years of age”;*

5 *(2) in subsection (b)(3)(A)—*

6 *(A) by inserting “(i)” before “A certifi-*  
7 *cation”;*

8 *(B) by striking “children who have left fos-*  
9 *ter care” and all that follows through the period*  
10 *and inserting “youths who have aged out of fos-*  
11 *ter care and have not attained 21 years of age.”;*  
12 *and*

13 *(C) by adding at the end the following:*

14 *“(i) If the State has elected under section*  
15 *475(8)(B) to extend eligibility for foster care to*  
16 *all children who have not attained 21 years of*  
17 *age, or if the Secretary determines that the State*  
18 *agency responsible for administering the State*  
19 *plans under this part and part B uses State*  
20 *funds or any other funds not provided under this*  
21 *part to provide services and assistance for youths*  
22 *who have aged out of foster care that are com-*  
23 *parable to the services and assistance the youths*  
24 *would receive if the State had made such an elec-*  
25 *tion, the certification required under clause (i)*

1           *may provide that the State will provide assist-*  
 2           *ance and services to youths who have aged out*  
 3           *of foster care and have not attained 23 years of*  
 4           *age.”; and*

5           *(3) in subsection (b)(3)(B), by striking “children*  
 6           *who have left foster care” and all that follows through*  
 7           *the period and inserting “youths who have aged out*  
 8           *of foster care and have not attained 21 years of age*  
 9           *(or 23 years of age, in the case of a State with a cer-*  
 10           *tification under subparagraph (A)(i) to provide as-*  
 11           *sistance and services to youths who have aged out of*  
 12           *foster care and have not attained such age, in accord-*  
 13           *ance with subparagraph (A)(ii).”.*

14           **(b) AUTHORITY TO REDISTRIBUTE UNSPENT**  
 15           **FUNDS.—Section 477(d) of such Act (42 U.S.C. 677(d)) is**  
 16           **amended—**

17           *(1) in paragraph (4), by inserting “or does not*  
 18           *expend allocated funds within the time period speci-*  
 19           *fied under section 477(d)(3)” after “provided by the*  
 20           *Secretary”; and*

21           *(2) by adding at the end the following:*

22           **“(5) REDISTRIBUTION OF UNEXPENDED**  
 23           **AMOUNTS.—**

24           **“(A) AVAILABILITY OF AMOUNTS.—To the**  
 25           **extent that amounts paid to States under this**

1        *section in a fiscal year remain unexpended by*  
2        *the States at the end of the succeeding fiscal*  
3        *year, the Secretary may make the amounts*  
4        *available for redistribution in the second suc-*  
5        *ceeding fiscal year among the States that apply*  
6        *for additional funds under this section for that*  
7        *second succeeding fiscal year.*

8                *“(B) REDISTRIBUTION.—*

9                        *“(i) IN GENERAL.—The Secretary shall*  
10                      *redistribute the amounts made available*  
11                      *under subparagraph (A) for a fiscal year*  
12                      *among eligible applicant States. In this*  
13                      *subparagraph, the term ‘eligible applicant*  
14                      *State’ means a State that has applied for*  
15                      *additional funds for the fiscal year under*  
16                      *subparagraph (A) if the Secretary deter-*  
17                      *mines that the State will use the funds for*  
18                      *the purpose for which originally allotted*  
19                      *under this section.*

20                      *“(ii) AMOUNT TO BE REDISTRIB-*  
21                      *UTED.—The amount to be redistributed to*  
22                      *each eligible applicant State shall be the*  
23                      *amount so made available multiplied by the*  
24                      *State foster care ratio, (as defined in sub-*  
25                      *section (c)(4), except that, in such sub-*

1            *section, ‘all eligible applicant States (as de-*  
2            *defined in subsection (d)(5)(B)(i))’ shall be*  
3            *substituted for ‘all States’).*

4            *“(iii) TREATMENT OF REDISTRIBUTED*  
5            *AMOUNT.—Any amount made available to a*  
6            *State under this paragraph shall be re-*  
7            *garded as part of the allotment of the State*  
8            *under this section for the fiscal year in*  
9            *which the redistribution is made.*

10           *“(C) TRIBES.—For purposes of this para-*  
11           *graph, the term ‘State’ includes an Indian tribe,*  
12           *tribal organization, or tribal consortium that re-*  
13           *ceives an allotment under this section.”.*

14           *(c) EXPANDING AND CLARIFYING THE USE OF EDU-*  
15           *CATION AND TRAINING VOUCHERS.—*

16           *(1) IN GENERAL.—Section 477(i)(3) of such Act*  
17           *(42 U.S.C. 677(i)(3)) is amended—*

18           *(A) by striking “on the date” and all that*  
19           *follows through “23” and inserting “to remain*  
20           *eligible until they attain 26”; and*

21           *(B) by inserting “, but in no event may a*  
22           *youth participate in the program for more than*  
23           *5 years (whether or not consecutive)” before the*  
24           *period.*

1           (2)       CONFORMING        AMENDMENT.—Section  
2       477(i)(1) of such Act (42 U.S.C. 677(i)(1)) is amend-  
3       ed by inserting “who have attained 14 years of age”  
4       before the period.

5       (d) OTHER IMPROVEMENTS.—Section 477 of such Act  
6       (42 U.S.C. 677), as amended by subsections (a), (b), and  
7       (c) of this section, is amended—

8           (1) in the section heading, by striking “**INDE-**  
9       **PENDENCE PROGRAM**” and inserting “**PROGRAM**  
10       **FOR SUCCESSFUL TRANSITION TO ADULT-**  
11       **HOOD**”;

12           (2) in subsection (a)—

13           (A) in paragraph (1)—

14           (i) by striking “identify children who  
15       are likely to remain in foster care until 18  
16       years of age and to help these children make  
17       the transition to self-sufficiency by pro-  
18       viding services” and inserting “support all  
19       youth who have experienced foster care at  
20       age 14 or older in their transition to adult-  
21       hood through transitional services”;

22           (ii) by inserting “and post-secondary  
23       education” after “high school diploma”; and

24           (iii) by striking “training in daily liv-  
25       ing skills, training in budgeting and finan-

1            *cial management skills” and inserting*  
2            *“training and opportunities to practice*  
3            *daily living skills (such as financial lit-*  
4            *eracy training and driving instruction)”;*

5            *(B) in paragraph (2), by striking “who are*  
6            *likely to remain in foster care until 18 years of*  
7            *age receive the education, training, and services*  
8            *necessary to obtain employment” and inserting*  
9            *“who have experienced foster care at age 14 or*  
10           *older achieve meaningful, permanent connections*  
11           *with a caring adult”;*

12           *(C) in paragraph (3), by striking “who are*  
13           *likely to remain in foster care until 18 years of*  
14           *age prepare for and enter postsecondary training*  
15           *and education institutions” and inserting “who*  
16           *have experienced foster care at age 14 or older*  
17           *engage in age or developmentally appropriate*  
18           *activities, positive youth development, and expe-*  
19           *riential learning that reflects what their peers in*  
20           *intact families experience”;* and

21           *(D) by striking paragraph (4) and redesign-*  
22           *ating paragraphs (5) through (8) as para-*  
23           *graphs (4) through (7);*  
24           *(3) in subsection (b)—*

1                   (A) in paragraph (2)(D), by striking “ado-  
2                   lescents” and inserting “youth”; and

3                   (B) in paragraph (3)—

4                   (i) in subparagraph (D)—

5                   (I) by inserting “including train-  
6                   ing on youth development” after “to  
7                   provide training”; and

8                   (II) by striking “adolescents pre-  
9                   paring for independent living” and all  
10                  that follows through the period and in-  
11                  serting “youth preparing for a success-  
12                  ful transition to adulthood and making  
13                  a permanent connection with a caring  
14                  adult.”;

15                  (ii) in subparagraph (H), by striking  
16                  “adolescents” each place it appears and in-  
17                  serting “youth”; and

18                  (iii) in subparagraph (K)—

19                  (I) by striking “an adolescent”  
20                  and inserting “a youth”; and

21                  (II) by striking “the adolescent”  
22                  each place it appears and inserting  
23                  “the youth”; and

24                  (4) in subsection (f), by striking paragraph (2)  
25                  and inserting the following:



1           “(2) *REPORT TO CONGRESS.*—Not later than Oc-  
2           tober 1, 2019, the Secretary shall submit to the Com-  
3           mittee on Ways and Means of the House of Represent-  
4           atives and the Committee on Finance of the Senate a  
5           report on the National Youth in Transition Database  
6           and any other databases in which States report out-  
7           come measures relating to children in foster care and  
8           children who have aged out of foster care or left foster  
9           care for kinship guardianship or adoption. The report  
10          shall include the following:

11                   “(A) *A description of the reasons for entry*  
12                   *into foster care and of the foster care experiences,*  
13                   *such as length of stay, number of placement set-*  
14                   *tings, case goal, and discharge reason of 17-year-*  
15                   *olds who are surveyed by the National Youth in*  
16                   *Transition Database and an analysis of the com-*  
17                   *parison of that description with the reasons for*  
18                   *entry and foster care experiences of children of*  
19                   *other ages who exit from foster care before at-*  
20                   *taining age 17.*

21                   “(B) *A description of the characteristics of*  
22                   *the individuals who report poor outcomes at ages*  
23                   *19 and 21 to the National Youth in Transition*  
24                   *Database.*

1           “(C) *Benchmarks for determining what con-*  
2           *stitutes a poor outcome for youth who remain in*  
3           *or have exited from foster care and plans the ex-*  
4           *ecutive branch will take to incorporate these*  
5           *benchmarks in efforts to evaluate child welfare*  
6           *agency performance in providing services to chil-*  
7           *dren transitioning from foster care.*

8           “(D) *An analysis of the association between*  
9           *types of placement, number of overall place-*  
10          *ments, time spent in foster care, and other fac-*  
11          *tors, and outcomes at ages 19 and 21.*

12          “(E) *An analysis of the differences in out-*  
13          *comes for children in and formerly in foster care*  
14          *at age 19 and 21 among States.”.*

15          (e) *CLARIFYING DOCUMENTATION PROVIDED TO FOS-*  
16          *TER YOUTH LEAVING FOSTER CARE.—Section 475(5)(I) of*  
17          *such Act (42 U.S.C. 675(5)(I)) is amended by inserting*  
18          *after “REAL ID Act of 2005” the following: “, and any*  
19          *official documentation necessary to prove that the child was*  
20          *previously in foster care”.*

1 **CHAPTER 4—CONTINUING INCENTIVES TO**  
2 **STATES TO PROMOTE ADOPTION AND**  
3 **LEGAL GUARDIANSHIP**

4 **SEC. 2665. REAUTHORIZING ADOPTION AND LEGAL GUARD-**  
5 **IANSHIP INCENTIVE PROGRAMS.**

6 (a) *IN GENERAL.*—Section 473A of the Social Security  
7 Act (42 U.S.C. 673b) is amended—

8 (1) in subsection (b)(4), by striking “2013  
9 through 2015” and inserting “2016 through 2020”;

10 (2) in subsection (h)(1)(D), by striking “2016”  
11 and inserting “2021”; and

12 (3) in subsection (h)(2), by striking “2016” and  
13 inserting “2021”.

14 (b) *EFFECTIVE DATE.*—The amendments made by sub-  
15 section (a) shall take effect as if enacted on October 1, 2017.

16 **CHAPTER 5—TECHNICAL CORRECTIONS**

17 **SEC. 2667. TECHNICAL CORRECTIONS TO DATA EXCHANGE**  
18 **STANDARDS TO IMPROVE PROGRAM COORDI-**  
19 **NATION.**

20 (a) *IN GENERAL.*—Section 440 of the Social Security  
21 Act (42 U.S.C. 629m) is amended to read as follows:

22 **“SEC. 440. DATA EXCHANGE STANDARDS FOR IMPROVED**  
23 **INTEROPERABILITY.**

24 “(a) *DESIGNATION.*—The Secretary shall, in consulta-  
25 tion with an interagency work group established by the Of-

1 *vice of Management and Budget and considering State gov-*  
2 *ernment perspectives, by rule, designate data exchange*  
3 *standards to govern, under this part and part E—*

4           “(1) *necessary categories of information that*  
5 *State agencies operating programs under State plans*  
6 *approved under this part are required under applica-*  
7 *ble Federal law to electronically exchange with an-*  
8 *other State agency; and*

9           “(2) *Federal reporting and data exchange re-*  
10 *quired under applicable Federal law.*

11       “(b) *REQUIREMENTS.—The data exchange standards*  
12 *required by paragraph (1) shall, to the extent practicable—*

13           “(1) *incorporate a widely accepted, non-propri-*  
14 *etary, searchable, computer-readable format, such as*  
15 *the Extensible Markup Language;*

16           “(2) *contain interoperable standards developed*  
17 *and maintained by intergovernmental partnerships,*  
18 *such as the National Information Exchange Model;*

19           “(3) *incorporate interoperable standards devel-*  
20 *oped and maintained by Federal entities with author-*  
21 *ity over contracting and financial assistance;*

22           “(4) *be consistent with and implement applica-*  
23 *ble accounting principles;*

1           “(5) be implemented in a manner that is cost-  
2           effective and improves program efficiency and effec-  
3           tiveness; and

4           “(6) be capable of being continually upgraded as  
5           necessary.

6           “(c) *RULE OF CONSTRUCTION.*—Nothing in this sub-  
7           section shall be construed to require a change to existing  
8           data exchange standards found to be effective and effi-  
9           cient.”.

10          (b) *EFFECTIVE DATE.*—Not later than the date that  
11          is 24 months after the date of the enactment of this section,  
12          the Secretary of Health and Human Services shall issue  
13          a proposed rule that—

14                (1) identifies federally required data exchanges,  
15                include specification and timing of exchanges to be  
16                standardized, and address the factors used in deter-  
17                mining whether and when to standardize data ex-  
18                changes; and

19                (2) specifies State implementation options and  
20                describes future milestones.

21          **SEC. 2668. TECHNICAL CORRECTIONS TO STATE REQUIRE-**  
22                                **MENT TO ADDRESS THE DEVELOPMENTAL**  
23                                **NEEDS OF YOUNG CHILDREN.**

24          Section 422(b)(18) of the Social Security Act (42  
25          U.S.C. 622(b)(18)) is amended by striking “such children”

1 *and inserting “all vulnerable children under 5 years of*  
 2 *age”.*

3 **CHAPTER 6—ENSURING STATES REINVEST**  
 4 **SAVINGS RESULTING FROM INCREASE**  
 5 **IN ADOPTION ASSISTANCE**

6 **SEC. 2669. DELAY OF ADOPTION ASSISTANCE PHASE-IN.**

7 *(a) IN GENERAL.—The table in section 473(e)(1)(B)*  
 8 *of the Social Security Act (42 U.S.C. 673(e)(1)(B)) is*  
 9 *amended by striking the last 2 rows and inserting the fol-*  
 10 *lowing:*

---

<i>“2017 through 2023 .....</i>	<i>2</i>
<i>2024 .....</i>	<i>2 (or, in the case of a child for whom</i> <i>an adoption assistance agreement is</i> <i>entered into under this section on or</i> <i>after July 1, 2024, any age)</i>
<i>2025 or thereafter .....</i>	<i>any age.”.</i>

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11 *(b) EFFECTIVE DATE.—The amendment made by this*  
 12 *section shall take effect on January 1, 2018.*

13 **SEC. 2670. GAO STUDY AND REPORT ON STATE REINVEST-**  
 14 **MENT OF SAVINGS RESULTING FROM IN-**  
 15 **CREASE IN ADOPTION ASSISTANCE.**

16 *(a) STUDY.—The Comptroller General of the United*  
 17 *States shall study the extent to which States are complying*  
 18 *with the requirements of section 473(a)(8) of the Social Se-*  
 19 *curity Act relating to the effects of phasing out the AFDC*  
 20 *income eligibility requirements for adoption assistance pay-*  
 21 *ments under section 473 of the Social Security Act, as en-*

1 *acted by section 402 of the Fostering Connections to Success*  
2 *and Increasing Adoptions Act of 2008 (Public Law 110–*  
3 *351; 122 Stat. 3975) and amended by section 206 of the*  
4 *Preventing Sex Trafficking and Strengthening Families Act*  
5 *(Public Law 113–183; 128 Stat. 1919). In particular, the*  
6 *Comptroller General shall analyze the extent to which*  
7 *States are complying with the following requirements under*  
8 *section 473(a)(8)(D) of the Social Security Act:*

9           (1) *The requirement to spend an amount equal*  
10 *to the amount of the savings (if any) in State expend-*  
11 *itures under part E of title IV of the Social Security*  
12 *Act resulting from phasing out the AFDC income eli-*  
13 *gibility requirements for adoption assistance pay-*  
14 *ments under section 473 of such Act to provide to*  
15 *children of families any service that may be provided*  
16 *under part B or E of title IV of such Act.*

17           (2) *The requirement that a State shall spend not*  
18 *less than 30 percent of the amount of any savings de-*  
19 *scribed in paragraph (1) on post-adoption services,*  
20 *post-guardianship services, and services to support*  
21 *and sustain positive permanent outcomes for children*  
22 *who otherwise might enter into foster care under the*  
23 *responsibility of the State, with at least  $\frac{2}{3}$  of the*  
24 *spending by the State to comply with the 30 percent*

1        *requirement being spent on post-adoption and post-*  
 2        *guardianship services.*

3        *(b) REPORT.—The Comptroller General of the United*  
 4        *States shall submit to the Committee on Finance of the Sen-*  
 5        *ate, the Committee on Ways and Means of the House of*  
 6        *Representatives, and the Secretary of Health and Human*  
 7        *Services a report that contains the results of the study re-*  
 8        *quired by subsection (a), including recommendations to en-*  
 9        *sure compliance with laws referred to in subsection (a).*

10        ***Subtitle B—Supporting Social Im-***  
 11         ***pact Partnerships to Pay for Re-***  
 12        ***sults***

13        ***SEC. 2681. SUPPORTING SOCIAL IMPACT PARTNERSHIPS TO***  
 14        ***PAY FOR RESULTS.***

15        *Title XX of the Social Security Act (42 U.S.C. 1397*  
 16        *et seq.) is amended—*

17                *(1) in the title heading, by striking “TO*  
 18                *STATES” and inserting “AND PROGRAMS”; and*

19                *(2) by adding at the end the following:*

20                *“Subtitle C—Social Impact Demonstration Projects*

21                                *“PURPOSES*

22                *“SEC. 2051. The purposes of this subtitle are the fol-*  
 23        *lowing:*



1           “(1) *To improve the lives of families and indi-*  
2           *viduals in need in the United States by funding so-*  
3           *cial programs that achieve real results.*

4           “(2) *To redirect funds away from programs that,*  
5           *based on objective data, are ineffective, and into pro-*  
6           *grams that achieve demonstrable, measurable results.*

7           “(3) *To ensure Federal funds are used effectively*  
8           *on social services to produce positive outcomes for*  
9           *both service recipients and taxpayers.*

10          “(4) *To establish the use of social impact part-*  
11          *nerships to address some of our Nation’s most press-*  
12          *ing problems.*

13          “(5) *To facilitate the creation of public-private*  
14          *partnerships that bundle philanthropic or other pri-*  
15          *ivate resources with existing public spending to scale*  
16          *up effective social interventions already being imple-*  
17          *mented by private organizations, nonprofits, chari-*  
18          *table organizations, and State and local governments*  
19          *across the country.*

20          “(6) *To bring pay-for-performance to the social*  
21          *sector, allowing the United States to improve the im-*  
22           *pact and effectiveness of vital social services programs*  
23          *while redirecting inefficient or duplicative spending.*

1           “(7) *To incorporate outcomes measurement and*  
2           *randomized controlled trials or other rigorous meth-*  
3           *odologies for assessing program impact.*

4           “SOCIAL IMPACT PARTNERSHIP APPLICATION

5           “SEC. 2052. (a) NOTICE.—*Not later than 1 year after*  
6           *the date of the enactment of this subtitle, the Secretary of*  
7           *the Treasury, in consultation with the Federal Interagency*  
8           *Council on Social Impact Partnerships, shall publish in the*  
9           *Federal Register a request for proposals from States or local*  
10          *governments for social impact partnership projects in ac-*  
11          *cordance with this section.*

12          “(b) REQUIRED OUTCOMES FOR SOCIAL IMPACT PART-  
13          *NERSHIP PROJECT.—To qualify as a social impact partner-*  
14          *ship project under this subtitle, a project must produce one*  
15          *or more measurable, clearly defined outcomes that result in*  
16          *social benefit and Federal, State, or local savings through*  
17          *any of the following:*

18                 “(1) *Increasing work and earnings by individ-*  
19                 *uals in the United States who are unemployed for*  
20                 *more than 6 consecutive months.*

21                 “(2) *Increasing employment and earnings of in-*  
22                 *dividuals who have attained 16 years of age but not*  
23                 *25 years of age.*

24                 “(3) *Increasing employment among individuals*  
25                 *receiving Federal disability benefits.*

1           “(4) *Reducing the dependence of low-income*  
2 *families on Federal means-tested benefits.*

3           “(5) *Improving rates of high school graduation.*

4           “(6) *Reducing teen and unplanned pregnancies.*

5           “(7) *Improving birth outcomes and early child-*  
6 *hood health and development among low-income fami-*  
7 *lies and individuals.*

8           “(8) *Reducing rates of asthma, diabetes, or other*  
9 *preventable diseases among low-income families and*  
10 *individuals to reduce the utilization of emergency and*  
11 *other high-cost care.*

12           “(9) *Increasing the proportion of children living*  
13 *in two-parent families.*

14           “(10) *Reducing incidences and adverse con-*  
15 *sequences of child abuse and neglect.*

16           “(11) *Reducing the number of youth in foster*  
17 *care by increasing adoptions, permanent guardian-*  
18 *ship arrangements, reunifications, or placements with*  
19 *a fit and willing relative, or by avoiding placing chil-*  
20 *dren in foster care by ensuring they can be cared for*  
21 *safely in their own homes.*

22           “(12) *Reducing the number of children and*  
23 *youth in foster care residing in group homes, child*  
24 *care institutions, agency-operated foster homes, or*  
25 *other non-family foster homes, unless it is determined*

1       *that it is in the interest of the child’s long-term*  
2       *health, safety, or psychological well-being to not be*  
3       *placed in a family foster home.*

4               “(13) *Reducing the number of children returning*  
5       *to foster care.*

6               “(14) *Reducing recidivism among juvenile of-*  
7       *fenders, individuals released from prison, or other*  
8       *high-risk populations.*

9               “(15) *Reducing the rate of homelessness among*  
10       *our most vulnerable populations.*

11               “(16) *Improving the health and well-being of*  
12       *those with mental, emotional, and behavioral health*  
13       *needs.*

14               “(17) *Improving the educational outcomes of spe-*  
15       *cial-needs or low-income children.*

16               “(18) *Improving the employment and well-being*  
17       *of returning United States military members.*

18               “(19) *Increasing the financial stability of low-*  
19       *income families.*

20               “(20) *Increasing the independence and employ-*  
21       *ability of individuals who are physically or mentally*  
22       *disabled.*

23               “(21) *Other measurable outcomes defined by the*  
24       *State or local government that result in positive so-*  
25       *cial outcomes and Federal savings.*

1       “(c) *APPLICATION REQUIRED.*—*The notice described*  
2 *in subsection (a) shall require a State or local government*  
3 *to submit an application for the social impact partnership*  
4 *project that addresses the following:*

5               “(1) *The outcome goals of the project.*

6               “(2) *A description of each intervention in the*  
7 *project and anticipated outcomes of the intervention.*

8               “(3) *Rigorous evidence demonstrating that the*  
9 *intervention can be expected to produce the desired*  
10 *outcomes.*

11              “(4) *The target population that will be served by*  
12 *the project.*

13              “(5) *The expected social benefits to participants*  
14 *who receive the intervention and others who may be*  
15 *impacted.*

16              “(6) *Projected Federal, State, and local govern-*  
17 *ment costs and other costs to conduct the project.*

18              “(7) *Projected Federal, State, and local govern-*  
19 *ment savings and other savings, including an esti-*  
20 *mate of the savings to the Federal Government, on a*  
21 *program-by-program basis and in the aggregate, if*  
22 *the project is implemented and the outcomes are*  
23 *achieved as a result of the intervention.*

24              “(8) *If savings resulting from the successful com-*  
25 *pletion of the project are estimated to accrue to the*

1       *State or local government, the likelihood of the State*  
2       *or local government to realize those savings.*

3               “(9) *A plan for delivering the intervention*  
4       *through a social impact partnership model.*

5               “(10) *A description of the expertise of each serv-*  
6       *ice provider that will administer the intervention, in-*  
7       *cluding a summary of the experience of the service*  
8       *provider in delivering the proposed intervention or a*  
9       *similar intervention, or demonstrating that the serv-*  
10       *ice provider has the expertise necessary to deliver the*  
11       *proposed intervention.*

12               “(11) *An explanation of the experience of the*  
13       *State or local government, the intermediary, or the*  
14       *service provider in raising private and philanthropic*  
15       *capital to fund social service investments.*

16               “(12) *The detailed roles and responsibilities of*  
17       *each entity involved in the project, including any*  
18       *State or local government entity, intermediary, serv-*  
19       *ice provider, independent evaluator, investor, or other*  
20       *stakeholder.*

21               “(13) *A summary of the experience of the service*  
22       *provider in delivering the proposed intervention or a*  
23       *similar intervention, or a summary demonstrating*  
24       *the service provider has the expertise necessary to de-*  
25       *liver the proposed intervention.*

1           “(14) *A summary of the unmet need in the area*  
2           *where the intervention will be delivered or among the*  
3           *target population who will receive the intervention.*

4           “(15) *The proposed payment terms, the method-*  
5           *ology used to calculate outcome payments, the pay-*  
6           *ment schedule, and performance thresholds.*

7           “(16) *The project budget.*

8           “(17) *The project timeline.*

9           “(18) *The criteria used to determine the eligi-*  
10          *bility of an individual for the project, including how*  
11          *selected populations will be identified, how they will*  
12          *be referred to the project, and how they will be en-*  
13          *rolled in the project.*

14          “(19) *The evaluation design.*

15          “(20) *The metrics that will be used in the eval-*  
16          *uation to determine whether the outcomes have been*  
17          *achieved as a result of the intervention and how the*  
18          *metrics will be measured.*

19          “(21) *An explanation of how the metrics used in*  
20          *the evaluation to determine whether the outcomes*  
21          *achieved as a result of the intervention are inde-*  
22          *pendent, objective indicators of impact and are not*  
23          *subject to manipulation by the service provider, inter-*  
24          *mediary, or investor.*

1           “(22) *A summary explaining the independence of*  
2           *the evaluator from the other entities involved in the*  
3           *project and the evaluator’s experience in conducting*  
4           *rigorous evaluations of program effectiveness includ-*  
5           *ing, where available, well-implemented randomized*  
6           *controlled trials on the intervention or similar inter-*  
7           *ventions.*

8           “(23) *The capacity of the service provider to de-*  
9           *liver the intervention to the number of participants*  
10          *the State or local government proposes to serve in the*  
11          *project.*

12          “(24) *A description of whether and how the State*  
13          *or local government and service providers plan to sus-*  
14          *tain the intervention, if it is timely and appropriate*  
15          *to do so, to ensure that successful interventions con-*  
16          *tinue to operate after the period of the social impact*  
17          *partnership.*

18          “(d) *PROJECT INTERMEDIARY INFORMATION RE-*  
19          *QUIRED.—The application described in subsection (c) shall*  
20          *also contain the following information about any inter-*  
21          *mediary for the social impact partnership project (whether*  
22          *an intermediary is a service provider or other entity):*

23                 “(1) *Experience and capacity for providing or*  
24                 *facilitating the provision of the type of intervention*  
25                 *proposed.*



1           “(2) *The mission and goals.*

2           “(3) *Information on whether the intermediary is*  
3 *already working with service providers that provide*  
4 *this intervention or an explanation of the capacity of*  
5 *the intermediary to begin working with service pro-*  
6 *viders to provide the intervention.*

7           “(4) *Experience working in a collaborative envi-*  
8 *ronment across government and nongovernmental en-*  
9 *tities.*

10          “(5) *Previous experience collaborating with pub-*  
11 *lic or private entities to implement evidence-based*  
12 *programs.*

13          “(6) *Ability to raise or provide funding to cover*  
14 *operating costs (if applicable to the project).*

15          “(7) *Capacity and infrastructure to track out-*  
16 *comes and measure results, including—*

17               “(A) *capacity to track and analyze program*  
18 *performance and assess program impact; and*

19               “(B) *experience with performance-based*  
20 *awards or performance-based contracting and*  
21 *achieving project milestones and targets.*

22          “(8) *Role in delivering the intervention.*

23          “(9) *How the intermediary would monitor pro-*  
24 *gram success, including a description of the interim*  
25 *benchmarks and outcome measures.*

1           “(e) *FEASIBILITY STUDIES FUNDED THROUGH OTHER*  
2 *SOURCES.*—*The notice described in subsection (a) shall per-*  
3 *mit a State or local government to submit an application*  
4 *for social impact partnership funding that contains infor-*  
5 *mation from a feasibility study developed for purposes other*  
6 *than applying for funding under this subtitle.*

7           “*AWARDING SOCIAL IMPACT PARTNERSHIP AGREEMENTS*

8           “*SEC. 2053. (a) TIMELINE IN AWARDING AGREE-*  
9 *MENT.*—*Not later than 6 months after receiving an applica-*  
10 *tion in accordance with section 2052, the Secretary, in con-*  
11 *sultation with the Federal Interagency Council on Social*  
12 *Impact Partnerships, shall determine whether to enter into*  
13 *an agreement for a social impact partnership project with*  
14 *a State or local government.*

15           “(b) *CONSIDERATIONS IN AWARDING AGREEMENT.*—  
16 *In determining whether to enter into an agreement for a*  
17 *social impact partnership project (the application for which*  
18 *was submitted under section 2052) the Secretary, in con-*  
19 *sultation with the Federal Interagency Council on Social*  
20 *Impact Partnerships and the head of any Federal agency*  
21 *administering a similar intervention or serving a popu-*  
22 *lation similar to that served by the project, shall consider*  
23 *each of the following:*

24                   “(1) *The recommendations made by the Commis-*  
25                   *sion on Social Impact Partnerships.*

1           “(2) *The value to the Federal Government of the*  
2           *outcomes expected to be achieved if the outcomes speci-*  
3           *fied in the agreement are achieved as a result of the*  
4           *intervention.*

5           “(3) *The likelihood, based on evidence provided*  
6           *in the application and other evidence, that the State*  
7           *or local government in collaboration with the inter-*  
8           *mediary and the service providers will achieve the*  
9           *outcomes.*

10           “(4) *The savings to the Federal Government if*  
11           *the outcomes specified in the agreement are achieved*  
12           *as a result of the intervention.*

13           “(5) *The savings to the State and local govern-*  
14           *ments if the outcomes specified in the agreement are*  
15           *achieved as a result of the intervention.*

16           “(6) *The expected quality of the evaluation that*  
17           *would be conducted with respect to the agreement.*

18           “(7) *The capacity and commitment of the State*  
19           *or local government to sustain the intervention, if ap-*  
20           *propriate and timely and if the intervention is suc-*  
21           *cessful, beyond the period of the social impact part-*  
22           *nership.*

23           “(c) *AGREEMENT AUTHORITY.—*

24           “(1) *AGREEMENT REQUIREMENTS.—In accord-*  
25           *ance with this section, the Secretary, in consultation*

1       *with the Federal Interagency Council on Social Im-*  
2        *pact Partnerships and the head of any Federal agen-*  
3       *cy administering a similar intervention or serving a*  
4       *population similar to that served by the project, may*  
5       *enter into an agreement for a social impact partner-*  
6       *ship project with a State or local government if the*  
7       *Secretary, in consultation with the Federal Inter-*  
8       *agency Council on Social Impact Partnerships, deter-*  
9       *mines that each of the following requirements are met:*

10               “(A) *The State or local government agrees*  
11               *to achieve one or more outcomes as a result of*  
12               *the intervention, as specified in the agreement*  
13               *and validated by independent evaluation, in*  
14               *order to receive payment.*

15               “(B) *The Federal payment to the State or*  
16               *local government for each specified outcome*  
17               *achieved as a result of the intervention is less*  
18               *than or equal to the value of the outcome to the*  
19               *Federal Government over a period not to exceed*  
20               *10 years, as determined by the Secretary, in con-*  
21               *sultation with the State or local government.*

22               “(C) *The duration of the project does not*  
23               *exceed 10 years.*

24               “(D) *The State or local government has*  
25               *demonstrated, through the application submitted*

1           *under section 2052, that, based on prior rigorous*  
2           *experimental evaluations or rigorous quasi-ex-*  
3           *perimental studies, the intervention can be ex-*  
4           *pected to achieve each outcome specified in the*  
5           *agreement.*

6           “(E) *The State, local government, inter-*  
7           *mediary, or service provider has experience rais-*  
8           *ing private or philanthropic capital to fund so-*  
9           *cial service investments (if applicable to the*  
10          *project).*

11          “(F) *The State or local government has*  
12          *shown that each service provider has experience*  
13          *delivering the intervention, a similar interven-*  
14          *tion, or has otherwise demonstrated the expertise*  
15          *necessary to deliver the intervention.*

16          “(2) *PAYMENT.—The Secretary shall pay the*  
17          *State or local government only if the independent*  
18          *evaluator described in section 2055 determines that*  
19          *the social impact partnership project has met the re-*  
20          *quirements specified in the agreement and achieved*  
21          *an outcome as a result of the intervention, as speci-*  
22          *fied in the agreement and validated by independent*  
23          *evaluation.*

24          “(d) *NOTICE OF AGREEMENT AWARD.—Not later than*  
25          *30 days after entering into an agreement under this section*

1 *the Secretary shall publish a notice in the Federal Register*  
2 *that includes, with regard to the agreement, the following:*

3           “(1) *The outcome goals of the social impact part-*  
4 *nership project.*

5           “(2) *A description of each intervention in the*  
6 *project.*

7           “(3) *The target population that will be served by*  
8 *the project.*

9           “(4) *The expected social benefits to participants*  
10 *who receive the intervention and others who may be*  
11 *impacted.*

12           “(5) *The detailed roles, responsibilities, and pur-*  
13 *poses of each Federal, State, or local government enti-*  
14 *ty, intermediary, service provider, independent eval-*  
15 *uator, investor, or other stakeholder.*

16           “(6) *The payment terms, the methodology used to*  
17 *calculate outcome payments, the payment schedule,*  
18 *and performance thresholds.*

19           “(7) *The project budget.*

20           “(8) *The project timeline.*

21           “(9) *The project eligibility criteria.*

22           “(10) *The evaluation design.*

23           “(11) *The metrics that will be used in the eval-*  
24 *uation to determine whether the outcomes have been*

1       *achieved as a result of each intervention and how*  
 2       *these metrics will be measured.*

3               “(12) *The estimate of the savings to the Federal,*  
 4       *State, and local government, on a program-by-pro-*  
 5       *gram basis and in the aggregate, if the agreement is*  
 6       *entered into and implemented and the outcomes are*  
 7       *achieved as a result of each intervention.*

8               “(e) *AUTHORITY TO TRANSFER ADMINISTRATION OF*  
 9       *AGREEMENT.—The Secretary may transfer to the head of*  
 10       *another Federal agency the authority to administer (includ-*  
 11       *ing making payments under) an agreement entered into*  
 12       *under subsection (c), and any funds necessary to do so.*

13               “(f) *REQUIREMENT ON FUNDING USED TO BENEFIT*  
 14       *CHILDREN.—Not less than 50 percent of all Federal pay-*  
 15       *ments made to carry out agreements under this section shall*  
 16       *be used for initiatives that directly benefit children.*

17                               “*FEASIBILITY STUDY FUNDING*

18               “*SEC. 2054. (a) REQUESTS FOR FUNDING FOR FEASI-*  
 19       *BILITY STUDIES.—The Secretary shall reserve a portion of*  
 20       *the amount made available to carry out this subtitle to as-*  
 21       *sist States or local governments in developing feasibility*  
 22       *studies to apply for social impact partnership funding*  
 23       *under section 2052. To be eligible to receive funding to as-*  
 24       *sist with completing a feasibility study, a State or local*  
 25       *government shall submit an application for feasibility*  
 26       *study funding addressing the following:*

1           “(1) A description of the outcome goals of the so-  
2           cial impact partnership project.

3           “(2) A description of the intervention, including  
4           anticipated program design, target population, an es-  
5           timate regarding the number of individuals to be  
6           served, and setting for the intervention.

7           “(3) Evidence to support the likelihood that the  
8           intervention will produce the desired outcomes.

9           “(4) A description of the potential metrics to be  
10          used.

11          “(5) The expected social benefits to participants  
12          who receive the intervention and others who may be  
13          impacted.

14          “(6) Estimated costs to conduct the project.

15          “(7) Estimates of Federal, State, and local gov-  
16          ernment savings and other savings if the project is  
17          implemented and the outcomes are achieved as a re-  
18          sult of each intervention.

19          “(8) An estimated timeline for implementation  
20          and completion of the project, which shall not exceed  
21          10 years.

22          “(9) With respect to a project for which the State  
23          or local government selects an intermediary to operate  
24          the project, any partnerships needed to successfully



1       *execute the project and the ability of the intermediary*  
2       *to foster the partnerships.*

3               “(10) *The expected resources needed to complete*  
4       *the feasibility study for the State or local government*  
5       *to apply for social impact partnership funding under*  
6       *section 2052.*

7               “(b) *FEDERAL SELECTION OF APPLICATIONS FOR FEA-*  
8       *SIBILITY STUDY.—Not later than 6 months after receiving*  
9       *an application for feasibility study funding under sub-*  
10       *section (a), the Secretary, in consultation with the Federal*  
11       *Interagency Council on Social Impact Partnerships and the*  
12       *head of any Federal agency administering a similar inter-*  
13       *vention or serving a population similar to that served by*  
14       *the project, shall select State or local government feasibility*  
15       *study proposals for funding based on the following:*

16               “(1) *The recommendations made by the Commis-*  
17       *sion on Social Impact Partnerships.*

18               “(2) *The likelihood that the proposal will achieve*  
19       *the desired outcomes.*

20               “(3) *The value of the outcomes expected to be*  
21       *achieved as a result of each intervention.*

22               “(4) *The potential savings to the Federal Gov-*  
23       *ernment if the social impact partnership project is*  
24       *successful.*

1           “(5) *The potential savings to the State and local*  
2           *governments if the project is successful.*

3           “(c) *PUBLIC DISCLOSURE.—Not later than 30 days*  
4           *after selecting a State or local government for feasibility*  
5           *study funding under this section, the Secretary shall cause*  
6           *to be published on the website of the Federal Interagency*  
7           *Council on Social Impact Partnerships information ex-*  
8           *plaining why a State or local government was granted fea-*  
9           *sibility study funding.*

10          “(d) *FUNDING RESTRICTION.—*

11           “(1) *FEASIBILITY STUDY RESTRICTION.—The*  
12           *Secretary may not provide feasibility study funding*  
13           *under this section for more than 50 percent of the es-*  
14           *timated total cost of the feasibility study reported in*  
15           *the State or local government application submitted*  
16           *under subsection (a).*

17           “(2) *AGGREGATE RESTRICTION.—Of the total*  
18           *amount made available to carry out this subtitle, the*  
19           *Secretary may not use more than \$10,000,000 to pro-*  
20           *vide feasibility study funding to States or local gov-*  
21           *ernments under this section.*

22           “(3) *NO GUARANTEE OF FUNDING.—The Sec-*  
23           *retary shall have the option to award no funding*  
24           *under this section.*



1 *the evaluator is independent of the other parties to the*  
2 *agreement and has demonstrated substantial experience in*  
3 *conducting rigorous evaluations of program effectiveness in-*  
4 *cluding, where available and appropriate, well-imple-*  
5 *mented randomized controlled trials on the intervention or*  
6 *similar interventions.*

7       “(c) *METHODOLOGIES TO BE USED.*—*The evaluation*  
8 *used to determine whether a State or local government will*  
9 *receive outcome payments under this subtitle shall use ex-*  
10 *perimental designs using random assignment or other reli-*  
11 *able, evidence-based research methodologies, as certified by*  
12 *the Federal Interagency Council on Social Impact Partner-*  
13 *ships, that allow for the strongest possible causal inferences*  
14 *when random assignment is not feasible.*

15       “(d) *PROGRESS REPORT.*—

16               “(1) *SUBMISSION OF REPORT.*—*The independent*  
17 *evaluator shall—*

18                       “(A) *not later than 2 years after a project*  
19 *has been approved by the Secretary and bian-*  
20 *nually thereafter until the project is concluded,*  
21 *submit to the head of the relevant agency and the*  
22 *Federal Interagency Council on Social Impact*  
23 *Partnerships a written report summarizing the*  
24 *progress that has been made in achieving each*  
25 *outcome specified in the agreement; and*

1           “(B) before the scheduled time of the first  
2           outcome payment and before the scheduled time  
3           of each subsequent payment, submit to the head  
4           of the relevant agency and the Federal Inter-  
5           agency Council on Social Impact Partnerships a  
6           written report that includes the results of the  
7           evaluation conducted to determine whether an  
8           outcome payment should be made along with in-  
9           formation on the unique factors that contributed  
10          to achieving or failing to achieve the outcome,  
11          the challenges faced in attempting to achieve the  
12          outcome, and information on the improved fu-  
13          ture delivery of this or similar interventions.

14           “(2) *SUBMISSION TO THE SECRETARY AND CON-*  
15          *GRESS.*—Not later than 30 days after receipt of the  
16          written report pursuant to paragraph (1)(B), the  
17          Federal Interagency Council on Social Impact Part-  
18          nerships shall submit the report to the Secretary and  
19          each committee of jurisdiction in the House of Rep-  
20          resentatives and the Senate.

21           “(e) *FINAL REPORT.*—

22           “(1) *SUBMISSION OF REPORT.*—Within 6 months  
23          after the social impact partnership project is com-  
24          pleted, the independent evaluator shall—

1           “(A) evaluate the effects of the activities un-  
2           dertaken pursuant to the agreement with regard  
3           to each outcome specified in the agreement; and

4           “(B) submit to the head of the relevant  
5           agency and the Federal Interagency Council on  
6           Social Impact Partnerships a written report that  
7           includes the results of the evaluation and the  
8           conclusion of the evaluator as to whether the  
9           State or local government has fulfilled each obli-  
10          gation of the agreement, along with information  
11          on the unique factors that contributed to the suc-  
12          cess or failure of the project, the challenges faced  
13          in attempting to achieve the outcome, and infor-  
14          mation on the improved future delivery of this or  
15          similar interventions.

16          “(2) SUBMISSION TO THE SECRETARY AND CON-  
17          GRESS.—Not later than 30 days after receipt of the  
18          written report pursuant to paragraph (1)(B), the  
19          Federal Interagency Council on Social Impact Part-  
20          nerships shall submit the report to the Secretary and  
21          each committee of jurisdiction in the House of Rep-  
22          resentatives and the Senate.

23          “(f) LIMITATION ON COST OF EVALUATIONS.—Of the  
24          amount made available under this subtitle for social impact  
25          partnership projects, the Secretary may not obligate more



1       *has access to Federal administrative data to assist the*  
2       *State or local government and the evaluator in evalu-*  
3       *ating the performance and outcomes of the project;*

4               *“(6) address issues that will influence the future*  
5       *of social impact partnership projects in the United*  
6       *States;*

7               *“(7) provide guidance to the executive branch on*  
8       *the future of social impact partnership projects in the*  
9       *United States;*

10              *“(8) prior to approval by the Secretary, certify*  
11       *that each State and local government application for*  
12       *a social impact partnership contains rigorous, inde-*  
13       *pendent data and reliable, evidence-based research*  
14       *methodologies to support the conclusion that the*  
15       *project will yield savings to the State or local govern-*  
16       *ment or the Federal Government if the project out-*  
17       *comes are achieved;*

18              *“(9) certify to the Secretary, in the case of each*  
19       *approved social impact partnership that is expected*  
20       *to yield savings to the Federal Government, that the*  
21       *project will yield a projected savings to the Federal*  
22       *Government if the project outcomes are achieved, and*  
23       *coordinate with the relevant Federal agency to*  
24       *produce an after-action accounting once the project is*  
25       *complete to determine the actual Federal savings real-*



1        *ized, and the extent to which actual savings aligned*  
2        *with projected savings; and*

3            *“(10) provide periodic reports to the Secretary*  
4        *and make available reports periodically to Congress*  
5        *and the public on the implementation of this subtitle.*

6        *“(b) COMPOSITION OF COUNCIL.—The Council shall*  
7        *have 11 members, as follows:*

8            *“(1) CHAIR.—The Chair of the Council shall be*  
9        *the Director of the Office of Management and Budget.*

10          *“(2) OTHER MEMBERS.—The head of each of the*  
11        *following entities shall designate one officer or em-*  
12        *ployee of the entity to be a Council member:*

13            *“(A) The Department of Labor.*

14            *“(B) The Department of Health and*  
15        *Human Services.*

16            *“(C) The Social Security Administration.*

17            *“(D) The Department of Agriculture.*

18            *“(E) The Department of Justice.*

19            *“(F) The Department of Housing and*  
20        *Urban Development.*

21            *“(G) The Department of Education.*

22            *“(H) The Department of Veterans Affairs.*

23            *“(I) The Department of the Treasury.*

24            *“(J) The Corporation for National and*  
25        *Community Service.*

1           “COMMISSION ON SOCIAL IMPACT PARTNERSHIPS

2           “SEC. 2057. (a) *ESTABLISHMENT.*—*There is estab-*  
3 *lished the Commission on Social Impact Partnerships (in*  
4 *this section referred to as the ‘Commission’).*

5           “(b) *DUTIES.*—*The duties of the Commission shall be*  
6 *to—*

7                   “(1) *assist the Secretary and the Federal Inter-*  
8 *agency Council on Social Impact Partnerships in re-*  
9 *viewing applications for funding under this subtitle;*

10                   “(2) *make recommendations to the Secretary and*  
11 *the Federal Interagency Council on Social Impact*  
12 *Partnerships regarding the funding of social impact*  
13 *partnership agreements and feasibility studies; and*

14                   “(3) *provide other assistance and information as*  
15 *requested by the Secretary or the Federal Interagency*  
16 *Council on Social Impact Partnerships.*

17           “(c) *COMPOSITION.*—*The Commission shall be com-*  
18 *posed of nine members, of whom—*

19                   “(1) *one shall be appointed by the President,*  
20 *who will serve as the Chair of the Commission;*

21                   “(2) *one shall be appointed by the Majority*  
22 *Leader of the Senate;*

23                   “(3) *one shall be appointed by the Minority*  
24 *Leader of the Senate;*

1           “(4) one shall be appointed by the Speaker of the  
2     *House of Representatives;*

3           “(5) one shall be appointed by the Minority  
4     *Leader of the House of Representatives;*

5           “(6) one shall be appointed by the Chairman of  
6     *the Committee on Finance of the Senate;*

7           “(7) one shall be appointed by the ranking mem-  
8     *ber of the Committee on Finance of the Senate;*

9           “(8) one member shall be appointed by the  
10    *Chairman of the Committee on Ways and Means of*  
11    *the House of Representatives; and*

12          “(9) one shall be appointed by the ranking mem-  
13    *ber of the Committee on Ways and Means of the*  
14    *House of Representatives.*

15          “(d) *QUALIFICATIONS OF COMMISSION MEMBERS.—*

16    *The members of the Commission shall—*

17          “(1) *be experienced in finance, economics, pay*  
18    *for performance, or program evaluation;*

19          “(2) *have relevant professional or personal expe-*  
20    *rience in a field related to one or more of the out-*  
21    *comes listed in this subtitle; or*

22          “(3) *be qualified to review applications for social*  
23    *impact partnership projects to determine whether the*  
24    *proposed metrics and evaluation methodologies are*

1       *appropriately rigorous and reliant upon independent*  
2       *data and evidence-based research.*

3       “(e) *TIMING OF APPOINTMENTS.*—*The appointments of*  
4       *the members of the Commission shall be made not later than*  
5       *120 days after the date of the enactment of this subtitle,*  
6       *or, in the event of a vacancy, not later than 90 days after*  
7       *the date the vacancy arises. If a member of Congress fails*  
8       *to appoint a member by that date, the President may select*  
9       *a member of the President’s choice on behalf of the member*  
10       *of Congress. Notwithstanding the preceding sentence, if not*  
11       *all appointments have been made to the Commission as of*  
12       *that date, the Commission may operate with no fewer than*  
13       *five members until all appointments have been made.*

14       “(f) *TERM OF APPOINTMENTS.*—

15               “(1) *IN GENERAL.*—*The members appointed*  
16       *under subsection (c) shall serve as follows:*

17                       “(A) *Three members shall serve for 2 years.*

18                       “(B) *Three members shall serve for 3 years.*

19                       “(C) *Three members (one of which shall be*  
20       *Chair of the Commission appointed by the Presi-*  
21       *dent) shall serve for 4 years.*

22               “(2) *ASSIGNMENT OF TERMS.*—*The Commission*  
23       *shall designate the term length that each member ap-*  
24       *pointed under subsection (c) shall serve by unanimous*  
25       *agreement. In the event that unanimous agreement*

1       cannot be reached, term lengths shall be assigned to  
2       the members by a random process.

3       “(g) *VACANCIES*.—Subject to subsection (e), in the  
4       event of a vacancy in the Commission, whether due to the  
5       resignation of a member, the expiration of a member’s term,  
6       or any other reason, the vacancy shall be filled in the man-  
7       ner in which the original appointment was made and shall  
8       not affect the powers of the Commission.

9       “(h) *APPOINTMENT POWER*.—Members of the Commis-  
10      sion appointed under subsection (c) shall not be subject to  
11      confirmation by the Senate.

12                               “*LIMITATION ON USE OF FUNDS*”

13      “*SEC. 2058. Of the amounts made available to carry*  
14      *out this subtitle, the Secretary may not use more than*  
15      *\$2,000,000 in any fiscal year to support the review, ap-*  
16      *proval, and oversight of social impact partnership projects,*  
17      *including activities conducted by—*

18                   “(1) *the Federal Interagency Council on Social*  
19                   *Impact Partnerships; and*

20                   “(2) *any other agency consulted by the Secretary*  
21                   *before approving a social impact partnership project*  
22                   *or a feasibility study under section 2054.*

23                               “*NO FEDERAL FUNDING FOR CREDIT ENHANCEMENTS*”

24      “*SEC. 2059. No amount made available to carry out*  
25      *this subtitle may be used to provide any insurance, guar-*  
26      *antee, or other credit enhancement to a State or local gov-*

1 *ernment under which a Federal payment would be made*  
2 *to a State or local government as the result of a State or*  
3 *local government failing to achieve an outcome specified in*  
4 *an agreement.*

5 *“AVAILABILITY OF FUNDS*

6 *“SEC. 2060. Amounts made available to carry out this*  
7 *subtitle shall remain available until 10 years after the date*  
8 *of the enactment of this subtitle.*

9 *“WEBSITE*

10 *“SEC. 2061. The Federal Interagency Council on So-*  
11 *cial Impact Partnerships shall establish and maintain a*  
12 *public website that shall display the following:*

13 *“(1) A copy of, or method of accessing, each no-*  
14 *tice published regarding a social impact partnership*  
15 *project pursuant to this subtitle.*

16 *“(2) A copy of each feasibility study funded*  
17 *under this subtitle.*

18 *“(3) For each State or local government that has*  
19 *entered into an agreement with the Secretary for a so-*  
20 *cial impact partnership project, the website shall con-*  
21 *tain the following information:*

22 *“(A) The outcome goals of the project.*

23 *“(B) A description of each intervention in*  
24 *the project.*

25 *“(C) The target population that will be*  
26 *served by the project.*

1           “(D) *The expected social benefits to partici-*  
2           *pants who receive the intervention and others*  
3           *who may be impacted.*

4           “(E) *The detailed roles, responsibilities, and*  
5           *purposes of each Federal, State, or local govern-*  
6           *ment entity, intermediary, service provider,*  
7           *independent evaluator, investor, or other stake-*  
8           *holder.*

9           “(F) *The payment terms, methodology used*  
10          *to calculate outcome payments, the payment*  
11          *schedule, and performance thresholds.*

12          “(G) *The project budget.*

13          “(H) *The project timeline.*

14          “(I) *The project eligibility criteria.*

15          “(J) *The evaluation design.*

16          “(K) *The metrics used to determine whether*  
17          *the proposed outcomes have been achieved and*  
18          *how these metrics are measured.*

19          “(4) *A copy of the progress reports and the final*  
20          *reports relating to each social impact partnership*  
21          *project.*

22          “(5) *An estimate of the savings to the Federal,*  
23          *State, and local government, on a program-by-pro-*  
24          *gram basis and in the aggregate, resulting from the*

1       *successful completion of the social impact partnership*  
2       *project.*

3                               “REGULATIONS

4       “SEC. 2062. *The Secretary, in consultation with the*  
5       *Federal Interagency Council on Social Impact Partner-*  
6       *ships, may issue regulations as necessary to carry out this*  
7       *subtitle.*

8                               “DEFINITIONS

9       “SEC. 2063. *In this subtitle:*

10               “(1) *AGENCY.*—*The term ‘agency’ has the mean-*  
11               *ing given that term in section 551 of title 5, United*  
12               *States Code.*

13               “(2) *INTERVENTION.*—*The term ‘intervention’*  
14               *means a specific service delivered to achieve an im-*  
15                *pact through a social impact partnership project.*

16               “(3) *SECRETARY.*—*The term ‘Secretary’ means*  
17               *the Secretary of the Treasury.*

18               “(4) *SOCIAL IMPACT PARTNERSHIP PROJECT.*—  
19               *The term ‘social impact partnership project’ means a*  
20               *project that finances social services using a social im-*  
21                *pact partnership model.*

22               “(5) *SOCIAL IMPACT PARTNERSHIP MODEL.*—*The*  
23               *term ‘social impact partnership model’ means a*  
24               *method of financing social services in which—*

25                       “(A) *Federal funds are awarded to a State*  
26                       *or local government only if a State or local gov-*



1            *ernment achieves certain outcomes agreed on by*  
2            *the State or local government and the Secretary;*  
3            *and*

4            *“(B) the State or local government coordi-*  
5            *nates with service providers, investors (if appli-*  
6            *cable to the project), and (if necessary) an inter-*  
7            *mediary to identify—*

8            *“(i) an intervention expected to*  
9            *produce the outcome;*

10           *“(ii) a service provider to deliver the*  
11           *intervention to the target population; and*

12           *“(iii) investors to fund the delivery of*  
13           *the intervention.*

14           *“(6) STATE.—The term ‘State’ means each State*  
15           *of the United States, the District of Columbia, each*  
16           *commonwealth, territory or possession of the United*  
17           *States, and each federally recognized Indian tribe.*

18           *“FUNDING*

19           *“SEC. 2064. Out of any money in the Treasury of the*  
20           *United States not otherwise appropriated, there is hereby*  
21           *appropriated \$92,000,000 for fiscal year 2018 to carry out*  
22           *this subtitle.”.*

1           **Subtitle C—Modernizing Child**  
2           **Support Enforcement Fees**

3   **SEC. 2691. MODERNIZING CHILD SUPPORT ENFORCEMENT**

4           **FEES.**

5           (a) *IN GENERAL.*— *Section 454(6)(B)(ii) of the Social*  
6 *Security Act (42 U.S.C. 654(6)(B)(ii)) is amended—*

7                 (1) *by striking “\$25” and inserting “\$35”; and*

8                 (2) *by striking “\$500” each place it appears and*  
9 *inserting “\$550”.*

10          (b) *EFFECTIVE DATE.*—

11                 (1) *IN GENERAL.*—*The amendment made by sub-*  
12 *section (a) shall take effect on the 1st day of the 1st*  
13 *fiscal year that begins on or after the date of the en-*  
14 *actment of this Act, and shall apply to payments*  
15 *under part D of title IV of the Social Security Act*  
16 *for calendar quarters beginning on or after such 1st*  
17 *day.*

18                 (2) *DELAY PERMITTED IF STATE LEGISLATION*  
19 *REQUIRED.*—*If the Secretary of Health and Human*  
20 *Services determines that State legislation (other than*  
21 *legislation appropriating funds) is required in order*  
22 *for a State plan developed pursuant to part D of title*  
23 *IV of the Social Security Act to meet the requirement*  
24 *imposed by the amendment made by subsection (a),*  
25 *the plan shall not be regarded as failing to meet the*

1        *requirement before the 1st day of the 1st calendar*  
2        *quarter beginning after the first regular session of the*  
3        *State legislature that begins after the date of the en-*  
4        *actment of this Act. For purposes of the preceding*  
5        *sentence, if the State has a 2-year legislative session,*  
6        *each year of the session is deemed to be a separate*  
7        *regular session of the State legislature.*

8        ***Subtitle D—Increasing Efficiency of***  
9        ***Prison Data Reporting***

10        ***SEC. 2699. INCREASING EFFICIENCY OF PRISON DATA RE-***  
11        ***PORTING.***

12        *(a) IN GENERAL.—Section 1611(e)(1)(I)(i)(II) of the*  
13        *Social Security Act (42 U.S.C. 1382(e)(1)(I)(i)(II)) is*  
14        *amended by striking “30 days” each place it appears and*  
15        *inserting “15 days”.*

16        *(b) EFFECTIVE DATE.—The amendments made by sub-*  
17        *section (a) shall apply with respect to any payment made*  
18        *by the Commissioner of Social Security pursuant to section*  
19        *1611(e)(1)(I)(i)(II) of the Social Security Act (as amended*  
20        *by such subsection) on or after the date that is 6 months*  
21        *after the date of enactment of this Act.*

**TITLE VII—OFFSETS****SEC. 2701. PAYMENT FOR EARLY DISCHARGES TO HOSPICE****CARE.**

(a) *IN GENERAL.*—Section 1886(d)(5)(J) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(J)) is amended—

(1) *in clause (ii)*—

(A) *in subclause (III), by striking “or” at the end;*

(B) *by redesignating subclause (IV) as subclause (V); and*

(C) *by inserting after subclause (III) the following new subclause:*

“(IV) *for discharges occurring on or after October 1, 2022, is provided hospice care by a hospice program; or*”;  
*and*

(2) *in clause (iv)*—

(A) *by inserting after the first sentence the following new sentence: “The Secretary shall include in the proposed rule published for fiscal year 2023, a description of the effect of clause (i)(IV).”;* *and*

(B) *in subclause (I), by striking “and (III)” and inserting “(III), and, in the case of*

1           *proposed and final rules for fiscal year 2023 and*  
2           *subsequent fiscal years, (IV)”.*

3           ***(b) MEDPAC EVALUATION AND REPORT ON HOSPITAL***  
4 ***TO HOSPICE TRANSFERS.—***

5           ***(1) EVALUATION.—****The Medicare Payment Advi-*  
6 *sory Commission (in this subsection referred to as the*  
7 *“Commission”) shall conduct an evaluation of the ef-*  
8 *fects of the amendments made by subsection (a), in-*  
9 *cluding the effects on—*

10                   ***(A) the numbers of discharges of patients***  
11 *from an inpatient hospital setting to a hospice*  
12 *program;*

13                   ***(B) the lengths of stays of patients in an in-***  
14 *patient hospital setting who are discharged to a*  
15 *hospice program;*

16                   ***(C) spending under the Medicare program***  
17 *under title XVIII of the Social Security Act; and*

18                   ***(D) other areas determined appropriate by***  
19 *the Commission.*

20           ***(2) CONSIDERATION.—****In conducting the evalua-*  
21 *tion under paragraph (1), the Commission shall con-*  
22 *sider factors such as whether the timely access to hos-*  
23 *pice care by patients admitted to a hospital has been*  
24 *affected through changes to hospital policies or behav-*  
25 *iors made as a result of such amendments.*

1           (3) *PRELIMINARY RESULTS.*—Not later than  
2           *March 15, 2024, the Commission shall provide Con-*  
3           *gress with preliminary results on the evaluation being*  
4           *conducted under paragraph (1).*

5           (4) *REPORT.*—Not later than *March 15, 2025,*  
6           *the Commission shall submit to Congress a report on*  
7           *the evaluation conducted under paragraph (1).*

8   **SEC. 2702. HOME HEALTH MARKET BASKET REDUCTION.**

9           *Section 1895(b)(3)(B) of the Social Security Act (42*  
10          *U.S.C. 1395fff(b)(3)(B)) is amended—*

11           (1) *in clause (iii), in the last sentence, by insert-*  
12           *ing before the period at the end the following: “and*  
13           *for 2020 shall be 1.5 percent”; and*

14           (2) *in clause (vi), by inserting “and 2020” after*  
15           *“except 2018”.*

16   **SEC. 2703. REDUCTION FOR NON-EMERGENCY ESRD AMBU-**  
17                                    **LANCE TRANSPORTS.**

18           *Section 1834(l)(15) of the Social Security Act (42.*  
19          *U.S.C. 1395m(l)(15)) is amended by striking “on or after*  
20          *October 1, 2013” and inserting “during the period begin-*  
21          *ning on October 1, 2013, and ending on September 30,*  
22          *2018, and by 23 percent for such services furnished on or*  
23          *after October 1, 2018”.*

1 **SEC. 2704. EXTENSION OF TARGET FOR RELATIVE VALUE**  
2 **ADJUSTMENTS FOR MISVALUED SERVICES**  
3 **AND TRANSITIONAL PAYMENT RULES FOR**  
4 **CERTAIN RADIATION THERAPY SERVICES**  
5 **UNDER THE PHYSICIAN FEE SCHEDULE.**

6 *Section 1848 of the Social Security Act (42 U.S.C.*  
7 *1395w-4) is amended—*

8 *(1) in subsection (b)(11), by striking “2017 and*  
9 *2018” and inserting “2017, 2018, and 2019”; and*

10 *(2) in subsection (c)(2)—*

11 *(A) in subparagraph (K)(iv), by striking*  
12 *“2017 and 2018” and inserting “2017, 2018,*  
13 *and 2019”; and*

14 *(B) in subparagraph (O), by striking*  
15 *“2018” and inserting “2019”.*

16 **SEC. 2705. DELAY IN AUTHORITY TO TERMINATE CON-**  
17 **TRACTS FOR MEDICARE ADVANTAGE PLANS**  
18 **FAILING TO ACHIEVE MINIMUM QUALITY RAT-**  
19 **INGS.**

20 *Section 1857(h)(3) of the Social Security Act (42*  
21 *U.S.C. 1395w-27(h)(3)) is amended by striking “2018” and*  
22 *inserting “2027”.*

23 **SEC. 2706. MEDICARE IMPROVEMENT FUND.**

24 *Section 1898(b)(1) of the Social Security Act (42*  
25 *U.S.C. 1395iii(b)(1)) is amended by striking “during and*  
26 *after fiscal year 2021” and all that follows through the pe-*

1 *riod at the end and inserting “during and after fiscal year*  
 2 *2021, \$0.”.*

3 **SEC. 2707. PAYMENT FOR OUTPATIENT PHYSICAL THERAPY**  
 4 **SERVICES AND OUTPATIENT OCCUPATIONAL**  
 5 **THERAPY SERVICES FURNISHED BY A THER-**  
 6 **APY ASSISTANT.**

7 *Section 1834 of the Social Security Act (42 U.S.C.*  
 8 *1395m), as amended by sections 2204 and 2414, is further*  
 9 *amended by adding at the end the following new subsection:*

10 *“(x) PAYMENT FOR OUTPATIENT PHYSICAL THERAPY*  
 11 *SERVICES AND OUTPATIENT OCCUPATIONAL THERAPY*  
 12 *SERVICES FURNISHED BY A THERAPY ASSISTANT.—*

13 *“(1) IN GENERAL.—In the case of an outpatient*  
 14 *physical therapy service or outpatient occupational*  
 15 *therapy service furnished on or after January 1,*  
 16 *2022, for which payment is made under section 1848*  
 17 *or subsection (k), that is furnished in whole or in*  
 18 *part by a therapy assistant (as defined by the Sec-*  
 19 *retary), the amount of payment for such service shall*  
 20 *be an amount equal to 85 percent of the amount of*  
 21 *payment otherwise applicable for the service under*  
 22 *this part. Nothing in the preceding sentence shall be*  
 23 *construed to change applicable requirements with re-*  
 24 *spect to such services.*

25 *“(2) USE OF MODIFIER.—*



1           “(A) *ESTABLISHMENT.*—Not later than  
2           *January 1, 2019, the Secretary shall establish a*  
3           *modifier to indicate (in a form and manner*  
4           *specified by the Secretary), in the case of an out-*  
5           *patient physical therapy service or outpatient*  
6           *occupational therapy service furnished in whole*  
7           *or in part by a therapy assistant (as so defined),*  
8           *that the service was furnished by a therapy as-*  
9           *stant.*

10           “(B) *REQUIRED USE.*—Each request for  
11           *payment, or bill submitted, for an outpatient*  
12           *physical therapy service or outpatient occupa-*  
13           *tional therapy service furnished in whole or in*  
14           *part by a therapy assistant (as so defined) on or*  
15           *after January 1, 2020, shall include the modifier*  
16           *established under subparagraph (A) for each*  
17           *such service.*

18           “(3) *IMPLEMENTATION.*—The Secretary shall im-  
19           *plement this subsection through notice and comment*  
20           *rulemaking.”.*

21 **SEC. 2708. CHANGES TO LONG-TERM CARE HOSPITAL PAY-**  
22 **MENTS.**

23           (a) *EXTENSION.*—Section 1886(m)(6)(B)(i) of the So-  
24           *cial Security Act (42 U.S.C. 1395ww(m)(6)(B)(i)) is*  
25           *amended—*

1           (1) *in subclause (I), by striking “fiscal year*  
 2           *2016 or fiscal year 2017” and inserting “fiscal years*  
 3           *2016 through 2019”; and*

4           (2) *in subclause (II), by striking “2018” and in-*  
 5           *serting “2020”.*

6           (b) *TEMPORARY ADJUSTMENT TO SITE NEUTRAL PAY-*  
 7           *MENT RATES.—Section 1886(m)(6)(B) of the Social Secu-*  
 8           *rity Act (42 U.S.C. 1395ww(m)(6)(B)) is amended—*

9           (1) *in clause (ii), in the matter preceding sub-*  
 10           *clause (I), by striking “In this paragraph” and in-*  
 11           *serting “Subject to clause (iv), in this paragraph”;*  
 12           *and*

13           (2) *by adding at the end the following new*  
 14           *clause:*

15                           *“(iv) ADJUSTMENT.—For each of fiscal*  
 16                           *years 2018 through 2026, the amount that*  
 17                           *would otherwise apply under clause (ii)(I)*  
 18                           *for the year (determined without regard to*  
 19                           *this clause) shall be reduced by 4.6 per-*  
 20                           *cent.”.*

21           **SEC. 2709. NON-BUDGET NEUTRAL TRANSITIONAL PASS-**  
 22                           **THROUGH PAYMENT CHANGE FOR CERTAIN**  
 23                           **PRODUCTS.**

24           (a) *IN GENERAL.—Subsection 1833(t)(6)(A)(iv) of the*  
 25           *Social Security Act (42 U.S.C. 1395l(t)(6)(A)(iv)) is*

1 amended by inserting “(except, beginning as of April 1,  
2 2018, a biosimilar biological product (as defined under sec-  
3 tion 1847A(c)(6)(H))” after “biological”.

4 (b) *APPLICATION.*—The amendment made by sub-  
5 section (a) shall apply with respect to biosimilar biological  
6 products beginning on April 1, 2018, regardless of whether  
7 such products were receiving pass-through status for an ad-  
8 ditional payment under section 1833(t)(6) of the Social Se-  
9 curity Act (42 U.S.C. 1395l(t)(6)) before such date. In the  
10 case of a product that was receiving such an additional  
11 payment pursuant to clause (iv) of subparagraph (A) of  
12 such section as of the day before such date and after appli-  
13 cation of the amendment under subsection (a) is not eligible  
14 for such an additional payment as of such date, such prod-  
15 uct may not be eligible for such an additional payment pur-  
16 suant to any other clause of such subparagraph (A).

17 **SEC. 2710. THIRD PARTY LIABILITY IN MEDICAID AND CHIP.**

18 (a) *MODIFICATION OF THIRD PARTY LIABILITY RULES*  
19 *RELATED TO SPECIAL TREATMENT OF CERTAIN TYPES OF*  
20 *CARE AND PAYMENTS.*—

21 (1) *IN GENERAL.*—Section 1902(a)(25)(E) of the  
22 Social Security Act (42 U.S.C. 1396a(a)(25)(E)) is  
23 amended, in the matter preceding clause (i), by strik-  
24 ing “prenatal or”.

1           (2) *EFFECTIVE DATE.*—*The amendment made by*  
2           *paragraph (1) shall take effect on the date of enact-*  
3           *ment of this Act.*

4           (b) *DELAY IN EFFECTIVE DATE AND REPEAL OF CER-*  
5           *TAIN BIPARTISAN BUDGET ACT OF 2013 AMENDMENTS.*—

6           (1) *REPEAL.*—*Effective as of September 30,*  
7           *2017, subsection (b) of section 202 of the Bipartisan*  
8           *Budget Act of 2013 (Public Law 113–67; 127 Stat.*  
9           *1177; 42 U.S.C. 1396a note) (including any amend-*  
10           *ments made by such subsection) is repealed and the*  
11           *provisions amended by such subsection shall be ap-*  
12           *plied and administered as if such amendments had*  
13           *never been enacted.*

14           (2) *DELAY IN EFFECTIVE DATE.*—*Subsection (c)*  
15           *of section 202 of the Bipartisan Budget Act of 2013*  
16           *(Public Law 113–67; 127 Stat. 1177; 42 U.S.C.*  
17           *1396a note) is amended to read as follows:*

18           “(c) *EFFECTIVE DATE.*—*The amendments made by*  
19           *subsection (a) shall take effect on October 1, 2019.”.*

20           (3) *EFFECTIVE DATE; TREATMENT.*—*The repeal*  
21           *and amendment made by this subsection shall take ef-*  
22           *fect as if enacted on September 30, 2017, and shall*  
23           *apply with respect to any open claims, including*  
24           *claims pending, generated, or filed, after such date.*  
25           *The amendments made by subsections (a) and (b) of*

1 *section 202 of the Bipartisan Budget Act of 2013*  
2 *(Public Law 113–67; 127 Stat. 1177; 42 U.S.C.*  
3 *1396a note) that took effect on October 1, 2017, are*  
4 *null and void and section 1902(a)(25) of the Social*  
5 *Security Act (42 U.S.C. 1396a(a)(25)) shall be ap-*  
6 *plied and administered as if such amendments had*  
7 *not taken effect on such date.*

8 *(c) GAO STUDY AND REPORT.—Not later than 18*  
9 *months after the date of enactment of this Act, the Comp-*  
10 *troller General of the United States shall submit a report*  
11 *to the Committee on Energy and Commerce of the House*  
12 *of Representatives and the Committee on Finance of the*  
13 *Senate on the impacts of the amendments made by sub-*  
14 *sections (a)(1) and (b)(2), including—*

15 *(1) the impact, or potential effect, of such*  
16 *amendments on access to prenatal and preventive pe-*  
17 *diatric care (including early and periodic screening,*  
18 *diagnostic, and treatment services) covered under*  
19 *State plans under such title (or waivers of such*  
20 *plans);*

21 *(2) the impact, or potential effect, of such*  
22 *amendments on access to services covered under such*  
23 *plans or waivers for individuals on whose behalf child*  
24 *support enforcement is being carried out by a State*  
25 *agency under part D of title IV of such Act; and*

1           (3) *the impact, or potential effect, on providers*  
2 *of services under such plans or waivers of delays in*  
3 *payment or related issues that result from such*  
4 *amendments.*

5           (d) *APPLICATION TO CHIP.*—

6           (1) *IN GENERAL.*—*Section 2107(e)(1) of the So-*  
7 *cial Security Act (42 U.S.C. 1397gg(e)(1)) is amend-*  
8 *ed—*

9           (A) *by redesignating subparagraphs (B)*  
10 *through (R) as subparagraphs (C) through (S),*  
11 *respectively; and*

12           (B) *by inserting after subparagraph (A) the*  
13 *following new subparagraph:*

14           “(B) *Section 1902(a)(25) (relating to third*  
15 *party liability).*”.

16           (2)       *MANDATORY REPORTING.*—*Section*  
17 *1902(a)(25)(I)(i) of the Social Security Act (42*  
18 *U.S.C. 1396a(a)(25)(I)(i)) is amended—*

19           (A) *by striking “medical assistance under*  
20 *the State plan” and inserting “medical assist-*  
21 *ance under a State plan (or under a waiver of*  
22 *the plan)”;*

23           (B) *by striking “(and, at State option,*  
24 *child” and inserting “and child”; and*

1                   (C) by striking “title XXI” and inserting  
2                   “title XXI”.

3 **SEC. 2711. TREATMENT OF LOTTERY WINNINGS AND OTHER**  
4                   **LUMP-SUM INCOME FOR PURPOSES OF IN-**  
5                   **COME ELIGIBILITY UNDER MEDICAID.**

6           (a) *IN GENERAL.*—Section 1902 of the Social Security  
7 Act (42 U.S.C. 1396a) is amended—

8                   (1) in subsection (a)(17), by striking “(e)(14),  
9                   (e)(14)” and inserting “(e)(14), (e)(15)”; and

10                   (2) in subsection (e)(14), by adding at the end  
11 the following new subparagraph:

12                   “(K) *TREATMENT OF CERTAIN LOTTERY*  
13                   *WINNINGS AND INCOME RECEIVED AS A LUMP*  
14                   *SUM.*—

15                   “(i) *IN GENERAL.*—In the case of an  
16                   individual who is the recipient of qualified  
17                   lottery winnings (pursuant to lotteries oc-  
18                   curring on or after January 1, 2018) or  
19                   qualified lump sum income (received on or  
20                   after such date) and whose eligibility for  
21                   medical assistance is determined based on  
22                   the application of modified adjusted gross  
23                   income under subparagraph (A), a State  
24                   shall, in determining such eligibility, in-

1           *clude such winnings or income (as applica-*  
2           *ble) as income received—*

3                   *“(I) in the month in which such*  
4                   *winnings or income (as applicable) is*  
5                   *received if the amount of such*  
6                   *winnings or income is less than*  
7                   *\$80,000;*

8                   *“(II) over a period of 2 months if*  
9                   *the amount of such winnings or income*  
10                   *(as applicable) is greater than or equal*  
11                   *to \$80,000 but less than \$90,000;*

12                   *“(III) over a period of 3 months*  
13                   *if the amount of such winnings or in-*  
14                   *come (as applicable) is greater than or*  
15                   *equal to \$90,000 but less than*  
16                   *\$100,000; and*

17                   *“(IV) over a period of 3 months*  
18                   *plus 1 additional month for each incre-*  
19                   *ment of \$10,000 of such winnings or*  
20                   *income (as applicable) received, not to*  
21                   *exceed a period of 120 months (for*  
22                   *winnings or income of \$1,260,000 or*  
23                   *more), if the amount of such winnings*  
24                   *or income is greater than or equal to*  
25                   *\$100,000.*



1           “(ii) *COUNTING IN EQUAL INSTALL-*  
2           *MENTS.—For purposes of subclauses (II),*  
3           *(III), and (IV) of clause (i), winnings or*  
4           *income to which such subclause applies*  
5           *shall be counted in equal monthly install-*  
6           *ments over the period of months specified*  
7           *under such subclause.*

8           “(iii) *HARDSHIP EXEMPTION.—An in-*  
9           *dividual whose income, by application of*  
10           *clause (i), exceeds the applicable eligibility*  
11           *threshold established by the State, shall con-*  
12           *tinue to be eligible for medical assistance to*  
13           *the extent that the State determines, under*  
14           *procedures established by the State (in ac-*  
15           *cordance with standards specified by the*  
16           *Secretary), that the denial of eligibility of*  
17           *the individual would cause an undue med-*  
18           *ical or financial hardship as determined on*  
19           *the basis of criteria established by the Sec-*  
20           *retary.*

21           “(iv) *NOTIFICATIONS AND ASSISTANCE*  
22           *REQUIRED IN CASE OF LOSS OF ELIGI-*  
23           *BILITY.—A State shall, with respect to an*  
24           *individual who loses eligibility for medical*

1                   *assistance under the State plan (or a waiver*  
2                   *of such plan) by reason of clause (i)—*

3                   “(I) *before the date on which the*  
4                   *individual loses such eligibility, inform*  
5                   *the individual—*

6                   “(aa) *of the individual’s opportunity to enroll in a qualified*  
7                   *health plan offered through an*  
8                   *Exchange established under title I*  
9                   *of the Patient Protection and Affordable Care Act during the special enrollment period specified in*  
10                   *section 9801(f)(3) of the Internal*  
11                   *Revenue Code of 1986 (relating to*  
12                   *loss of Medicaid or CHIP coverage); and*

13                   “(bb) *of the date on which*  
14                   *the individual would no longer be*  
15                   *considered ineligible by reason of*  
16                   *clause (i) to receive medical assistance under the State plan or*  
17                   *under any waiver of such plan*  
18                   *and be eligible to reapply to receive such medical assistance; and*  
19  
20  
21  
22  
23  
24

1                   “(II) provide technical assistance  
2                   to the individual seeking to enroll in  
3                   such a qualified health plan.

4                   “(v) QUALIFIED LOTTERY WINNINGS  
5                   DEFINED.—In this subparagraph, the term  
6                   ‘qualified lottery winnings’ means winnings  
7                   from a sweepstakes, lottery, or pool de-  
8                   scribed in paragraph (3) of section 4402 of  
9                   the Internal Revenue Code of 1986 or a lot-  
10                  tery operated by a multistate or multijuris-  
11                  dictional lottery association, including  
12                  amounts awarded as a lump sum payment.

13                  “(vi) QUALIFIED LUMP SUM INCOME  
14                  DEFINED.—In this subparagraph, the term  
15                  ‘qualified lump sum income’ means income  
16                  that is received as a lump sum from mone-  
17                  tary winnings from gambling (as defined by  
18                  the Secretary and including gambling ac-  
19                  tivities described in section 1955(b)(4) of  
20                  title 18, United States Code).”.

21                  (b) RULES OF CONSTRUCTION.—

22                         (1) INTERCEPTION OF LOTTERY WINNINGS AL-  
23                         LOWED.—Nothing in the amendment made by sub-  
24                         section (a)(2) shall be construed as preventing a State  
25                         from intercepting the State lottery winnings awarded

1       to an individual in the State to recover amounts paid  
2       by the State under the State Medicaid plan under  
3       title XIX of the Social Security Act (42 U.S.C. 1396  
4       et seq.) for medical assistance furnished to the indi-  
5       vidual.

6               (2) *APPLICABILITY LIMITED TO ELIGIBILITY OF*  
7       *RECIPIENT OF LOTTERY WINNINGS OR LUMP SUM IN-*  
8       *COME.*—Nothing in the amendment made by sub-  
9       section (a)(2) shall be construed, with respect to a de-  
10      termination of household income for purposes of a de-  
11      termination of eligibility for medical assistance under  
12      the State plan under title XIX of the Social Security  
13      Act (42 U.S.C. 1396 et seq.) (or a waiver of such  
14      plan) made by applying modified adjusted gross in-  
15      come under subparagraph (A) of section 1902(e)(14)  
16      of such Act (42 U.S.C. 1396a(e)(14)), as limiting the  
17      eligibility for such medical assistance of any indi-  
18      vidual that is a member of the household other than  
19      the individual who received qualified lottery winnings  
20      or qualified lump-sum income (as defined in subpara-  
21      graph (K) of such section 1902(e)(14), as added by  
22      subsection (a)(2) of this section).

1 **SEC. 2712. MODIFYING REDUCTIONS IN MEDICAID DSH AL-**  
2 **LOTMENTS.**

3 *Section 1923(f)(7)(A) of the Social Security Act (42*  
4 *U.S.C. 1396r-4(f)(7)(A)) is amended—*

5 *(1) in clause (i), in the matter preceding sub-*  
6 *clause (I), by striking “2018” and inserting “2020”;*  
7 *and*

8 *(2) in clause (ii), by striking subclauses (I)*  
9 *through (VIII) and inserting the following:*

10 *“(I) \$4,000,000,000 for fiscal year*  
11 *2020; and*

12 *“(II) \$8,000,000,000 for each of*  
13 *fiscal years 2021 through 2025.”.*

14 **SEC. 2713. MEDICAID IMPROVEMENT FUND RESCISSION.**

15 *Section 1941(b) of the Social Security Act (42 U.S.C*  
16 *1396w-1(b)) is amended—*

17 *(1) in paragraph (1), by striking “\$5,000,000”*  
18 *and inserting “\$0”; and*

19 *(2) in paragraph (3)(A) (as added by section*  
20 *3006(2)(B) of the Helping Ensure Access for Little*  
21 *Ones, Toddlers, and Hopeful Youth by Keeping Insur-*  
22 *ance Delivery Stable Act (Public Law 115-120)), by*  
23 *striking “\$980,000,000” and inserting “\$0”.*

1 **SEC. 2714. SUNSETTING EXCLUSION OF BIOSIMILARS FROM**  
 2 **MEDICARE PART D COVERAGE GAP DISCOUNT**  
 3 **PROGRAM.**

4 *Section 1860D–14A(g)(2)(A) of the Social Security*  
 5 *Act (42 U.S.C. 1395w–114a(g)(2)(A)) is amended by insert-*  
 6 *ing “, with respect to a plan year before 2019,” after “other*  
 7 *than”.*

8 **SEC. 2715. PREVENTION AND PUBLIC HEALTH FUND.**

9 *Section 4002(b) of the Patient Protection and Afford-*  
 10 *able Care Act (42 U.S.C. 300u–11(b)) is amended by strik-*  
 11 *ing paragraphs (1) through (9) and inserting the following*  
 12 *new paragraphs:*

13 *“(1) for each of fiscal years 2018 and 2019,*  
 14 *\$900,000,000;*

15 *“(2) for each of fiscal years 2020 and 2021,*  
 16 *\$1,000,000,000;*

17 *“(3) for each of fiscal years 2022 through 2027,*  
 18 *\$1,100,000,000; and*

19 *“(4) for fiscal year 2028 and each subsequent fis-*  
 20 *cal year, \$2,000,000,000.”.*

21 ***DIVISION G—BUDGETARY***  
 22 ***EFFECTS***

23 **SEC. 3001. BUDGETARY EFFECTS.**

24 *(a) IN GENERAL.—The budgetary effects of division D*  
 25 *and each succeeding division shall not be entered on either*

1 *PAYGO scorecard maintained pursuant to section 4(d) of*  
2 *the Statutory Pay-As-You-Go Act of 2010.*

3       **(b) SENATE PAYGO SCORECARDS.**—*The budgetary ef-*  
4 *fects of division D and each succeeding division shall not*  
5 *be entered on any PAYGO scorecard maintained for pur-*  
6 *poses of section 4106 of H. Con. Res. 71 (115th Congress).*

7       **(c) CLASSIFICATION OF BUDGETARY EFFECTS.**—*Not-*  
8 *withstanding Rule 3 of the Budget Scorekeeping Guidelines*  
9 *set forth in the joint explanatory statement of the committee*  
10 *of conference accompanying Conference Report 105–217*  
11 *and section 250(c)(8) of the Balanced Budget and Emer-*  
12 *gency Deficit Control Act of 1985, the budgetary effects of*  
13 *division D and each succeeding division shall not be esti-*  
14 *mated—*

15               *(1) for purposes of section 251 of such Act; and*

16               *(2) for purposes of paragraph (4)(C) of section*  
17 *3 of the Statutory Pay-As-You-Go Act of 2010 as*  
18 *being included in an appropriation Act.*

Attest:

*Clerk.*

115<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H.R. 1892**

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**HOUSE AMENDMENT TO  
SENATE AMENDMENT**